



ECONOMICS



UK Construction Monitor

Q1 2026



Workloads soften and forward-looking sentiment moderates, with credit conditions and cost expectations the main pressure points

- Activity metrics turned more negative in Q1, with workloads slipping across residential and commercial sectors
- Infrastructure continues to provide some support, albeit momentum is fading
- Expectations for credit conditions deteriorate sharply, while near-term cost pressures pick-up notably

The Q1 2026 RICS UK Construction Monitor points to a softer backdrop for the sector, with the headline workloads indicator moving further into negative territory and forward-looking expectations moderating across the board. Respondent commentary frequently references heightened geopolitical tensions in the Middle East, with concerns around oil prices, material costs and broader financial conditions feeding through into a more cautious tone.

Workloads soften across most sectors

The headline workloads indicator returned a net balance of -12% in Q1 2026, down from -6% previously, pointing to a further softening in momentum. The deterioration was evident across most mainstream sectors. Private housing slipped to a net balance of -19% (compared with -12% previously), while private commercial and private industrial workloads moved to -15% in each case (from -9% and -6% respectively). Set against this, infrastructure continues to stand out as the only sector to register positive growth in activity, although the net balance moderated to +4% in Q1, from +12% in Q4. Public housing was the other relative bright spot, with the reading moving up to -2% (from -4%), pointing to broadly flat conditions.

Looking at the split between new work and repair and maintenance (R&M), the former continues to show a notably weaker trend, with the Q1 net balance slipping to -11% from -8% previously. By contrast, R&M activity was broadly flat, as reflected in a net balance of +2%, albeit down from +7% in the last quarter.

Infrastructure momentum moderates

Within the infrastructure segment, workloads remain generally positive but momentum has eased compared with Q4. Energy remains the standout sub-sector, although the net balance fell to +24% in Q1, from +41% previously. Water and sewage held up well at +20% (essentially unchanged on +21%), while communications slipped to +8% (from +17%) and roads saw little change at a net balance of +3% (vs +5% in Q4). Harbours and rail both turned marginally negative, with net balances of -2% (from +6%) and -3% (from +1%) respectively.

Credit conditions outlook deteriorates sharply

Credit conditions worsened further in Q1, with the net balance reporting a deterioration over the past three

months moving to -29% (from -19% previously). More notably, forward looking sentiment has weakened significantly. The three-month ahead reading fell to -51% (from -11%), and the twelve-month expectations reading to -42% (from -1%). This represents a material reversal compared with the gradual improvement seen in recent quarters, and is consistent with respondent commentary pointing to concerns over interest rate expectations, inflation and wider financial uncertainty stemming from the Middle East conflict.

Consistent with this, financial constraints are now cited as an obstacle to activity by 66% of respondents, up from 60% in Q4, making this the most widely flagged issue. Planning and regulation remains the next most commonly cited, referenced by 63% of respondents (from 60%), with the Building Safety Regulator and gateway approval timescales continuing to feature prominently in anecdotal feedback. Insufficient demand held broadly steady at 42% (from 40%).

Forward-looking expectations lose momentum

Twelve-month workload expectations have softened meaningfully compared with Q4, as the headline metric moderated to a net balance of +2% (from +17% previously). The slowdown was seen across all sectors. Twelve-month expectations for private housing workloads turned marginally negative at -2% (from +14%), and those for private non-residential workloads moved to -4% (from +13%). Infrastructure continues to lead the outlook, with the twelve-month expectations reading for this sector holding at +19% (down from +32%), reinforcing its role as the key growth driver over the year ahead even as momentum moderates.

Employment expectations also eased, with the net balance moving to +8% in Q1 (from +14%), although remaining in positive territory. Profit margin expectations deteriorated sharply, with the net balance falling to -27% (from -12%). This reflects the pick-up in cost pressures seen in respondents' point estimate projections for the coming twelve months. Indeed, tender prices are now expected to rise by around 5.6% over the next year (up from 4.4% in Q4), while construction costs are projected to increase by 6.6% (up from 5.0%). Within this, material costs are expected to rise by 7.5% (up from 5.3%) and skilled and unskilled labour cost by 5.3% and 4.2% respectively (broadly stable compared to Q4).

Key indicators

Chart 1

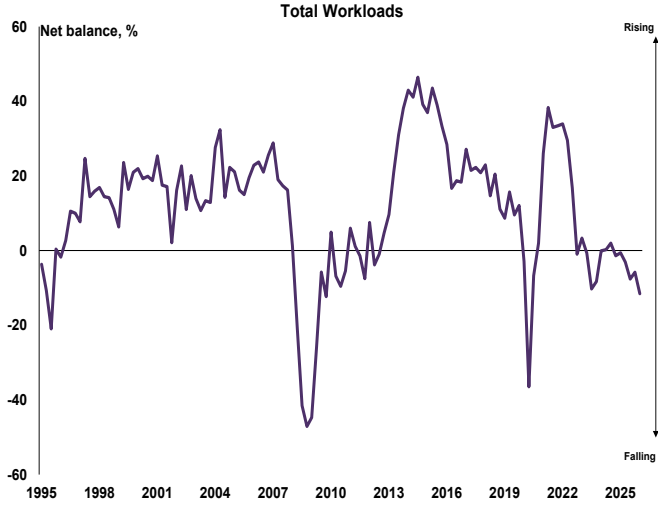


Chart 2

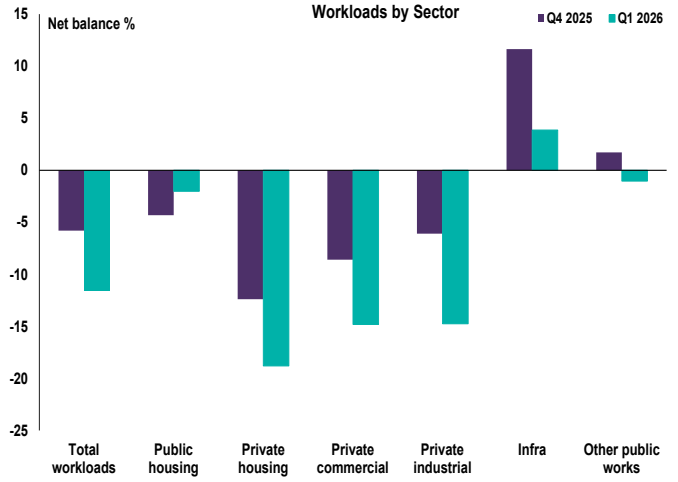


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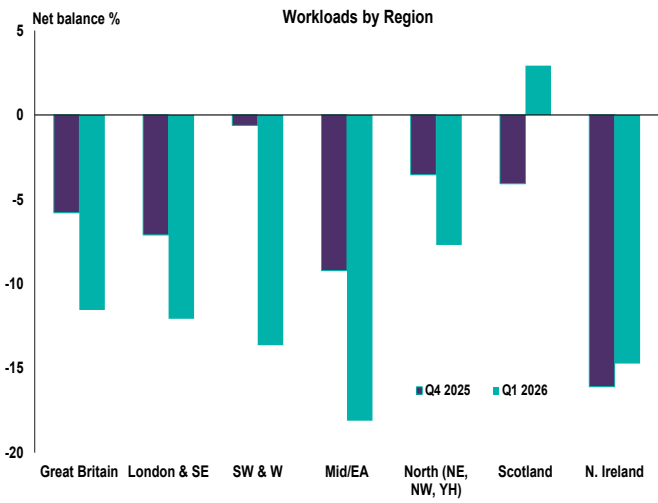


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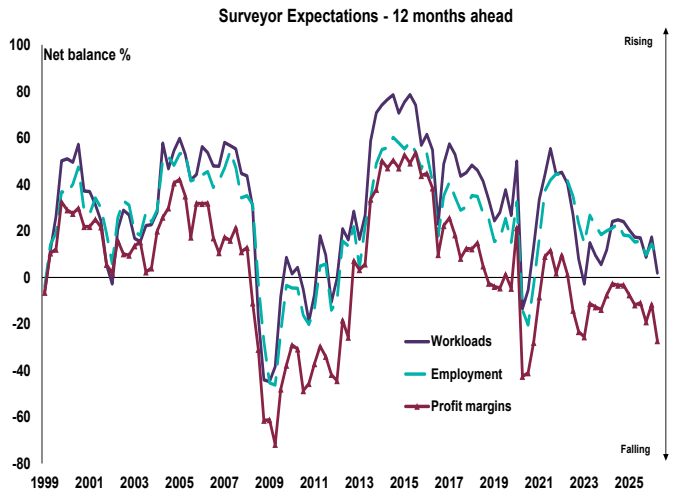


Chart 5

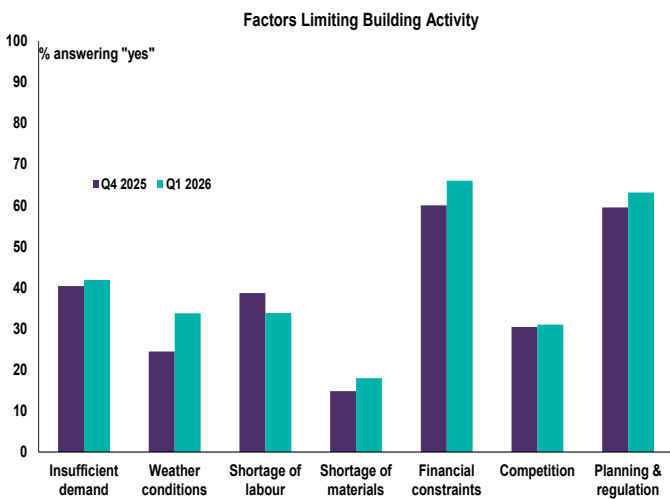
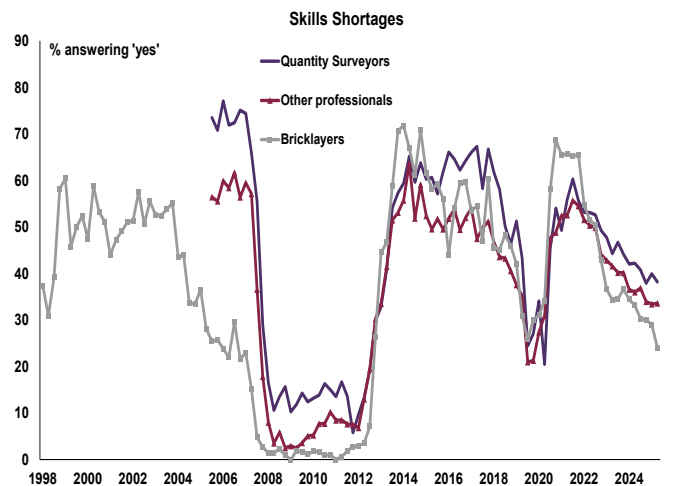


Chart 6



Key indicators

Chart 7

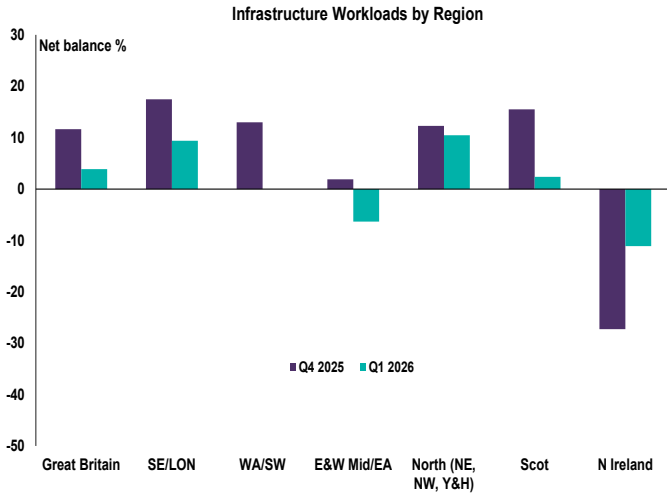


Chart 8

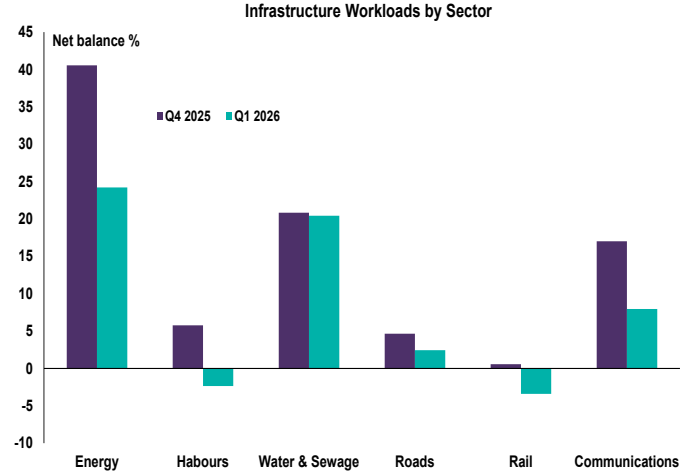


Chart 9

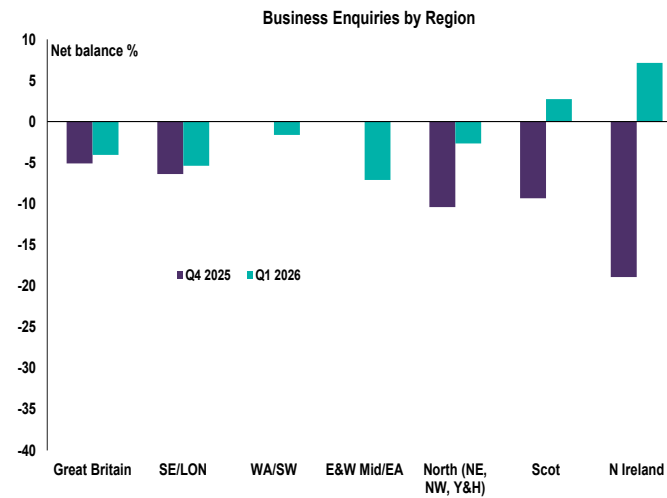


Chart 10

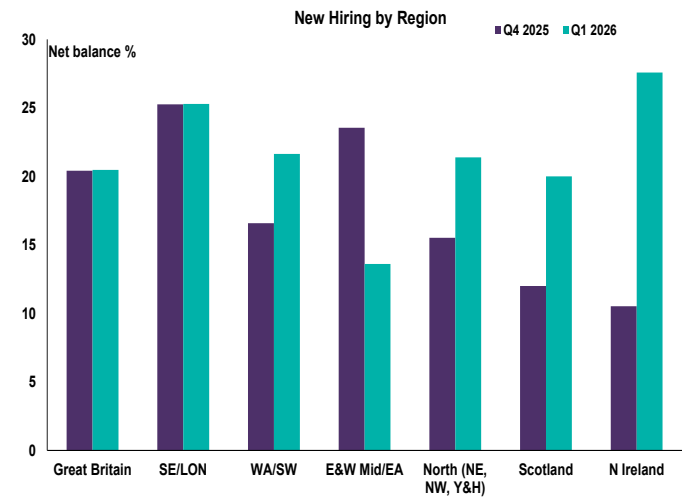


Chart 11

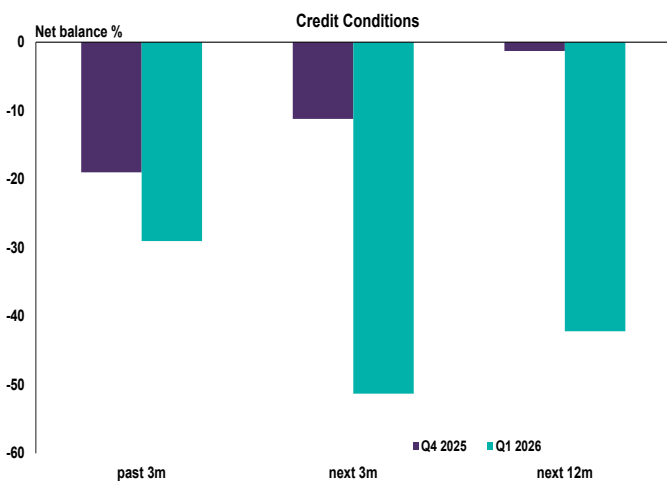
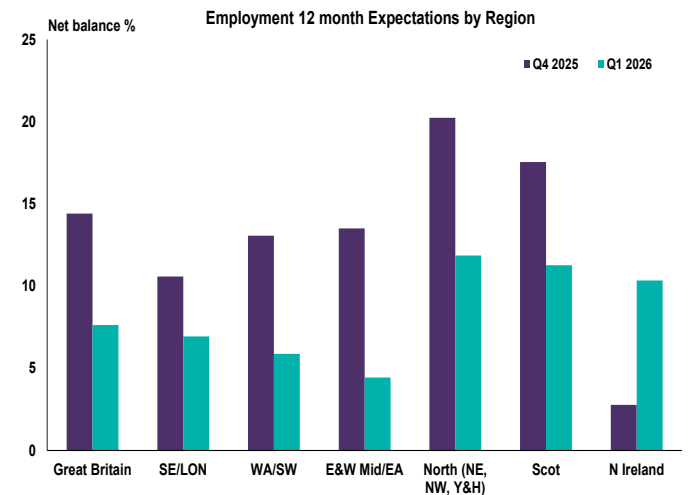


Chart 12



Key indicators

Chart 13

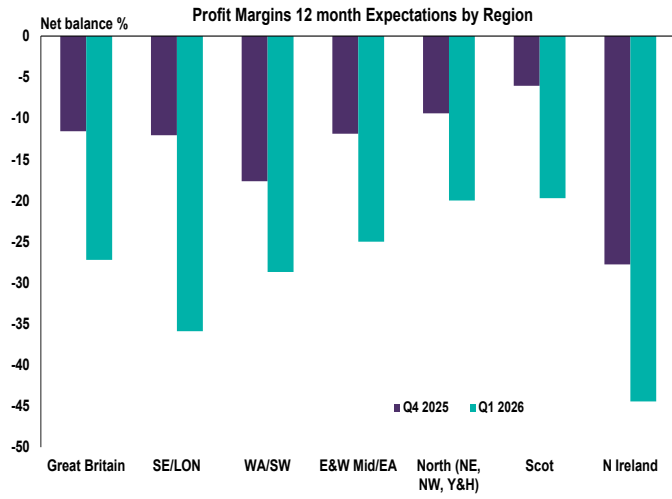
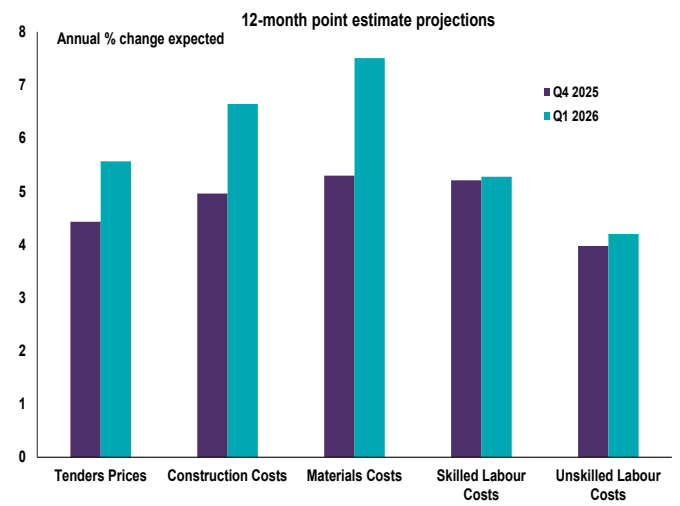


Chart 14



Chartered surveyor market comments

East Anglia

Chris Keeble, Ipswich, Castons Consulting Ltd, Chris.Keeble@castons.arteliagroup.com - We have a predicted strong pipeline of work, albeit with a view to current global issues potentially slowing growth in the market in the short to medium term.

Christopher Barker, Clavering Essex, Chris Barker Surveyor Ltd, christopherjbarker1951@gmail.com - VAT relief on historic churches removed.

Clive Richard Tanner, Woodbridge, Hollins Architects and Surveyors, clive@hollins.co.uk - Planning fees, slow planning response, ecology and BNG, government policy, taxation.

Daniel Key, Norwich, Richard Utting Associates LLP, daniel.key@rua.co.uk - It remains that the protracted planning system provides little confidence in project commencements.

Daniel James Purton, Great Dunmow, The PPMCo Ltd, danny.purton@gmail.com - Geopolitical landscape.

Gerald Bird, Colchester, Gerry Bird Consultants Ltd, gabird@btinternet.com - Uncertainty in the world political arena. War zones and the related economic effects.

Graham Ellis, Harlow, Graham Ellis Associates, graham@geaonline.co.uk - Lack of enquiries from our local authority.

Ian Michael Wright, Norwich, MakeltRite imited, ian.wright56@outlook.com - Lack of motivation in younger people.

John Allison, Norwich, Allison Surveying Limited, john@allisonsurveying.co.uk - Local authority reorganisation is imminent or ongoing, causing delays and stopping funding.

Jonathan Nelson, Norwich, Richard Utting Associates LLP, jonathan.nelson@rua.co.uk - Confidence is fragile, but despite Middle East tensions, green shoots are visible. Material costs as a result of oil and gas prices will be a sensitive matter for development.

Myles William Scrancher, Lowestoft, SHARP Contract & Surveying Ltd, info@sharpcands.co.uk - Employers' National Insurance contribution increases have meant that I will not be taking on the risk of employing any new apprentices in the short term, and business energy cost impacts are reducing profitability.

Nigel Heath, Cambridge, Nigel Heath FRICS, Chartered Surveyor, nheathfrics@btinternet.com - Uncertainty arising from the unpredictability of current US policy direction.

Owen Hemmings, Hitchin, RLP Surveyors, owen@rlpsurveyors.co.uk - High professional fees.

Saul Humphrey, Norwich, Saul D Humphrey LLP, saul@sauldhumphrey.com - The Middle East is the crisis of today; the breakdown of international norms is a far greater crisis that will affect any hope of a sustainable future.

Stephen Hammond, Chelmsford, Wickford Development Company Ltd, steve@wickforddevelopment.co.uk - Cost impacts of transitioning to the Future Home Standard, and current uncertainty surrounding the Home Energy Model, have created challenges in ensuring new home specifications can comply. The stagnant speculative housing market and increased competition and over-proliferation of planning consents have affected profitability.

Stephen M.Parris, Letchworth, Letchworth Garden City Heritage Foundation., Steve.Parris@letchworth.com - Capacity of skilled contractors.

Stephen Vale, Cambridge, Veritas Commercial Ltd, stephenvale@icloud.com - Use of suppliers' credit facilities as a de facto bank.

East Midlands

Andy Reynolds, Leicester, Vistry South East Midlands, andy.reynolds@vistry.co.uk - Despite all the chatter, an ineffective planning system, particularly consultees, is hampering progress. Additionally, Highways are not aligned with government aims to build more houses, from a resource and desire point of view.

Darrin Quane, Northampton, Goodrich Consulting LLP, darrinq@goodrichllp.com - Current uncertainty, especially relating to Middle East implications on oil prices.

David Bourne, Bolsover, Bolsover District Council, david.bourne@bolsover.gov.uk - Uncertainty over the local government reorganisation and plans for the East Midlands (i.e. whether it is going to be a unitary authority covering Derbyshire, Nottinghamshire and Leicestershire), and hence whether we will see the continuation of the individual districts and boroughs.

David John Morris, Wellingborough, Tompkins Robinson Surveyors, davidm@tompkinsrobinsonsurveyors.co.uk - Concern over the effect of Middle East tensions on inflation and tender prices. Uncertainty over investment may delay decisions on projects.

Gerard Tvedt, Nottingham, Tvedt Group Limited, gerard.tvedt@tvedt.co.uk - Lack of certainty and confidence in the market. Too many layers of regulation and taxation.

Ian Colley, Derby, Cj Consilium, ian@cjconsilium.com - The economy is subdued and business has no confidence in the government taking steps to improve the economy in the foreseeable future.

Jonathon Grove, Northampton, Drake and Partners Building Consultancy Ltd, jgrove@drakeandpartners.co.uk - Ecology and BNG requirements are doubling planning application timelines with pre-commencement conditions which are inconsistently applied between local authorities and therefore unpredictable in terms of requirements at pre-application stage. The system needs reviewing, streamlining and made more consistent.

Richard Gudgin, Market Rasen, Fox (Owmbly) Ltd, rgudgin@foxowmbly.com - Lack of care and understanding of young professionals in the industry. Greater emphasis to be placed upon understanding of the demands needed for performing in our very challenging, demanding and highly rewarding industry.

Stephen B Hodgson., Matlock, Lumsdale Surveyors Ltd, info@lumsdalesurveyors.co.uk - Lack of domestic financial confidence.

London

Abayomi Bola, London, YB Associates Ltd, yomi@ybassociates.co.uk - Decrease in number of competent contracting firms is greatly affecting construction costs, leading to an uncompetitive market.

Adam Fellowes, London, Ainsleys, Afellowes@ainsleys.net - Contractors have been failing slightly for some time. Over the last 5-6 years many have gone bust or started anew, and fail to have 'clean' financial records. This poses an issue on many smaller-scale projects.

AJR Thompson, London, JJ&A Thompson, ttwrax@gmail.com - Alterations to property management regulation.

Alan Hintz, Barnet, Thompson and Bryan, alan-hintz@thompsonandbryan.com - Brexit, which needs reconsidering, and government.

Allan Lwanga, London, K2 Construction Management, allan.lwanga@k2cm.co.uk - The key factor at the moment is the impact of Middle East tensions. The longer it takes, the more we will start to see an impact on building material costs, due to the ever-increasing fuel costs, plus material scarcity due to logistical issues around imported materials.

Andrea Truccas, London, Aston Group, a.truccas@astongroup.co.uk - Building Safety Act impact on programme and preliminaries costs.

Barrington Wilks, London, Ealing Council, Wilksb@ealing.gov.uk - The impact of Covid, the lack of skilled labour (out of EU) and the impact of the Building Safety Act.

Barry Masters, London, Box Associates Limited, berrymasters@boxassociates.co.uk - The heightened uncertainty in the Middle East is driving a cautious approach, with many of our clients in the region delaying investment decisions, re-evaluating supply chains, and bracing for operational disruptions.

Chris Bishop, London, Westmount Partners Limited, Chris.bishop@westmountpartners.co.uk - I think that increased energy costs represent a significant risk and impact on the economy in the short term. Second to that risk is political uncertainty impacting on the markets.

Chris Noon, London, CBRE Ltd, chris.noon@cbre.com - Uncertainty due to oil prices.

Christian Pinnigar, London, Spotlight Construction Limited, christianpinnigar@hotmail.com - People and businesses are being overly taxed, so everyone is holding back.

Christian Purcell, London, Taylor Woodrow, christian.purcell@taylorwoodrow.com - The current instability in the Middle East has prompted suppliers to warn of increased resource costs for energy-intensive materials, including steel and aluminium products, and supply disruption.

Christopher Ludwiniak, HA04TW, LBHF, Chrisludw@hotmail.com - Brexit and ongoing geopolitical conflicts.

Dan Jarvis, London, Gardiner & Theobald LLP, d.jarvis@gardiner.com - Middle East tensions will drive up manufacturing costs and then delivery costs.

Daren J Flight, London, ATP Architects + Surveyors Limited, darenf@atpgroup.co.uk - Reducing energy consumption by using low-energy lighting and reducing lighting, increasing green spaces and planting, and using sustainable energy to power lighting, drainage pumps, signage and so on.

David Harding, London, Cubit Consulting Limited, david.harding@cubitconsulting.co.uk - Town and country planning, increased planning and development regulation and standards, and the Building Safety Act.

Donal McGinty, London, Lorne Stewart plc, donalmcginty@gmail.com - Lack of economic growth due to uncertainty over inflation, interest rates and investment capital.

Emyr Evans, London, HKA, emyrevans@hka.com - Material prices and skilled labour shortages.

Harland Richard Hopkins, Heathrow, Achillion, rhopkins025@gmail.com - Skills shortage.

Hau Chun Chang, London, Artelia UK, catchangcat@yahoo.com.hk - Geopolitical conflict.

Ian Cartwright, London, GPE, ian.cartwright@gpe.co.uk - Tender prices, ongoing inflationary pressures, procurement, asset values and yield drift.

Ian Peart, London, Cushman & Wakefield, ian.peart@cushwake.com - Market conditions remain mixed; there is pent-up demand for refurbishment and redevelopment projects, with a projected chronic shortage of commercial office space in London. However, increasing uncertainty, such as from the Middle East, will unlikely help.

James Clark, London, Sir Robert McAlpine, jamesclark8646@gmail.com - Noticing a tightening in the market in Central London, with increased competition for packages of work.

James Johnson, London, London Borough of Havering, James.johnson@haverling.gov.uk - Poor interpretation of planning law by local authority planning departments.

James Lane, London, Lendlease Construction (Europe) Ltd., james.lane@lendlease.com - BSR regulator delays.

Jo Bell, London, Breakthrough Properties, jo.bell.700@gmail.com - Planning continues to be too restrictive and unpredictable, and requires further attention from government.

Joaquim De ALMEIDA, London, Perpetual Development Ltd, joea12in@gmail.com - Skilled labour and skilled construction management are a major shortage which affects construction.

John Barbour, London, Quantem Services Limited, john.barbour@quantem.co.uk - Costs of hiring trainees are continuing to have a significant impact on our recruitment. High taxation is a disincentive to growth in our business.

John Gerard Paul O'Sullivan, London, Rosewood Ltd, jos@rosewoodrestoration.com - Prospect of escalation of conflict in the Middle East.

Keith Brampton, NW London & Buckinghamshire, Keith G Brampton & Associates, brampton.surveyors@outlook.com - Lack of growth in the economy.

Kenneth Gordon, London, COWI UK Ltd, kego@cowi.com - UK government funding of infrastructure projects remains low.

Lee Joseph Driscoll, London, Rougemont Property Consultants Ltd, lee.driscoll@rouge-mont.com - Net zero targets having negative impact on viability of schemes.

Mark Lister, London, Listers, Listers@sg-practice.co.uk - General uncertainty caused by the economic situation, including wider geopolitical conflicts and fuel availability. Clients are in 'wait and see' mode. Other potential clients are subject to grant or lottery funding, leading to go or no-go decisions depending on the outcome of applications.

Martyn Harmer, London, Building Logic (UK) Ltd, martyn.harmer@buildinglogic.uk.com - BSR process still restricting projects and willingness to carry them out.

Matthew Bagatta, Dartford, M&P Technical Services Limited, mattbagatta@mptech-services.com - Lack of training of mechanical and electrical estimators, and a shortage of them. Contractors not wanting to pay the correct amount of money to estimating consultants and quantity surveyors when outsourcing.

Matthew Davis, London, Matt Davis Consulting Limited, mdavis.augment@gmail.com - Skilled labour availability, cost of materials, solvency of contractors, building control and planning-related delays.

Miss Natalie Hanscombe, Ealing, L&Q, nstump@lqgroup.org.uk - Balancing the needs of updating and improving existing assets with investing in new construction.

Nick Curran, London, Avondale Construction Limited, nick.curran@avondale-construction.co.uk - The unwillingness of clients and main contractors to move away from competitive tendering means the industry continues to encourage the race to the bottom. Further companies will fail this year, and the cycle continues.

Nigel Bellamy, London, 8build Limited, n.bellamy@8build.co.uk - Lack of confidence with clients, and poor government regulation and assistance.

Nigel Redding, London, Bond Surveying Ltd, nigelredding1@gmail.com - International political and military volatility is compromising financial confidence, leading to client hesitation and reluctance to commit funds for project expenditure.

Noel McGovern, London, Metron Surveying Ltd, noeltmcgovern@yahoo.co.uk - Labour and material price increases.

Paul Chilton, London, Chilton Associates Limited, paul.chilton@chiltonassociates.com - Challenges with the town planning system, including time lags to access and uncertainty of outcome.

Paul Hands-Wicks, London, J.P.Jelly & Partners, paul@jjelly.co.uk - Difficulties in meeting funding partners' contractual requirements. Dealing with the BSR.

Paul Hemmant, London, Capital PCC Ltd, Paul.hemmant@capitalpcc.co.uk - The availability of skilled trade operatives is a concern.

Paul Kelley, London, Metcalfe Briggs Surveyors, south@metcalfebriggs.co.uk - Confidence and certainty are key drivers.

Peter Bensted, London, Fenton Associates, peter@fentonassociates.co.uk - Administrative delays due to the Building Safety Act.

Richard D, London, Random Cubic Projects Ltd, richard@randomcp.com - Excessive taxation and high interest rates continue to negatively impact the industry.

Richard Petterson, London, RPQS, rpetterson@rpqs.co.uk - Global resource insecurity will lead to further inflation and instability.

Scott Winterburn, London, Forevernest Ltd, scottwinterburn@gmail.com - BS 9991 gateway process is proving challenging.

Simon Barnard, London, Rider Levett Bucknall, Simon.Barnard@uk.rlb.com - Impact of Middle East tensions has introduced uncertainty, mainly through its impact on material costs and availability over the next 12 months.

Steven Roberts, Hitchin, Willmott Dixon, Stevenroberts610@aol.com - Lack of estimators and surveyors, and very high salary expectations for those that are available.

Stuart Johnson, London, Stuart A Johnson Consulting Limited, mail@sajohnson.com - These are chaotic times with great uncertainty and increased risk. Not underestimating these factors, but for clients with funds there are good opportunities to procure construction.

Tim Cock, London, Pillar Development & Project Management Ltd, tim.c@pillarconsulting.com - BSR gateway processes remain a risk to programmes and viability within residential.

Tim Jackson, London, AECOM, timothy.jackson3@aecom.com - Cost base increases due to government intervention.

Tony Dowe, London, NE 55 Limited, tony@ne55.co.uk - Price still remains a sensitive component of commercial workplace projects, however the lack of Grade A office space in London maintains strong demand in a volatile economy.

Will Savage, London, Project Focused Consulting LLP, w.savage@projectfocused.com - Planning applications in the City and Camden are experiencing prolonged delays due to high staff sickness levels linked to stress, with many officers still working from home and operating on reduced hours, further slowing decision times.

William Stuart Beattie, London, William Stuart Beattie, wsbeattie99@gmail.com - Developer appetite.

Yasmin Al Haddad, Multiple Areas, VolkerFitzpatrick Ltd, Yasmin.haddad@volkerfitzpatrick.co.uk - Lack of competent personnel on the employer's side.

North East

Alan Holmes, Newcastle upon Tyne, Alan holmes Building Surveying Services Ltd, alan@ahbss.org.uk - Slowdown in housing market due to global instability.

Andrew Ackroyd, Newcastle upon Tyne, Ackroyd & Company, andrew@ackroydandco.co.uk - A lack of control over trading standards, with construction companies delivering a varied standard of work and service.

David James Hosken, Newcastle upon Tyne, Sir Robert McAlpine Capital Ventures Ltd, d.hosken@btinternet.com - Availability of public sector finance for gap funding.

Gary Pallas, Sunderland, Gentoo, gary.pallas@gentoo.com - Current uncertainty with fuel prices and instability in the Middle East.

Ian Clift, Gateshead, Brims Construction Ltd, icliff@brimsconstruction.com - Investment reduction due to: 1) high energy cost of manufacturing; 2) carbon taxes; 3) increased employment costs; 4) concerns that regulations will be increased further; 5) the view that any manufacturing process with a high energy demand or carbon output should be discouraged in the UK.

Ian Pascoe, East Boldon, IDP Consult Ltd, Ian.Pascoe@sky.com - With all the major water companies embarking on their AMP8 commitments, there is going to be a significant wave in requirement for the same resource. The sector struggles now with resource problems, and it is only going to get worse if we cannot train enough resource to fulfil the upcoming requirement.

James Adshead, Newcastle upon Tyne, Newcastle University, james.adshead@ncl.ac.uk - Student fees and student numbers.

James Richardson Chapple, Newcastle, NE Consultants Ltd, james.richardsonchapple@gmail.com - Fuel, financial and economic volatility.

Jonathan Jordan, Durham, Esh Construction Ltd, jonathan.jordan@esh.uk.com - Government (Homes England) delays in releasing new waves of grant in social housing.

Peter Carruthers, Newcastle Upon Tyne, Paragon Construction Consultants, paragon-consult@outlook.com - Ongoing inefficiencies in the planning system continue to delay project starts. Combined with skills shortages, cost volatility and cautious developer sentiment, this is holding back delivery and dampening market confidence.

North West

Andrew Carter, Manchester, BAQUS, andrew.carter@baqus.co.uk - Availability of key trained staff.

Anthony Cathcart, Manchester, Kershaw Surveyors, cathcartanthony@aol.com - Fuel costs.

Anthony Dillon, Manchester, Willmott Dixon, anthony.dillon@willmottdixon.co.uk - The Middle East conflict, and the resultant cost inflation, is a major risk.

Ashley Myles, Manchester, The Casey Group of Companies, ashley.myles@casey.co.uk - International conflicts and the effect on the price of oil and energy.

Barry Winterbottom, Manchester, Plans Drawn, Bawinternottom@aol.com - AI can be a positive if used to your benefit.

Brian John Boys, Bacup, B&E Boys Limited, john.boys@beboys.co.uk - Recent global events will affect material prices, which we and our supply chain will need to pass on to our clients. Coupled with current low demand and skills gaps, this will leave 2026 as a challenging year for a number of businesses.

Caroline Meeke, Manchester, Axiom Project Services Limited, caromeeke@googlemail.com - Middle East conflict and its impact on fuel prices and material costs.

Damian Gore, Liverpool, Kier Design & Business Services, damian.gore@kier.co.uk - Lack of RICS professionals.

Darren Joseph Hurst, Manchester, Drees & Sommer UK Ltd., darren.hurst@dreso.com - Timely or reduced central and local government funding for both new and repair/maintenance projects.

David Burn, Carlisle, Cubby Group, david.burn@cubbygroup.co.uk - Uncertainty in the Far East.

Gerry Leahy, Manchester, Arcadis, Gerry.Leahy@arcadis.com - Building Safety Act.

Gregg Vincent Iredale, Liverpool, IF Building Consultancy Ltd, gregg.iredale@ifbuildingconsultancy.com - Less investment and no confidence.

Ian Vincent Baker, Manchester, Baker Hollingworth Associates Ltd, ian@bakerhollingworth.com - Cost and viability.

James Craig, Cockermouth, Cumbria, Day Cummins Limited, james.craig@day-cummins.co.uk - Lack of trained workforce.

Jez Manley, Manchester, Greene king, Jezmanley@yahoo.com - Price of oil, consumer confidence.

John Fay, Liverpool, Quarry Rock Properties, johnfay@quarryrock.co.uk - Lack of resource and competence in the planning department and statutory consultees, causing major and significant delays, impacting the viability of projects, forcing investment elsewhere or out of the country.

John Gannon, Runcorn/Widnes, Halton Borough Council, john.gannon@halton.gov.uk - This year's poor weather conditions have severely impacted a number of programmes, particularly early ground work activities and highway maintenance.

Jonathan Masters, Manchester, Walker Sime, Jmasters@walkersime.co.uk - Viability and affordability.

Jonathan Smith, Sellafield, Cumbria, Lindner Interiors Limited, jonathan02.smith@partner.lindner-group.com - Industrial action, including pay rise demands and working condition changes, and employment law changes, are all likely to impact negatively on profitability.

Leslie Rankin Millar, Isle Of Man, Leslie Millar MRICS FCIQB FASI, les.millar@hotmail.co.uk - Being an island, shortage of labour and high cost of construction are the significant factors.

Malcolm Laurence Bell, Carlisle, TVH Ltd., malcolm@acerholdings.co.uk - Uncertainty with regard to regulation and planning requirements is slowing down the local planning process, and is severely impairing our future workflow planning.

Michael Blakeley, Greater Manchester, Tempus Design & Build Ltd, mike@tempusdesignandbuild.co.uk - Lack of consumer confidence, shortages in labour, poor credit facilities, high material prices.

Mike Hyde, Manchester, Truline Construction & Interior Services Ltd, mikehyde@truline-cis.co.uk - Geopolitical uncertainty, particularly in the Middle East, is creating caution in investment and potential cost volatility. Locally, supply chain capacity, labour availability and increasing compliance requirements are extending programmes and driving more risk-averse procurement.

Nick Wdowczyk, Greater Manchester, GWB Consultants, nwdowczyk@gwbconsultants.co.uk - We are seeing improvements in the Gateway 2 approvals; however, we are now seeing impacts of Middle East tensions on material prices, including steel and concrete.

Paul Mann, Manchester, Gleeds LLP, paul.mann@gleeds.com - Lack of confidence, and inability for schemes to reach financial viability and therefore investment.

Peter Scott, North West, Scott Associates, office@scott-associates.co.uk - Geopolitical conflict.

Philip Darlington, Chester, Services First Ltd, survicesfirst@gmail.com - Cost of transportation, lack of qualified personnel.

Richard Ernest, Manchester, GPA, richardernest@rjeqs.com - Disagree with suggestion that AI has only positive efficiency implications.

Robert Collier, Manchester, Great Places Housing Group, bobcol_98@yahoo.com - Delays with planning and conservation approvals.

Robert Keith Dalrymple, Isle of Man, Keith Dalrymple Chartered Surveyor., keith.dalrymple@outlook.com - As we are an island jurisdiction, external factors impact disproportionately compared with the UK generally. We are already experiencing the adverse effects and increased costs arising from recent US policy direction on the Middle East.

Robert Tyrer, UK wide, TJ Morris, Robert.tyrer@tjmorris.co.uk - AFL timescales.

Tim Hewitt, Manchester, TLH Surveying Services Ltd, Tim.hewitt@tlhsurveyingservices.com - Public sector funding.

Northern Ireland

Adrian J McNaughton, Belfast, Tetra Tech, adrian.mcnaughton@tetratech.com - The lack of a coherent long-term budget for Northern Ireland.

Arthur Connell Hugh Nugent, Newry, Young -Nugent, achn488@outlook.com - Current US policy direction on the Middle East is having a major negative impact.

Eugene Anthony McNicholl, Belfast, McNicholl Hughes, eugene@mcnichollhughes.com - Very slow start to the year, in shopfitting.

Fergal MacKle, Portadown, AG Wilson Civil Engineering, fergal@agwilsoncivilengineering.com - Lack of government investment in Northern Ireland.

Kevin Doherty, Derry, Coyle Doherty, kevin@coyledoherty.com - Increased fuel costs are going to drive costs upward and create uncertainty in tendering; contractors will price accordingly unless measures are in place eliminating the risk.

Michael Magee, Coleraine, Brian Canavan Associates, mmagee@canavans-qs.com - High fuel prices; closed shop for public works; too much regulation; difficulty in gaining planning approvals; poor water infrastructure.

Paul Brogan, Lisburn, McQuillan Companies Limited, paul.brogan@mcqcos.com - Lack of confirmed budgets for infrastructure from Northern Ireland government departments, leading to great uncertainty in forecasting workloads. Impact of Middle East tensions could adversely affect main cost centres of bitumen, fuels and already high energy costs. Risks of recovery on existing contracts to be assessed.

Richard Kenneth Collins, Omagh, Collins Design, info@collinsdesignni.co.uk - While AI is no doubt an emerging enhancement tool for all to use, it is probably the biggest single threat to the future of small design practices; in the near future most people will be able to design their own projects using AI tools, which will then be submitted by AI to any statutory body.

Tommy Hogan, Girona, & Armagh, Aidan Strain Electrical Engineering, tommy.hogan@aseeltd.com - Retentions, interpretation of subcontracts.

Scotland

Adam Monteith, Edinburgh, Surveying Solutions Ltd, a.monteith@surveying-solutions.co.uk - Lack of building surveying graduates coming through in Scotland.

Alex Beaton, Glasgow, University of Glasgow, Alex.Beaton@glasgow.ac.uk - Uncertainty in the wider environment.

Brian Minnis, Motherwell, North Lanarkshire Council, minnisb@northlan.gov.uk - Extreme and prolonged weather events.

Bruce Fairbairn, Livingston, Plan-It, bruce@plan-it-design.co.uk - Geopolitical conflicts, uncertainty, UK politics, costs. There is work, but ordinary people seem reluctant to invest.

Chris Grant, Edinburgh, Carey Group, chris.grant@careys.co - Industry still suffering from out-dated cost advice to clients.

Christopher Alexander Marshall, Glenrothes, Lundin Homes Ltd., Chris.marshall@lundinhomes.com - Still a severe lack of competent trades available to carry out work. Also a significant increase in self-employed individuals, resulting in problems with retention and completion of projects.

Colin Busby, Edinburgh, Ryden, Colin.Busby@ryden.co.uk - Lack of skills and labour. Planning and building control in particular are major delay hurdles. Acute lack of building surveyors.

Eric Gordon, Glasgow, 3C Construction Cost Consultants Limited, eric@3cqs.co.uk - Particular lack of competition in the M&E sector, pushing tender prices up higher than expected.

Gary Robert Wilson, Inverness and Aberdeen, WSD Scotland Ltd., gary@wsd-inverness.co.uk - Delay upon delay due to statutory permissions.

Geoff Laing, Inverness, AW Laing Ltd, Geoff@awlaing.co.uk - NPF4 and the raised second-home council tax banding are slowing holiday home work. Affordable housing benchmarks set by the Scottish government are unachievable.

John Gleeson, Inveraray, Gleeson Historic Building Consultants, gleesonhbconsultants@gmail.com - Quality contractors, and climate change to weather patterns.

Lesley Brown, Glasgow, Amentum, Lesley.brown@global.amentum.com - Lack of skilled resources impacting bids.

Richard Robinson, Glasgow, p3 Consulting, rr@p3-consulting.co.uk - Lack of staff is the most concerning issue.

Robert Stephen McKnight, Petrofac, roddy1964@hotmail.co.uk - The Energy Profits Levy is causing a major reduction in project investment in the energy sector.

Robin Kernaghan, Inverness, Compass Building & Construction Services Ltd, robin.kernaghan@compassbuild.org.uk - Rising cost of fuel, travel, accommodation, and location (Highlands). Housing benchmarks.

Shirley Thomson, Aberdeen, BDG Thomson Gray Ltd, sthompson@bdgthomsongray.co.uk - Lack of certainty of funding for affordable housing.

Steven Hyde, Edinburgh, D Blake & Co Ltd, stevenhyde66@gmail.com - Over the past six months or so, we have experienced a reduction in demand for our services, and this continues.

Stuart Ferris, Glasgow, DM Hall LLP, stuart.ferris@dmhall.co.uk - High demand and low availability of contractors for specific sectors or specialised types of work.

William Thomson, Glasgow, McLarens, William.thomson@mclarens.com - Lack of qualified and experienced staff.

South East

Alan Vincent, Bexhill-on-Sea, Vincent Consult Limited, alan.vincent@vincentconsult.co.uk - Slow growth in private housing due to houses not selling, linked to uncertainty in government policy.

Andrew Jenner, Crowborough, JennerJones, aj@jennerjones.co.uk - Planning delays due to shortage of planning officers.

Au Tak Kong, Hong Kong, Yau Lee Construction Co., Ltd., sunnytka@gmail.com - Economic impact.

Bruce Smith, London, Westminster Consultants (IMS) LLP, bwsmith@westminsterconsultants.co.uk - Lack of all resources.

Mr C H BARBER, London, Howard Barber Associates Limited, chris.hbaltd@gmail.com - Consolidation of new works into a programme over the next two years.

Chris Langbridge, London, ARC Group London Ltd, chris.langbridge@arcgroupuk.com - Increased taxation on employers is negatively affecting growth. Increased regulation is slowing down project commencement.

Chris Leroy, Reigate, Ridge Design, chrisleroy202@gmail.com - Planning administration.

Colin Hulott, Sheerness, Abstrkt-Dsign, colinhulott@abstrkt-dsign.co.uk - Persistent insecurity in the markets due to government mismanagement.

David Bissell, Bicester, Oxfam GB, dbissell@oxfam.org.uk - 15-minute city issues.

Derek Weidner, Gerrards Cross, Derek Weidner Consultancy, derek@dwapc.co.uk - Regulation has a negative effect, as does uncertainty of government.

Graham Bennett, London, Pellings, grahamibennett1973@gmail.com - Cost of living.

Ian Thomson, Chipperfield, Kings Langley, Ian Thomson & Co Limited, ian@ianthomsonandcompany.co.uk - Many private residential projects on hold due to employer nervousness on wider economy.

Jackie Kennett, London, VolkerFitzpatrick, jacquelyn.kennett@volkerfitzpatrick.co.uk - Uncertain finance due to world insecurity.

John Hutchings, Maidstone, Hutchings, johnoscar169@icloud.com - No real understanding of heat pumps. Wrong government backing.

John K. Symes, East Preston, Littlehampton, Kingsley Symes Consulting Ltd, john@kingsleysymes.com - Supply chain unrest caused by Middle East tensions.

Jonathan Hicks, Cranbrook, Weald & City Surveyors Limited, jon@wealdandcity.co.uk - Lack of infrastructure to support new-build projects.

Julian Stokes, Reading, Julian Stokes Management, julian@jsmonline.co.uk - If the Middle East conflict continues for several months, this will further increase fuel prices and therefore construction inflation. This could dampen the slight improvement in the market since the turn of the year.

Keith Robert Hammond., Ashford, Keith R Hammond Limited. Chartered Surveyors., krhammondLtd@btinternet.com - Stodmarsh, and BNG.

Keith Sanger, Lymington, Keith Sanger Associates Ltd, keith@sanger.co.uk - Floods, flood risk and exceptional weather are creating costs for clients and opportunities for us in upgrading buildings and dealing with floods and water ingress.

Leesa Chiew, Tunbridge Wells, AtkinsRéalis, leesa.messett@atkinsrealis.com - Lack of funding and investment.

Mark Crick, Worcester, VolkerLaser, Mark.Crick@volkerlaser.co.uk - Skills shortage, plus current increases in oil prices.

Mark Steele, Maidstone, Steele Andrews Ltd, mark.steele@steeleandrews.com - Pressure on public spending.

Nathan Dartmouth, Portsmouth, Southampton, Chichester, Dartmouth Group Ltd, dartmouthn@gmail.com - Uncertainty, driven by inflation, supply chain pressures and geopolitical factors, including impacts on material and energy costs. Tender pricing remains inconsistent, with cautious risk allowances, particularly for refurbishment works, and labour shortages affecting programme certainty.

Nicholas Richard Martin, Harpenden, Aedifice Partnership, nrm@aedifice.co.uk - Primary issues relate to planning and building control delays and red tape, along with the unpredictability of statutory undertakings' costs and delivery.

Oliver Cousins, Leighton Buzzard, Cousins Construction Consultants, oliver.cousins@cousins-consult.com - Depressed housing market impacting profitability for residential developers.

Patrick Furlong, London, QSAcc Services Limited, pfurlong@qsacc.co.uk - Planning regulations. Over-engineering of works. Stepping down responsibility for design from design engineers to contractors.

Paul Boden, London, Hanover Cube, paul@hanovercube.co.uk - Regulatory drag. Planning system is broken. High-risk buildings are impossible to progress.

Paul Hereward Sibson Dolman, Princes Risborough, Paul Dolman Services, paulhsdolman@gmail.com - International disruption and conflict always detract from business confidence and cause inflation. How can economies prosper in those circumstances.

Paul McBride, Brighton, GBS Ltd, p.mcbride83@hotmail.co.uk - Significant bad weather since Christmas. Rainfall has delayed projects.

Peter Boam, West Malling, Capital Space Limited, peter.boam@yahoo.co.uk - Significant amounts of regulations not directly connected to construction are frustrating modest-size potential development projects. Biodiversity, nitrate pollution calculations, bat surveys, newt surveys, tree surveys, CIL requirements, S106 obligations, generally overworked and unhelpful planning.

Richard Bell, Canterbury, Chapter 4 Limited, richard@chapter-4.co.uk - Middle East tensions seemingly affecting all costs; is everyone jumping on the bandwagon?

Richard McKeown, Thames Ditton, Imperiet Property Group, rm@imperiet.co.uk - Planning processes: unbearably slow, incompetent, and lacking the ability to be pragmatic.

Rob White, London, Civil Service, rob.white22@icloud.com - BNG and UGF.

Robert Desbruslais, London, Desbruslais Chartered Surveyors, robert@desbruslais.co.uk - Reduced demand for private housing in the last 24 months means less construction activity driven by new movers.

Robin Goddard, Dorking, BPG Architects+Surveyors, robin.goddard@bpg.co.uk - Regulatory delays continue to be a problem, especially approvals by the Building Safety Regulator.

Said Hajismaili, London, Climb Build, Saidhajismaili@climbbuild.com - Stagnating and declining housing market in London is affecting the number of residential projects, from domestic small-scale to larger developments. Recent changes in tax and landlord regulation appear to be a large contributing factor.

Stephen Dalton, Surbiton, Stephen Dalton & Co Limited, s.dalton@sdco.co.uk - Economic uncertainty is constraining investment decisions.

Steve Home, Southend-on-Sea, Iniz Consulting, steve.home@gmx.com - Diminishing quality of professional staff available.

Stuart Hill, Southampton, Black Cat Building Consultancy, stuart.hill@bcconsultancy.co.uk - Client insistence upon what we believe are misapplied solutions causes project abandonment due to unaffordability or programme delays.

Tim Mole, Haywards Heath, Gould Baxter, tmm@gouldbaxter.co.uk - Uncertainty during the planning process, particularly in relation to heritage assets.

Tony Jacob, London, QTS, tonyjacob@icloud.com - Concern about power infrastructure.

William O'Mahony, London, Innisowen Ltd, omahonyliamk@gmail.com - Lack of housing starts.

South West

Alastair Jestyn Coke, Blandford, A Jestyn Coke, ajc@ajcoke.co.uk - Shortage of labour due to large housing schemes in the area.

Andrew Kime, Worthing, AK Surveying Services, awkime@outlook.com - In Worthing, land scarcity restricts development, impacting housing and employment. Rising costs burden developers, landowners and councils. Building on green belt land is concerning; vertical construction offers a more practical, energy-efficient solution to increase housing with less footprint.

Chris O'Brien MRICS, Bath, Chris O'Brien Surveyors Ltd, chris@cobriencs.co.uk - Poor service from council planning departments. Ecology and BNG requirements increasing costs.

Connor Davies, Bristol, Rider Levett Bucknall, connor.davies@uk.rlb.com - Middle East conflict, and cost and availability of materials.

Darren Hurley, Exeter, Hurley & Co, darren@hurleyco.co.uk - Local authority policy having major impacts on new-build projects.

David Green, Exeter, RED Construction Ltd, dgreen@redconstruction.co.uk - Apparent lack of coordination between parties and bodies, resulting in delays, failures and abortive costs between utilities, road repairs, and a failure to repair the infrastructure in greatest need. Roads have more potholes, costing businesses and individuals thousands.

David Partridge, Taunton, Summerfield Developments (SW) Ltd, dpartridge@summerfield.co.uk - The recent Middle East tensions and oil price surge are already having a major impact on build costs and mortgage offers, depressing both supply and demand throughout the industry.

David Perry, Redruth, Wm G Weller & Son Ltd, david@wmweller.co.uk - Uncertainty around a range of domestic and global issues continues to affect confidence in investment. Stability is a key foundation block to successful business planning and investment. The government needs to lead and provide clear messaging that commerce geographically closer is their intent.

Derek Roy, Bath, Drive Consulting, Derek.roy@driveconsulting.co.uk - The ongoing Middle East conflict will impact transportation costs.

Gavin Scriven, Bristol, Lantic Building Surveyors, gavin@lanticbuildingsurveyors.co.uk - Lack of confidence in the market and high construction costs.

Geoff de Pass, Bristol, hdp Associates Limited, gdepass@hdpassociates.com - Infrastructure limitations in the South West.

Howard Peter Johnson, Exeter, I Civils Limited, howard@icivils.co.uk - A great deal of uncertainty in relation to construction costs, and concern that projects may not proceed; where they do, an unwillingness from clients to pay increases.

J A Carter, Kingsbridge, Carter Associates, jamie@carterassociates.uk - Changes in RICS survey requirements.

John Murrin, Exeter, Bromhead and Chard Limited, john.murrin@bromheadandchard.co.uk - People do not feel confident about the economy, the government or the future.

John Ramsay, Bristol, JKR QS Services Ltd, jkrqservices@gmail.com - Lack of labour and resources.

Jon Symons, Bristol, Eagle One Ltd, jon.symons@eagle-one.co.uk - Lack of rental growth to underpin demand.

Kelvin Herbert, Weston-super-Mare, Kelvin Herbert QS, kh-qs@outlook.com - Labour costs are very high in this area, with a lack of workforce increasing the hourly and daily rates.

Martin Smalley, Bristol, Gleeds LLP, Martin.Smalley@gleeds.com - Uncertainty around interest rates and inflation due to conflict in the Middle East. Spiralling oil and gas prices will drive inflation back above 4% if we are not careful, but it depends on how quickly hostilities will come to an end.

Matt Brooks, Guernsey, Geomarine Ltd, matt.brooks@geomarine.gg - Potential introduction of GST.

Mike Jackson, Cirencester, JacksonBCS, mike.jackson@jacksonbcs.uk - Carbon reduction requirements in historic building projects.

Myles Joseph Kenneth Clough, Exeter, Myles Clough Management Services Limited, myles@cloughmanagement.co.uk - The increased tax burden on the private sector since the November 2024 budget, and the continued increase in the minimum wage, plus the reverse of rates, has squashed private sector investment.

Paul Bennett, Exeter, Ravenslade Ltd, pbennett@ravenslade.co.uk - Current global and geopolitical events are directly affecting steel and construction costs, affecting commercial development appraisals. The impact will be seen very soon.

Phil Lewis, Exeter, Randall Simmonds LLP, phil.lewis@randallsimmonds.co.uk - Forecasting impact of oil price increases now on materials; would be surprised if not a factor over the next three months.

Richard Dudgeon, Gloucester, Markey Construction, richard.dudgeon@markeyconstruction.co.uk - Delays in planning, alongside clients' expectations on costs of projects, appear unrealistic in the current market.

Richard Wood, Plymouth, Gemstock Limited t/as gemstock Chartered Surveyors, rwood@gemstock.co.uk - Bring back the fire brigade being in charge of issuing fire certificates, and similarly bring back all building regulations under the remit of local authority building control officers; abolish CDM and abolish the Building Safety Act.

Robert Holman, Exeter, RH Survey & Design, rob@rhsurveyanddesign.co.uk - Current global insecurity and volatility are affecting confidence in relation to borrowing costs, and the length of potential conflicts is affecting raw material costs and transport costs. Investment potential is therefore being swallowed up by increased overhead costs, and consumer spending will be down as a result.

Robert William Huthwaite, Bristol, Huthwaite Freston Williams-Jones, rob@hfwjsurveyors.com - Shortage of skilled trades is a constant problem. Our biggest problem is recruitment: it seems that younger members are risk-averse to joining smaller firms like ours.

Ron Ley, MBE, FRICS., We are based in North Devon and operate across North Devon and the County of Cornwall., Poltair Construction Ltd, ron.ley@poltairhomes.co.uk - Educating and encouraging the supply chain, including major builders' merchants, to improve delivery process communication, including timing and delivery notes. Training subcontractors to use digital technology.

Simon Carey, Gloucester, Barnwood Ltd, Simoncarey@barnwood.co.uk - Planning system delays.

Tim Burke, Plymouth, BRL Design Group Ltd, tim.burke@brldesign.co.uk - Planning system: archaic, bureaucratic, expensive and discouraging to development.

Trevor Humphreys, Bristol, Trevor Humphreys Associates Limited, thassociates@sky.com - Lack of traditional trades.

William P Howard, Bristol, W P Howard, williamphoward@btinternet.com - Planning control and poor staff management in local government.

Wales

Andy Morton, Ascribe Management Services Limited, info@ascribems.co.uk - Direct lack of positive planning consent.

David John Flower, Wrexham, David Flower, djflower@btinternet.com - Planning blight and lack of market certainty.

Glen Maggs, Swansea, SCP Construction Cost Consultants Ltd, glen@scpq.co.uk - Compliance restrictions due to nitrates in groundwater, a separate approval process for Planning and SAB works, and a lack of competition due to shortage of capable contractors.

Jayne Rowland Evans, Caerphilly, GKR Maintenance & Building Co Ltd, jevans@gkrmaintenance.co.uk - Lack of tenders. Procurement requirements and SSIP are ever-increasing and difficult for SMEs who do not have dedicated departments.

Lewis Morgan, Abergavenny, Morgan and Horowskyj Architects LLP, lewis@morganhorowskyj.co.uk - Delays in planning authority processes.

Mark Evans, Swansea, Ivor Russell Partnership, mark@ivorrussellpartnership.co.uk - Impact of nitrates on the planning system in Wales has brought the construction industry to a near stop. NRW and Welsh Government need to resolve the issue urgently, as all sectors are having to make staff redundant with immediate effect.

Martin Guy Thomas, Pembroke, South Meadow Homes, guy@guythomas.com - Nutrient Neutrality issues have prompted a sudden embargo within the planning system, without any commensurate preparation of, or consultation with, relevant public bodies such as LPAs and Natural Resources Wales.

Paul Ronald Williams, Port Talbot, P R Williams Chartered Quantity Surveyors, prwilliams@btinternet.com - Lack of confidence from private and commercial clients, driven by uncertainty over domestic and world politics and its effect on their personal living standards.

Tao Ma, Cardiff, london, newcastle, york, hull, AECOM, thomas.ma@aecom.com - Reduced spending.

Tim Davies, Cardiff, T R Davies Ltd Chartered Surveyors and Valuers, info@trdavies.co.uk - Planning is a big restriction and unlikely to change any time soon.

Wyn T Harries MRICS, SA413UP, Harries 1970 Ltd, wyn.harries@hpdm.co.uk - A lack of clear direction, leadership or guidance on the requirement to achieve nutrient neutrality.

West Midlands

David Crump, Lichfield, Greenwood Projects Ltd, dbc@greenwoodprojects.com - Planning and statutory process is a massive barrier to projects, but this is a lack of people, not a call for relaxed regulations. Planning departments have been decimated, so it's taking far too long to process applications.

Denise Rabbitt, Birmingham, WHP, d.rabbitt@whptelecoms.com - Global uncertainties impacting confidence in the market.

Fergus Thompson-Yates, Birmingham, NCS Property Consultants Limited, fergushtompsonyates@ncspl.com - Economic uncertainty and lack of trust in government reporting and decision-making.

Garrie Weatherley, Birmingham, Trinity Property Consultants Ltd, gjw@trinitypc.co.uk - Concern over rising fuel and production costs due to Middle East tensions. Impact this could have on short- and mid-term investment.

Lee Jones, Birmingham, Quantem, lee.jones@quantem.co.uk - Regulation, and tough financial and now wider economic markets, are impacting private sector investment decisions.

Mark Adrian Collinge, Birmingham, cfqs Limited, mark@cfqs.co.uk - Awaiting further releases of projects from the Cladding Safety scheme.

Matthew A Hackling, Pershore, Lintels Surveyors Ltd, mhackling@outlook.com - Lack of demand for survey enquiries on house purchases.

Michael Idowu, Birmingham, Michael Idowu Associated Limited, michael@michaelidowu.co.uk - Building Safety Act (2022): this is now fully embedded, leading to stricter Gateway 2/3 approvals for higher-risk buildings, which have caused significant delays in planning-to-delivery conversion.

Michael Roach, Tamworth, Roach Hunt Partnership, michaelroach@roachhunt.co.uk - Delays in planning are the largest single issue for projects proceeding. It is harming investment in construction and growth in the wider economy.

Mike Foster, Birmingham, OFF Developments Ltd., mr.mikefoster@ntlworld.com - More demand than supply.

Paul Chadwick, Oswestry, Foundation Piling Ltd, paul.chadwick@foundation-piling.co.uk - Overall increased material and fuel costs, along with increases in taxes on companies, will not assist in getting the economy and construction producing.

Paul Goffin, Oxford, EstateAide Consulting Ltd, paul.goffin1964@gmail.com - International geopolitical situation.

Philip Hodges, Birmingham, Ridgeways Surveyors Limited, phil@ridgewaysqs.co.uk - High-value private residential work remains active in areas such as the Cotswolds, however new commercial works seem to be declining.

Robert Mole, Birmingham, Network Rail, Rob.Mole@networkrail.co.uk - HS2 overspend is driving down investment in conventional rail, both maintenance and enhancement, and the associated resource levels.

Stephen Gilhooly, Birmingham, R G Commercial Limited, steve@rgcommercial.co.uk - Continuation of HS2 is providing stability to the UK construction sector, while the wider industry is stagnant.

Steve Hawthorne, Church Stretton, SLH Property Consultants Ltd, stevehawthorne@slh-uk.com - General stagnation.

Tim Richardson, Birmingham, Quinauennial Inspections Limited, tim@timothyrichardson.co.uk - The Middle East situation will have a large, unpredictable impact, as will continued shifts in US policy.

Tony Milner, Droitwich, Weatheroak Projects Limited, tony.milner34@gmail.com - Increased employer costs and continued issues with the planning process.

Yorkshire & the Humber

Andrew Riggott, Doncaster, Stradia, andyriggott@gmail.com - Massive uncertainty in macro and micro economics, in all aspects of costs and demands for services.

Ian Tomlinson, Leeds, Rex Procter and Partners, i.tomlinson@rpp.co.uk - Interest rates, no incentives for private development, and the government's focus entirely on infrastructure.

James Cochrane, Wakefield, Integrated Utility Services, james_apoc@hotmail.com - Skilled labour shortage.

James Robertson, York, Fordhurst Support, j.robertson@fordhurst-support.co.uk - Ongoing negative impact of Brexit on EU-sourced materials procurement, the Russia-Ukraine conflict, and Middle East tensions.

Lee Williamson, Wakefield, FourPoint Construction Ltd, lee@fourpointconstruction.co.uk - With rising costs, organisations seem to be hesitant in starting new projects.

Louise Dale, Northallerton, North Yorkshire Council, louise.dale@northyorks.gov.uk - Increasing cost of fuel and fuel oil will have a major impact due to the rurality of our area of operations. This will no doubt see increased tender values. On a positive note, it may increase the emphasis on the incorporation of more sustainable and natural energy sources in design and planning.

Matthew Parry, Bradford, Michael Eyres Partnership, matthew.parry@eyres.co.uk - Uncertainty over AI.

Nicholas Edwards, Leeds, NPS Leeds Ltd, nicholas.edwards@nps.co.uk - Oil profiteering ahead of oil price increases is impacting cost and confidence.

Paul Walker, Leeds, Two Plus Two Commercial Services Ltd, paul@two-plus-two.com - Government policies and significant world events.

Richard S. Thompson MRICS, Leeds, RST (Construction Consultants) Ltd, r.s.t@dsl.pipex.com - The cancelling of the LPOW VAT scheme will have a significant negative effect.

Siu-Fai Lam, Huddersfield, ROQS Consultancy Ltd, Sflam@roqsconsult.com - The current conflict in the Middle East, coupled with the Russia-Ukraine conflict.

Tim Farris, Sheffield, Slayleigh Commercial, tim.farris@btinternet.com - Planning constraints and the council's housing site intentions, for example putting proposed new estates on greenfield sites in areas not conducive to affordable housing.

Methodology

The RICS UK Construction Monitor is a quarterly sentiment survey of Chartered Surveyors who operate across the UK. Data collection began in 1994 with additional questions introduced subsequently.

<https://www.rics.org/uk/news-insight/research/market-surveys/>

Total responses in Q1 2026 = 938

Regions:

- The 'headline' national readings cover Great Britain.
- Specifically, the five regions that comprise the national figure are: (1) London and South East, (2) South West/Wales, (3) Midlands/East Anglia, (4) North West/ North East/ Yorks & Humber, and (5) Scotland. Data on Northern Ireland are not included in the headline figure.
- National data are regionally weighted.

Sectors:

"Other public works" comprises factories, warehouses, oil, steel, coal, schools/colleges, universities, health, offices, entertainment, garages, shops and agriculture.

For sector definitions, <http://www.ons.gov.uk/ons/rel/construction/construction-statistics/no--16--2015-edition/pdf-construction-statistics-appendix-2.pdf>.

Net balance data:

- Net balance = Proportion of respondents reporting a rise in prices minus those reporting a fall (i.e. if 30% reported a rise and 5% reported a fall, the net balance will be 25%).
- The net balance measures breadth (how widespread e.g. price falls or rises are on balance), rather than depth (the magnitude of e.g. price falls or rises).
- Net balance data is opinion based; it does not quantify actual changes in an underlying variable.
- Net balance data can range from -100 to +100.
- A positive net balance implies that more respondents are seeing increases than decreases (in the underlying variable), a negative net balance implies that more respondents are seeing decreases than increases and a zero net balance implies an equal number of respondents are seeing increases and decreases.
- Therefore, a -100 reading implies that no respondents are seeing increases (or no change), and a +100 reading implies that no respondents are seeing decreases (or no change).
- In the case of the RICS price balance, a reading of +10 should not be interpreted as RICS saying that house prices are going up by 10%, but that 10% more surveyors reported increases rather than decreases in prices (over the last three months).

Questions Asked:

- 1a. How has the level of workloads changed over the last three months?
- 1b. Which sector do you think will see the strongest growth in output over the coming twelve months?
- 2a. How have infrastructure workloads changed across the following sub-sectors over the past three months?
- 2b. Which infrastructure subsector do you think will see the strongest growth in output over the coming 12 months?
3. How has the total level of New and R&M workloads changed over the past three months?
4. How have business enquiries for new projects or contracts fared in the past three months?
5. Have you hired anyone new (additional) in the past three months to support new workloads?
6. Have any of the following factors negatively impacted building activity over the past three months?
7. Has your company (or your contractors) experienced skills shortages in the past three months for the following occupations?
8. How have credit conditions changed over the past three months? How do you expect credit conditions to change over the next three/twelve months?
9. What are your company's expectations in each of the following areas over the next 12 months? (Workloads, headcount, profit margins)
11. How do you expect the following to change over the next twelve months?(Tender prices, construction costs, material costs, labour costs)
12. What are your company's investment intentions over the next 12 months?

Economics Team

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Delivering confidence

We are RICS. Everything we do is designed to effect positive change in the built and natural environments. Through our respected global standards, leading professional progression and our trusted data and insight, we promote and enforce the highest professional standards in the development and management of land, real estate, construction and infrastructure. Our work with others provides a foundation for confident markets, pioneers better places to live and work and is a force for positive social impact.

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