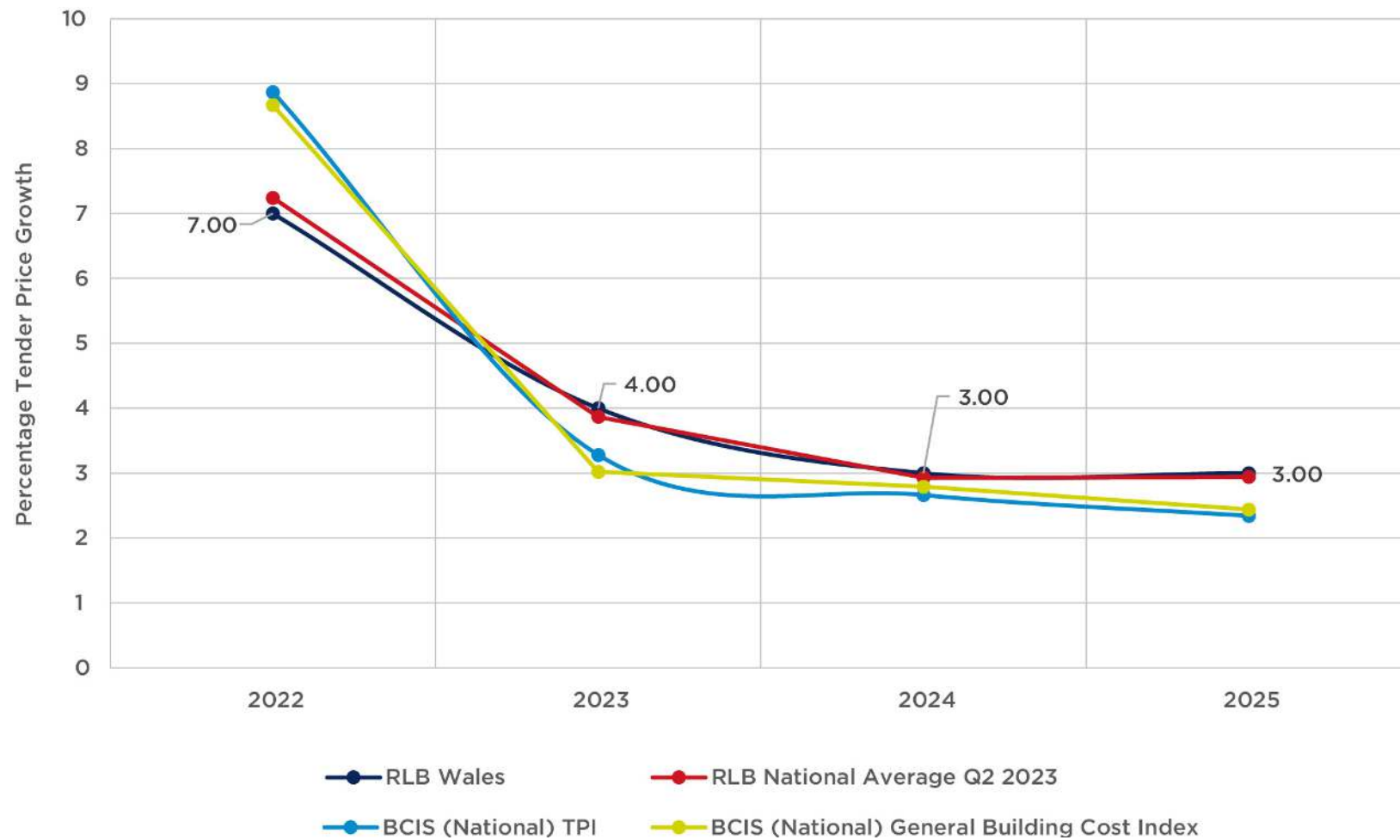


WALES

Source	% Uplift reported	2022	2023	2024	2025
Cardiff		7.00	4.00	3.00	3.00
Competitors/Others - Upper Range (Wales)		9.00	4.50	3.75	4.00
Competitors/Others - Lower Range (Wales)		4.50	2.50	2.50	2.50
RLB National Average		7.24	4.01	3.02	3.01
BCIS (National) TPI		8.87	3.28	2.66	2.34
BCIS (National) General Building Cost Index		8.67	3.02	2.79	2.44

Tender Price Change - Wales



OVERVIEW - WALES

Work levels for the year to March 2023 are up overall over 31% on the base year to March 2020.

This is dominated by infrastructure and industrial projects, and sits alongside repairs and maintenance which is also up nearly 31%, signifying a highly active market across the board.

Welsh new work orders for the year to March 2023 also continue to show strength, having increased by over 70% in value against the year to March 2020. Although private commercial work and housing have been more stable over the last year, other sectors such as industrial and infrastructure have more than doubled in value against the 2019/2020 baseline, demonstrating a highly active forward-facing market in Wales and leading to accompanying concerns about pricing.

Cardiff's workload remains solid, with completions being matched by new starts which are keeping the lid on the nationally sticky materials price inflation figures. Replacement workload, mentioned in the Q1 2023 TPF, remains a focal concern for contractors and sub-contractors.

A broad swath of sub-contractors will benefit from the wave of residential project work passing through planning in Wales, although most of the major spend will not be in the immediate near future. In the meantime, with new work carried out significantly higher in volume than it was just four years ago, and similar increases in repair and maintenance work, resource availability remains an issue that may result in further tender price increases as access to these resources wanes.

The further push of large-scale residential development in Wales, especially in Cardiff, will bring its own wide-ranging bidding opportunities at sub-contract level, leading on to highly labour-intensive project work. However, one advantage of such residential work is that the particularly labour-intensive aspects can still be quite some way off in the overall timeframes, shielding clients from current market congestion to some extent. Looking forward, that protection may yet become fragile if similar workload levels are sustained over the next couple of years.

The schools and student accommodation projects mentioned in TPF Q1 2023 for Cardiff, Swansea and Newport are ongoing, and they will shortly be heading into peak labour demand, sitting as they do alongside other major schools' spending.

As of yet, this potential for market saturation has not led to any projects being put on hold or deferral, however, price fluctuations and budget schisms may yet result.

Once again, the overall Welsh picture is one of a busy market, with high input cost levels stubbornly persistent.