ECONOMICS

RICS

UK Construction Monitor

Q2 2026

ECONOMICS

Forward-looking sentiment picks up slightly from Q1's weakness, although the broader picture remains subdued

- Headline workloads reading improves compared with Q1, although the net balance remains in negative territory
- Twelve-month workload expectations edge back into modestly positive territory
- Credit conditions outlook improves compared with Q1's sharp deterioration, but expectations remain broadly negative

The Q2 2026 RICS UK Construction Monitor results show a firmer picture compared with the previous quarter, with the headline workloads indicator recovering some ground and forward-looking expectations moving back into modestly positive territory. That said, activity remains subdued at the aggregate level, with the workloads metric still negative overall, and much of the improvement can be characterised as a partial unwinding of the sharper deterioration seen in Q1 rather than the emergence of clear underlying momentum. Infrastructure continues to be the most resilient part of the market, but conditions across the main private sectors remain challenging. Cost expectations, while more moderate than in Q1, remain elevated by historical standards.

Workloads improve across most sectors

The headline workloads indicator registered a net balance of -4% in Q2, an improvement on -12% in Q1 but still leaving the series in negative territory for a fifth straight quarter. The improvement was reasonably broad-based, although most sector readings remain below zero. Public housing workloads remained broadly flat at a net balance of +1% (vs -2% in Q1), while other public works moved to a net balance of +9% (up from -1%). Private housing remained the weakest sector, posting a net balance of -12% (from -19%), while readings for private commercial and private industrial workloads improved to -7% and -9% respectively (following readings of -15% in each case), though both continue to point to weak impetus at present. Infrastructure was the standout, with the net balance strengthening to +16% (from +4%), the firmest reading in the sector for seven quarters. At a regional level, most parts of the UK saw less negative workload readings than in the previous quarter, although momentum remains relatively soft.

Infrastructure remains the strongest sector

Within the infrastructure segment, workloads strengthened across most sub-sectors compared with Q1, reinforcing the sector's position as the strongest part of the UK construction market. Energy remained the leader, with the net balance rising to +39% (from +24%), while water and sewage was firm at +23% (up from +20%). Communications strengthened to +22% (compared with +8% in Q1), and rail moved into positive territory at +10% (from -3%). The net balance reading for roads edged higher to +7% (up from +3%). Harbours remained the only sub-sector in marginally negative territory at -2% (broadly unchanged).

Credit conditions outlook turns less restrictive

The credit conditions series saw a notable improvement in forward-looking readings compared with Q1, even though views remain negative. The net balance reporting a deterioration over the past three months was unchanged at -29%. Looking forward, the three-month-ahead reading rose to -21% (from -51%), and the twelve-month-ahead reading to -13% (compared with -42%). The improvement suggests respondents no longer see the same intensity of financial market stress as they did three months ago, consistent with a partial normalisation in inflation expectations since the peak of the Q1 shock. Nevertheless, the readings continue to point to a challenging financing backdrop.

Financial constraints remain the most widely cited obstacle to activity, referenced by 67% of respondents (broadly unchanged from 66%). Planning and regulation was the next most commonly cited factor, at 61% (versus 63% previously), with the Building Safety Regulator and gateway approval timescales continuing to feature in anecdotal feedback. The share of respondents highlighting insufficient demand held broadly steady at 43% (from 42%), while shortages of materials rose to a share of 25%, up from 18%, consistent with commentary pointing to lingering supply chain pressures. The proportion of survey participants pointing out labour shortages edged up to 36% (from 34%).

Forward-looking expectations firm modestly

Twelve-month workload expectations moved back into positive territory in Q2, with the headline metric rising to a net balance of +13% (from +2% in Q1). The improvement was evident across all sectors, although the readings continue to point to only modest growth. Twelve-month expectations for private residential workloads edged into positive territory at +6% (from -2%), while private non-residential expectations rose to +11% (compared with -4%). Infrastructure continues to lead the outlook, with the twelve-month expectations net balance increasing to +34% (versus +19%), reinforcing its role as the key growth driver over the year ahead.

Employment expectations also firmed modestly, with the net balance rising to +14% (up from +8%). Profit margin expectations improved but remained negative at -10% (from -27%). The reduction in pessimism around margins is consistent with some moderation in cost pressures reflected in respondents' projections for the year ahead. Materials costs are expected to increase by 6.7%, down from 7.5% previously. Skilled and unskilled labour cost growth expectations were broadly stable at 5.2% and 3.9% respectively. Even with this moderation, projected cost increases remain elevated by historical standards.

Key indicators

Chart 1

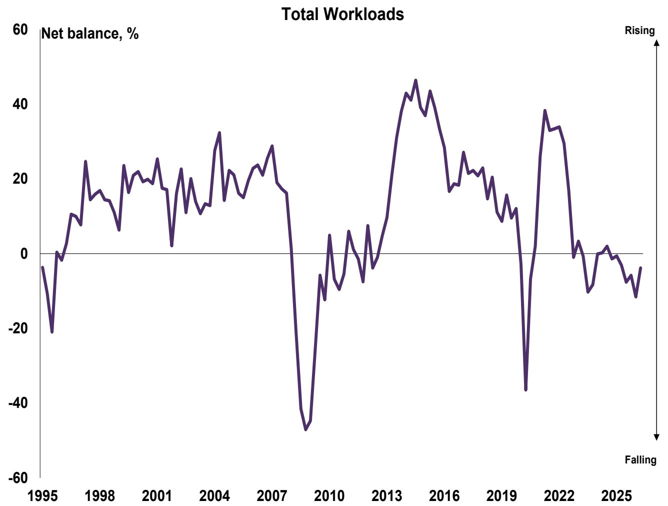
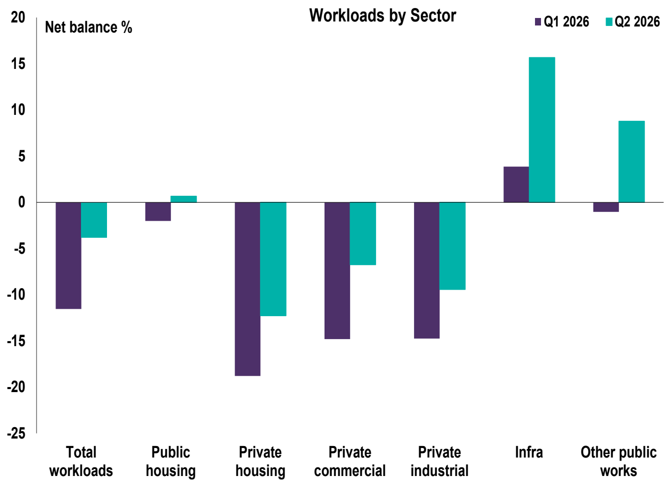


Chart 2



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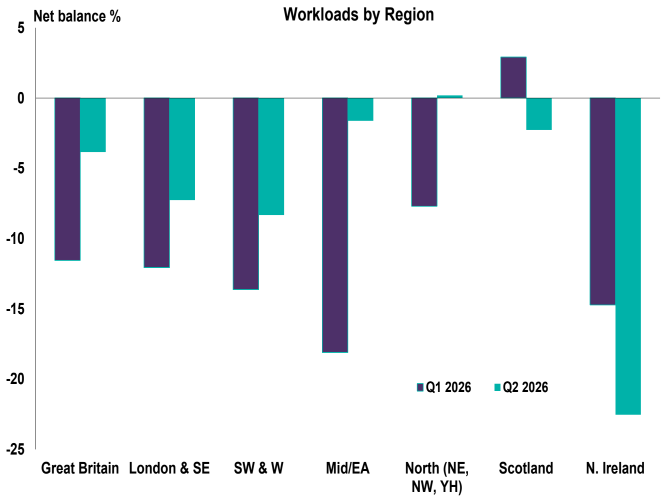

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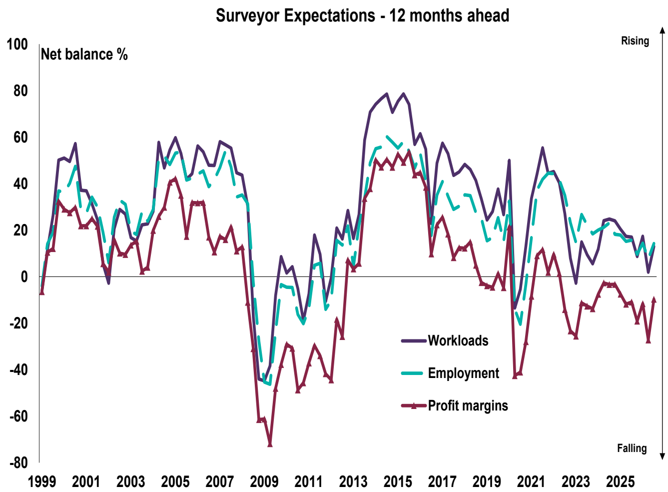

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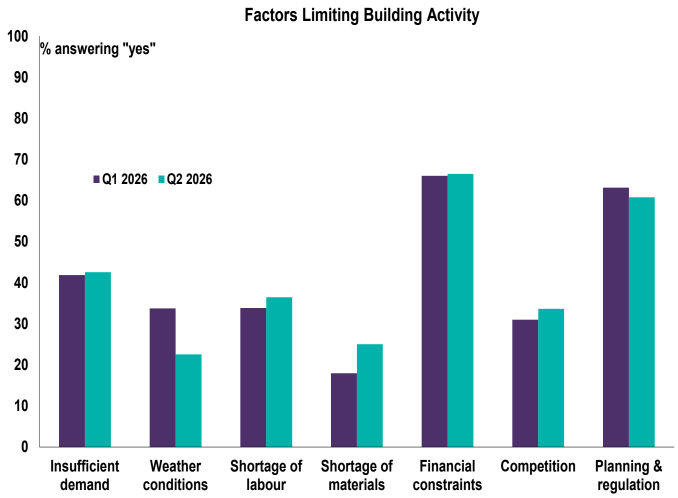

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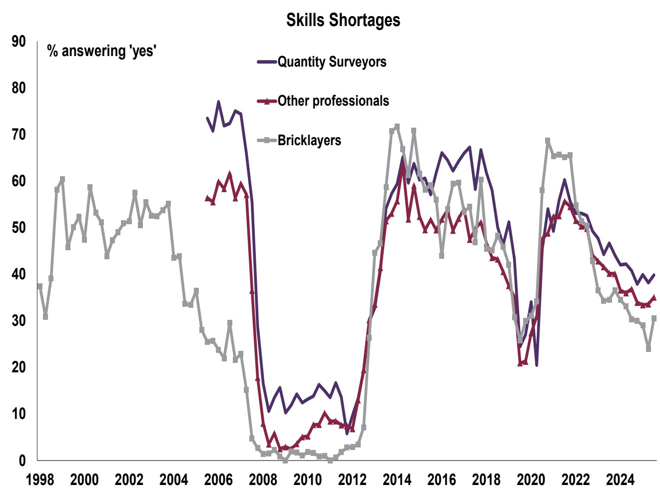
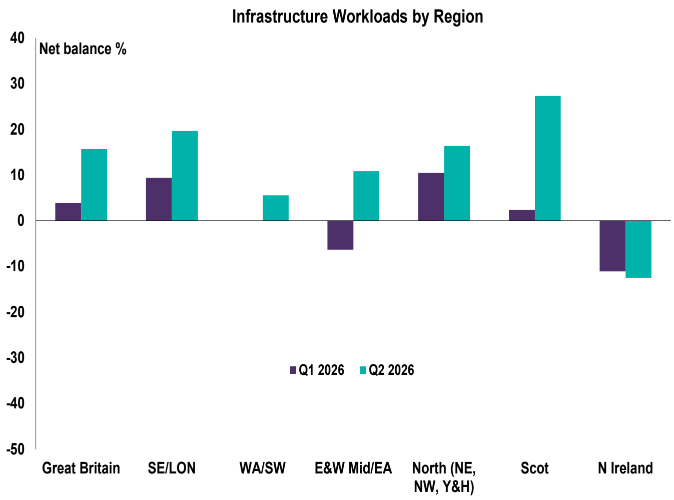


Key indicators

Chart 7



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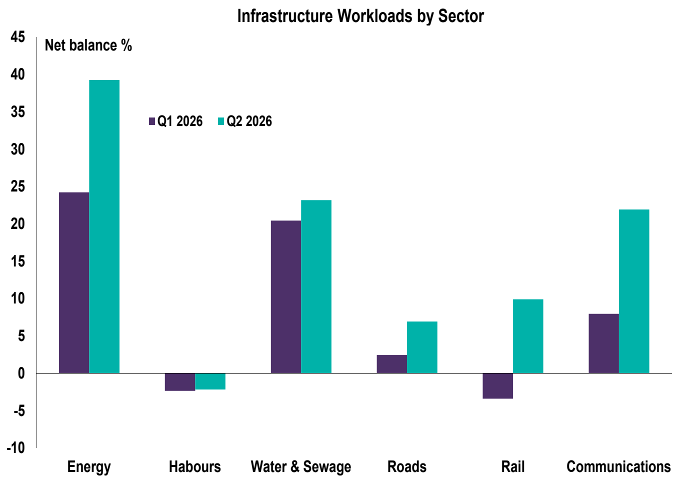

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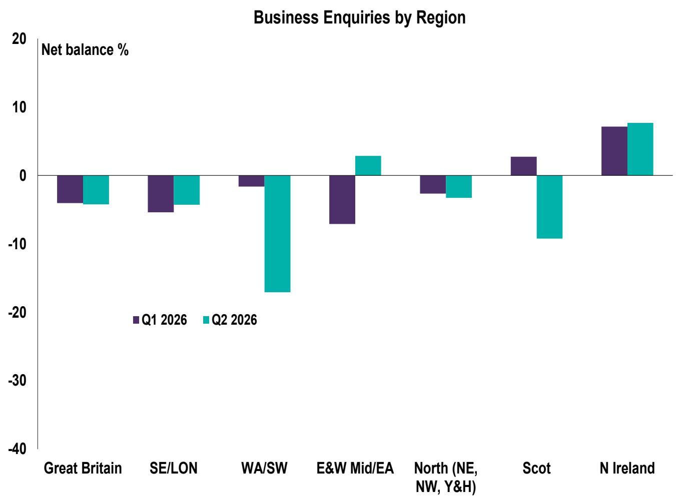

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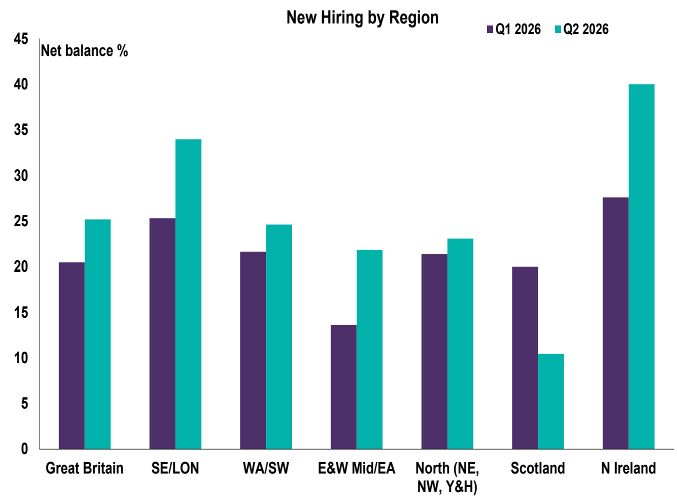

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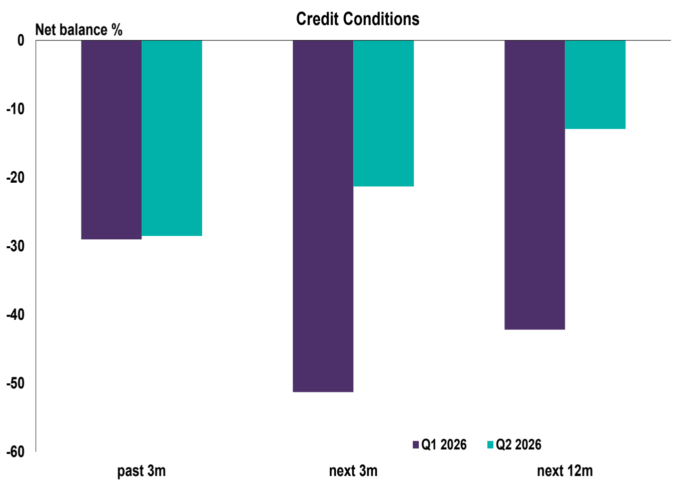

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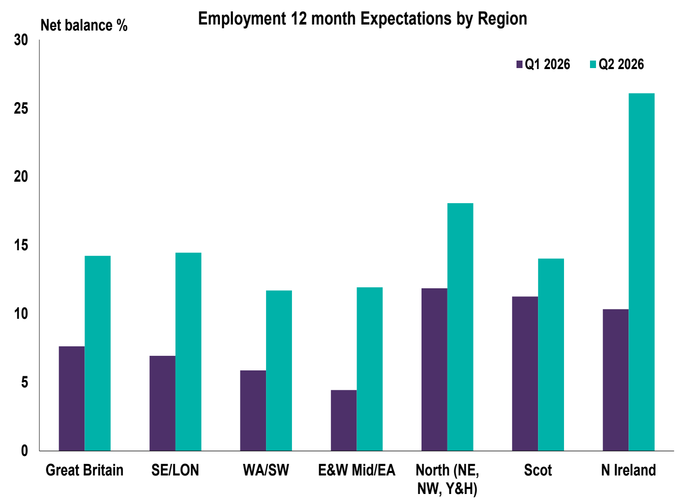
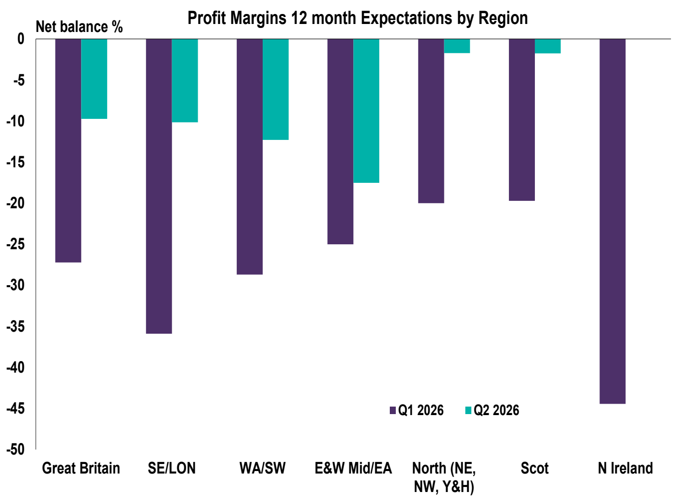


Key indicators

Chart 13



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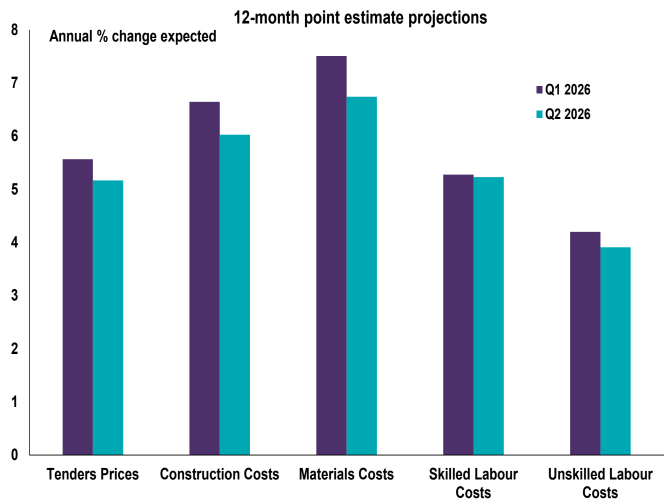

Chartered surveyor market comments

East Anglia

Anthony Nix, Cambridge, Pleasance Hookham and Nix, nixanthony@outlook.com - Policy on overseas students.

Christopher Barker, Saffron Walden, Chris Barker Surveyor Ltd, christopherjbarker1951@gmail.com - Planning permission delays.

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

Colby Garryth Bunce, Ipswich, Gill Associates, cbunce@gillassociates.co.uk - Material prices have improved, but labour shortages and cost uncertainty still make projects difficult to price. More support for retrofit, sustainable construction and skills would help the industry plan ahead and give clients greater confidence to invest.

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

David Laurence, Colchester, North Essex Homes Construction, davidlaurence@hotmail.com - Low demand for house purchases due to current economic climate.

Nick Harper, Bulmer, Hawkspur Ltd, nickharper@hawkspur.co.uk - Planning Authorities still very slow to process planning applications.

Nigel Heath, Cambridge, Nigel Heath FRICS, Chartered Surveyor, nheathfrics@btinternet.com - Uncertainty arising from current US policy direction and its increasing unpredictability, and what the world may look like as a result of that.

Robert Dale, Norwich, Daniel Connal Partnership, rd@danielconnal.co.uk - We find it difficult to find clients who value embodied carbon assessments. There will be limited uptake until they are a legislative or statutory requirement.

Saul Humphrey, Norwich, Saul D Humphrey LLP, saul@sauldhumphrey.com - Viability (or the lack of it) is destroying residential projects.

Trevor Agg, Ipswich, Munday & Cramer, Trevor.agg@gmail.com - Lead in times and availability from some manufacturers. Increased costs in imported items.

East Midlands

Barry James Hodgson, Chesterfield, Merlin Design & Survey LLP, barryjhodgson@yahoo.co.uk - The main issues affecting the construction market generally is the uncertainty that has arisen from conflict in the Middle East.

David John Morris, Wellingborough, Tompkins Robinson Surveyors, davidm@tompkinsrobinsonsurveyors.co.uk - Plenty of work about and more predictable tender returns.

Gerard Tvedt, Nottingham, Tvedt Group Ltd, gerard.tvedt@tvedt.co.uk - All of the policies you support are dependant on the support of PROFITABLE companies. More and more regulation and additional cost burdens undermines that profitability and the support you desire. Sustainability policies add a lot of cost.

John Godfrey, Northampton, Weston Alison Wright, john.godfrey@w-a-w.co.uk - Lack of Landlord spending on refurbishment of vacant properties in favour of rent free periods. Landlords focusing on EPC improvement works primarily.

Paul Batkin, Lincoln, Eastfield Commercial Services Limited, paulb.ecsltd@outlook.com - The demand for commercial warehouse space appears to be slowing down and therefore the appetite of funds to invest speculatively on infrastructure and speculative warehouse space has understandably dropped, this should lead to a shortage in the future and increased demand / investment..

Richard Gudgin, Lincoln, Fox (Owmby) Ltd, rgudgin@foxowmby.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.

Mr Stephen B Hodgson, Matlock, Lumsdale Surveyors Ltd, stephen.hodgson123@gmail.com - Costs.

London

A.R.Harrison FRICS, London, Harrison Consultants LTD, Tony@harrisonconsultants.co.uk - Government and direct London policies impacting on the markets negatively.

Abdul-Razaq Popoola, London, Turner & Townsend alinea, abdul.popoola1@ttalinea.com - Political tensions around the world have resulted in mitigating factors being put in place in case the issues escalate. This has also impacted the supply chain due to the increase in costs to import and deliver materials.

Alfie Macdonald, London, London Square Developments Limited, alfie.macdonald@londonsquare.co.uk - High costs imposed throughout all areas (materials, labour) due to worldwide factors and increased costs across the UK.

Andrew Grimes, London, Grimes Limited, andrewgrimesrdg@btinternet.com - Set Government construction budgets to cover sustainable development.

Andy Henderson, London, LTS REfurbishment, akwhenderson@gmail.com - Planning Conditions.

Angela Lyon, London, Orbital Chartered Surveyors, angela@orbitalcharteredsurveyors.co.uk - Lack of finance for clients.

Bernard Brady, London, Haz Mission Critical Ltd, bernardbrady03@gmail.com - A massive incentivisation of trade apprenticeships is needed across MEP trades as data centre development increases, but also across all general trades. A lot more promotion in schools, and incentivisation should be done, as well as looking to get access to the hugely wasted labour from those not in employment, education or training.

Bill Tweed, London, Professional Project Support Ltd., bill.tweed@outlook.com - Poor working conditions and attitudes makes the industry unattractive for young people.

Bruno Pankui, London, PCE Property Ltd, bpankui1@gmail.com - The UK construction market and building surveying sector face multiple intersecting challenges. Major factors include strict building safety legislation, an acute skills shortage, fluctuating material costs, and an ongoing push for net-zero retrofitting, all of which are changing how professionals.

Christian Pinnigar, London, Spotlight Construction Limited, Christian@spotlightconstruction.co.uk - Excessive tax rates on business and individuals, that is driving investors away.

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; using sustainable energy to power lighting, drainage pumps, signage, and so on.

Mr David Martin, London, Cockrams Surveyors LTD., davidmartin0906@outlook.com - Most of this survey does not relate, to doing surveys on houses/flats being bought.

Donal McGinty, London, Lorne Stewart Plc, donalmcginty@gmail.com - Costs and labour shortages.

Edward Eborall, London, Lloret Control Systems Limited, edward.eborall@lloret.co.uk - Shortage of skilled labour impacting delivery of projects and having a negative commercial impact.

Gavin Murgatroyd, London, Gardiner & Theobald LLP, g.murgatroyd@gardiner.com - Unsettled world economy, heightened risk subduing demand. UK PM leadership adding to uncertainty.

Graham Seage, London, Mace Consult Limited, grahamseage@gmail.com - Delay to the release of the Defence Investment Plan.

Guy Abbott, London, Morguard Building Surveyors, guy@morguard.co.uk - The government needs to have an agenda for growth and improvement instead of attacking growth-enabling projects, and is not tackling the decline in standards in construction. We are building rubbish and nobody knows the difference any longer.

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

Howard Spurgin, London, Core Five Consulting Limited, howardspurgin@yahoo.com - Still an issue with Building Safety Act and delays in gateway approvals for HRB's.

Ian Peart, London, Cast Consultancy, ian.peart@cast-consultancy.com - There remains caution in the market. Whilst commercial office supply is projected to be constrained and a continued occupier shift to best-in-class space, there is still caution around commencing construction of new projects with the level of financial risk involved.

J r Davies FRICS, London, J R Davies Associates, daviesjrda@aol.com - Government reduction in the funding of carbon reduction schools programme difficulty in obtaining any funding since SALIX involvement ceased.

Jac Jones, London, Turner & Townsend alinea, jac.jones@ttalinea.com - Lack of skilled white collar labour.

James Carter, London, Northwood Carter Ltd., james@northwoodcarter.com - Existing building projects are affected by labour shortages, higher refurbishment costs and longer lead times for specialist materials. Building Safety Act compliance, fire safety remediation, retrofit and sustainability requirements continue to drive demand and impact project costs and programmes.

Jason Froude, London, Daniel Connal Partnership LLP, jf@danielconnal.co.uk - The results of the local elections have equated to change of policy(ies) in London Authorities.

Jo Cawdell, London, Octopus Capital, Jo.Cawdell@octopus-capital.com - Residential chains - lack of speed and in reading fragility on house moves.

Joe Parker, London, Potter Raper Ltd, joe.parker@potterraper.co.uk - Planning and Building regulations have become a block on projects as there is little certainty in the requirements / outcomes.

Joseph Duffy, London, Mace, duffyjoe10@gmail.com - Lack of skilled construction professionals! This lack leads to many individuals being promoted to positions that they are not yet suitably experienced / trained for, and have to learn on the job - this can forge brilliant professionals, but can also negatively affect projects used for learning.

Kevin Oliver, London, Lavingtons LLP, kevinoliver@lavingtons.co.uk - Oil prices driving up inflation.

Mark Keith Renshaw, London, H A Newman and Partners Ltd, mark.renshawcqs@gmail.com - Delays in getting fire rating approval for refurbishment of apartments in high-rise blocks. Currently 32 weeks.

Matthew Goodwin, London, Quantem, matthew.goodwin@quantem.co.uk - BSR delays and economic uncertainties.

Meir Porat, London, HRP Partnership London Ltd, meir@hrppartnership.co.uk - Planning approvals are still slow, and there is resistance from stakeholders for green developments as they do not see real value in them. Long, expensive and at times difficult process for Party Wall awards. Cost of materials.

Mike Gibson, London, Taylor Wimpey London, mike.gibson@taylorwimpey.com - There is too much contradictory regulation that has viability implications which therefore delay projects.

Millan Shaw, London, HG Construction Ltd., millanshaw15@gmail.com - The BSR gateway 2 requirements delaying project commencment.

Mon Mon Aung, London, EDM London Ltd, snandara@gmail.com - Clients are placing greater emphasis on managing costs and implementing value engineering, while ongoing market uncertainty is causing delays in project decisions and commencement while increasing costs of labor and materials, a shortage of skilled workers, and extended procurement lead times.

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

Nicholas Ovanessoff, London, Lucky Find Hospitality Ltd., nick@luckyfindhospitality.com - High interest rates and compressed margins are slowing down new hotel and leisure pipeline commitments. However, we are seeing a steady stream of refurbishments and asset repositioning workloads as operators update existing properties to remain competitive.

Nick Curran, We operate nationally but our Head Office is in London, Avondale Construction Limited, nick.curran@avondale-construction.co.uk - All Business leaders crave certainty and stable conditions to operate in. Unfortunately, at Government level this is not being recognised and they are not providing the conditions which will give businesses any confidence to make decisions.

Nick Rickard, London, Brittain Hadley, nickrickard25@gmail.com - Working with managing agents, they are finding it increasingly difficult to make demands of leaseholders to ever increasing prices which is causing many projects to be put on hold to give leaseholders more time to raise the necessary funds.

Nigel John Bellamy, London, 8build Limited, n.bellamy@8build.co.uk - Poor economic conditions and the government's refusal to assist with tax breaks, workload, or incentives.

Paul Chilton, London, Chilton Associates Limited, paul.chilton@chiltonassociates.com - Challenges continue with the Town Planning process and also with the Building Safety Regulatory application process whilst both the Regulator and applicants continue to adapt to the regime framework. The substandard connectivity on public transport is adversely affecting productivity.

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

Paul Oosterwyk, Ostell Associates Limted, paul@qsostell.com - In the hospitality sector, the rises in NI and minimum wage, and food inflation, negatively affect investment decisions.

Peter Bensted, London, Fenton Associates, peter@fentonassociates.co.uk - The negative impact of the Building Safety Act.

Praneendran Satchithananthan, London, Turner and Townsend, pranee.satchi@turntown.co.uk - We have new works but there is less resource availability.

Preeti Chatwal Kauffman, Lambeth, London Borough of Lambeth, PChatwalKauffman@lambeth.gov.uk - Lack of Government funding and external grants together with the financial position of public sector is impacting the capital delivery and leading to project closures and redundancies.

Richard Diamond, Random Cubic Projects Ltd, richard@randomcp.com - Too many obligations for any reasonable industry professional to support. Back to basics.

Richard Hall, London, Trenport Property Holdings Limited, mjhall1939@outlook.com - Impracticable regulation, oblivious to economic reality.

Richard McKeown, Imperiet Property Group, rm@imperiet.co.uk - Taxes - SDLT limiting residential and rates limiting the desire for commerical.

Richard Petterson, London, RPQS, rpetterson@rpqs.co.uk - Economic uncertainty and bureaucracy continue to hold back demand.

Rob Lees, London, Cumming Management Group UK Ltd, rob.lees@cumming-group.com - Middle East conflict, BSR gateways, interest rates and yields (particularly BtR), BSA levy.

Robert Berenyi, London, Robert Berenyi Chartered Surveyor, robert@robertberenyi.com - There appears to be a link between world events (e.g. Middle East conflict) and the level of enquiries for surveying instructions (house purchases).

Russell Landbserg, Kingston upon Thames, Greater London, Quillhall Limited, waynelandsberg@gmail.com - There is a real issue of non qualified people filling professional roles.

Sam Garner, London, Balfour Beatty, samggarner5@gmail.com - Tendering processes are largely driven by clients in my business, so opportunities to innovate are limited.

Stephen Doherty, London, Costudio, stephen.doherty@costudioconsulting.com - Middle East conflict regarding oil will have a major impact.

Steve Baldock, London, WSB Consultancy Ltd, steve.baldock@wsbconsult.com - Innovative finance schemes can help reduce project cost and bring them to market quicker.

Steve Gaskell, London, BAM Construct & Ventures UK Limited, sgaskell@bam.com - Sub-economic bidding by competitors and delayed regulatory approval.

Stuart Birrell, London, Murray Birrell, stuart@murraybirrell.co.uk - Tax and Regulation changes are beginning to have a negative impact on appetite for risk and investment.

Stuart Johnson, London, Stuart A Johnson Consulting Limited, mail@sajohnson.com - Funded clients are active and appreciate the opportunities to buy well during challenging economic conditions.

T P O'Brien, Stratford, Glenny LLP, t.onrien@glenny.co.uk - Shortage of funding from the institutions.

Tim Cock, London, Pillar Development and Project Management Ltd, tim.c@pillarconsulting.com - As previously; macroeconomic conditions, BSR, inflation and interest rates. Also increased competition, due to lack of projects, driving consultant fees to unsustainable levels.

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

Yuri Pavelchuk, London, WSMU limited, yurasdf@gmail.com - SME construction firms are facing a brutal reality in 2026. The shift from a severe skills shortage to a sudden surplus of free-to-hire labour, combined with cratering private demand, is aggressively crushing smaller contractors.

North East

Ian Clift, Gateshead, Brims Construction Ltd, iclift@brimsconstruction.com - As a contractor we have very little influence over products to be used as they are specified by the Clients team at tender stage. Particularly on Public sector projects the client instructs that we must price on the specification and usually do not want to consider any alternatives.

Ian Pascoe, Newcastle upon Tyne, 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 the 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.

Lee Sanderson, Newcastle upon Tyne, Focus Architecture & Surveying, Lee.sanderson@focus-as.co.uk - Local Authority Planning Departments typically take longer than the twelve weeks to determine a submission. In several cases we have experienced extensions to the determination period of up to eight months.

Peter Carruthers, Newcastle Upon Tyne, Paragon Construction Consultants, paragon-consult@outlook.com - Inflation has moderated, but skills shortages and persistent planning constraints continue to affect programme certainty, project costs and overall deliverability.

Ramesh Thangavelu, Abu Dhabi, Innovo MEP, tramesharun@gmail.com - Escalation in material prices; significant increases in the cost of steel, concrete, aluminium, glass, HVAC equipment, electrical materials and other MEP components have resulted in higher project costs and pressure on contractors' margins. Supply chain disruptions.

North West

Alan France, Manchester, Places for People, Alan.france@placesforpeople.co.uk - Quality of workmanship.

Andrew Fisher, Liverpool, Mitchells & Butlers Pub Co, andrew.fisher@mbplc.com - Red tape issues.

Ankush Deshbhratar, Manchester, Clear Span Buildings Ltd., ankushdeshbhratar@gmail.com - Uncertainty around economic conditions is causing some clients to delay investment decisions.

Anthony Cathcart, Bury, Cathcart Surveyors, cathcartsurveyors@gmail.com - Lack of investment, training and opportunities for school leavers.

Anthony Dillon, Manchester, Willmott Dixon, anthony.dillon@willmottdixon.co.uk - Inflation, political uncertainty and Regulations are creating increased viability challenges and will contribute to further failures of both contractors and supply chain.

Brian John Boys, Rossendale, B&E Boys Limited, john.boys@beboys.co.uk - It has been a very slow year until May, when there was a noticeable pick up of enquiries. There are still understandable concerns regarding project viability given world events and their impact upon material and transport costs. Any ambitions for growth are restricted by the lack of the number of skilled workers available.

David Burn, Carlisle, Cubby Group, david.burn@cubbygroup.co.uk - Delays in scheme awards and lack of design maturity.

David Teaney, Manchester, Sir Robert McAlpine, teaney6@hotmail.com - I've been made aware that the UK is not ready for the workload of steel that the tariff will create.

Ian Swallow, Kendal, David Humphries & Associated Ltd, ims@dhaltd.net - Uncertainty about future Government and likely policies.

John Ashall, Liverpool, Savills, John.ashall@savills.com - Financial viability, with the appetite to build up now diminishing developers are looking to build out low and wide which is increasing land purchase costs and tilting schemes to become unviable.

John Fay, Liverpool, Quarry Rock, johnfay@live.co.uk - The delays in the planning process, and the cost of the delays as a result of Liverpool City Council's (and many others') inability to process applications in a timely manner without unnecessary bureaucracy, are driving investment away.

Jonathan Smith, Sellafield, Lindner Interiors Limited, jonathan7264@gmail.com - Inflation, fuel costs, slow regulatory approvals, and lack of design professionals (a major problem).

Jonny Sankey, Manchester, Self Employed, jonny_sankey@hotmail.co.uk - SMEs struggling to get a foothold in market where land values are increasing and construction costs are rising. These SMEs are being drowned out by the bigger companies and more needs to be done to support these businesses so they can compete and adopt policies set up by practitioners.

Kevin King, Liverpool City Region, St Helens Council, kevinking@sthelens.gov.uk - Tender prices notably higher over last few months.

Layne Mercer, Manchester & Liverpool, 33 Plus Ltd, layne@33plus.co.uk - Viability is a major issue. Increasing regulation, some good and some less so, almost always adds to the development cost making it more difficult to create viable projects. Yields are poor, cost of money is high and construction costs are rising faster than rents!

Leslie Millar, Isle of Man, Leslie Millar MRICS FCIOB FASI, les.millar@hotmail.co.uk - Cost of freight to the Isle of Man.

Matthew Winchester, Manchester, Dalbergia, Matthew.winchester95@gmail.com - The Building Safety Act has considerably slowed down new projects with costly and time-consuming additional requirements, particularly with refurbishing existing HRBs.

Michael Warnock, Liverpool, NSW Commercial Ltd, mike@nswcommercial.co.uk - Land availability.

Nick Wdowczyk, Greater Manchester, GWB Consultants, nwdowczyk@gwbconsultants.co.uk - Continue to be issues and viability challenges within the region on new build and refurbishment projects.

Paul Ogolo, Edge Hill, In transit, paulogolo1@googlemail.com - Cost constraints, planning.

Paul Roberts, Bootle, Cunliffes Ltd, paul.roberts@cunliffes.com - Failure of small building contractors for small project work.

Stephen Gill, Manchester, Greenbox Interior Solutions Ltd, sgill1650@yahoo.co.uk - Disconnected stakeholders for regulations and controls. Local Government, Fire assessments, Building Control, Planning, Heritage. Time is not on the contractors side.

stephen Christopher Kay, Preston, MCK Associates Ltd, s.kay@mckassociates.co.uk - Delays in the planning process.

Northern Ireland

Abbie Carson, Belfast, Rainey & best, Abscarson@gmail.com - Planning delays.

Adrian J McNaughton, Belfast, Tetra Tech, adrian.mcnaughton@tetratech.com - NI's construction market faces cost inflation, acute skills shortages, housing undersupply, underfunded infrastructure, and political uncertainty. Cross-border competition from ROI and Windsor Framework trade complexities further strain an already tight contractor and supply chain market.

Adrian James Petticrew, Belfast, Kier Integrated Services Limited, adrian.petticrew@kier.co.uk - Local Assembly has not set a budget for the year commencing April 2026, and still no three-year budget is established. Lack of ambition when it comes to providing infrastructure projects, local politics and policy decisions by parties is stymieing growth due to inertia.

Arthur Connell Hugh Nugent, Newry, Young -Nugent, achn488@outlook.com - Lack of investment in waste water treatment plants.

Eugene Anthony McNicholl, Island of Ireland, McNicholl Hughes, eugene@mcnichollhughes.com - Shopfit-out and interiors market has decreased this year.

Joseph Green, Belfast, J Green Chartered Quantity Surveyors, info@jgreenqs.com - Shortage of skilled labour.

Michael O'Donnell, Belfast, Belfast City Council, odonnellmichael@belfastcity.gov.uk - Digital technology in construction.

Paul Brogan, Lisburn, McQuillan Companies. Limited, paul.brogan@mcqcos.com - Major issues with a lack of an agreed NI executive budget for 2026/27. Affecting delivery of projects on government-funded contracts. Housing new starts slowing down due to issues with planning and water infrastructure.

Richard Collins, Omagh, Collins Design, info@collinsdesignni.co.uk - The newly implemented 'Carbon' based policies are resulting in a very substantial increase in customer costs at the design and statutory approval stage of projects.

Rory Campbell, Belfast, Sharpe Mechanical & Electrical Services Ltd., rory.campbell@sharpegroup.com - The Belfast market remains busy, however M&E labour shortages, planning delays and infrastructure constraints continue to affect programme certainty. Early contractor engagement and realistic procurement periods are becoming increasingly important to successful project delivery.

Scotland

A Graham Biggerstaff, Glasgow, CSL Management Services, agb1515@hotmail.com - Lack of clarity regarding the current labour Government's intention to carry out published manifesto commitments, leading to increased allowances in construction sector for risk.

Anne Currie, Edinburgh, The Smith Emsley Partnership Ltd, greeendealenquiries@gmail.com - The sudden halt on funding for the retrofit of our existing domestic housing stock alongside the high administrative & on site costs of the PAS process has crippled the domestic retrofit industry. The skill gap is now deeply impacted for current and future schemes and projects.

Anthony Carruthers, Livingston, West Lothian Council, anthonyjpcarruthers@gmail.com - Possible skills shortages in some areas.

Barry Donald, Glasgow, Confidential, barry.donald@sse.com - Based on my line of work, high demand across transmission projects continues to place pressure on specialist labour, outages and key suppliers. Long-lead equipment, resource availability, environmental constraints and access challenges remain the main risks to programme and cost certainty.

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

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

Chris Marshall, Glenrothes, Lundin Homes, chris.marshall@lundinhomes.com - Severe shortage of all skilled building trades.

Colin Brodie, Falkirk, The Rennie Partnership, colin.brodie@therenniepartnership.co.uk - Lack of local authority investment.

Colin Peter Christy, Blairgowrie, Christy Partnership, colinpchristy@gmail.com - A lack of basic understanding and management of the needs of Scotland's economy by the current devolved Scottish administration based in Edinburgh.

Edmund Egan, Dundee, E Egan Architect & Surveyors Ltd, emearchitect@gmail.com - We require that all planning and building warrant applications in the UK must be lodged by a RICS member or ARB-registered member. This will improve the design and quality of projects, both at a micro and macro scale.

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/ Aberdeen, WSD Scotland Ltd., gary@wsd-inverness.co.uk - Delay upon delay upon delay due to statutory permissions.

Geoff Laing, Inverness, AW Laing Ltd, Geoff@awlaing.co.uk - Increase of second home council tax to 300% within the Highland Region, with proposals to increase further next year, has had an immediate impact on workload on the private sector, with most projects stopping or stalling in the CNPA.

Gordon Leslie Smith, Irvine, Ayrshire, Gordon Smith FRICS, gordonsmith0408@outlook.com - The main factor is a very lengthy Planning process for the projects in which I am involved, together with inconsistency between different Planning Authorities.

Ian Differ, Glasgow, CBA QS Ltd, ian.differ@cba-qs.com - Construction inflation, material price volatility, increased uncertainty due to the introduction of steel tariffs are the main challenges at present.

Ian Mitchell, Aberdeen, Beedie Mitchell, i.mitchell31@btinternet.com - The collapse of the oil industry.

Lesley Ann Brown, Glasgow, Amentum Uk, Lesley.Brown@global.amentum.com - Labour government, specifically the DIP.

Robin Golder, Glasgow, ARC Building and Project Management Ltd, robin.golder@ARCltd.co.uk - Planning getting harder and more conditions applied.

Steven Hyde, Edinburgh, D Blake & Co Ltd, stevenhyde66@gmail.com - Demand has been subdued, and future enquiries remain at a low level.

South East

Alan Vincent, Bexhill, 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 Page, London, DHP (UK) LLP, ANDREW.PAGE@DHPUK.CO.UK - Government instability.

Anthony Cross, London, Cross Surveys Limited, anthony@cross-surveys.com - There is currently very little tolerance by commercial landlords to the retention of tenant alterations or finishes. This often results in a full strip-out and disposal followed by a re-install by an incoming tenant. The commercial lease industry is enormously wasteful generally.

Mr Bruce M Neilson, Hastings, Hastings Borough Council, bruce.m.neilson@googlemail.com - Suitable, available land for development is very constrained. Government support, incentives and law to support significant movement on long term empty homes/premises.

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

Charles Dawson, Rye, Dawson and Associates, chas@dawsonsurveyors.com - Lack of effective planning.

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 - Work enquiries down.

Clive Tatlock, Guildford, CTA surveyors, clive@ctasurveyors.com - Lack of practical green policies which an be realistically undertaken.

Colin Townsend Green, London, CTG Construction Managment Ltd, colintg@ctgcm.co.uk - Projects are delayed due to the time it is taking for approvals following BSR applications. Use of recycled products is positive for certain materials, but with changing climates, there also needs to be a change in design and choice of materials to meet current and future likely climatic conditions.

Colin Hulott, Sheerness, Abstrkt-Dsign, colinhulott@abstrkt-dsign.co.uk - Over-regulation in existing built environments whilst actively enabling excessive new development.

David Clarke, All over, Priory Group, davidkclarke@priorygroup.com - I work in Healthcare and NHS funding problems has a direct influence on our workload.

Gary Moore, London, Gerald Shenstone & Partners, shenstone2020@virginmedia.com - We as a practice are winding down and will be closing in 2026 (not as a result of economics or industry related issues).

Guy Solway, London, Atkins Realis, guysolway@ymail.com - Affordability.

Jack Davies, Rochester, Davies Parker Associates, Jack@daviesparker.co.uk - Onerous regulations.

J

ack Endley, Oxford, Bidwells LLP, jackendley1@gmail.com - I think it all comes back to energy use, trying to make it easier to adopt technologies that will reduce energy use or can general electricity on site.

Joe Canham, Chelmsford, Mitie Ltd, joe.canham@mitie.com - Recent political changes looking to scrap carbon reduction schemes.

John Barbour, London, Quantem Services Limited, john.barbour@quantem.co.uk - Business factors are becoming increasingly difficult and the working wage and NI taxes have made it difficult to justify training and apprenticeships.

John Bottrill, London, City StGeorges University London., johnbottrill@btinternet.com - My answers are taken from my role as a visiting lecturer at City University which has suspended the course I lectured because of some answers given above.

John K. Symes, Littlehampton, Kingsley Symes Consulting Ltd, john@kingsleysymes.com - Lack of skilled labour.

Jon Heather, Havant, Brickhaven Maintenance Ltd, jon.heather@brickhavengroup.co.uk - Asking price for land and property is just too high. Plus the delay in planning is ridiculous. It has taken two months just to get a planning application registered.

Julian Stokes, Reading, Julian Stokes Management Ltd, julian@jsmonline.co.uk - Planning delays and constraints are still affecting a number of projects.

Keith Robert Hammond., Ashford, Keith R Hammond Limited. Chartered Surveyors., krhammondltd@btinternet.com - Stodmarsh. BNG . Planning permission delays.

Keith Sanger, Lymington, Keith Sanger Associates Ltd, keith@sanger.co.uk - Lack of staff in Fire Regulation Authorities.

Mark Lister, London, Listers Chartered Quantity Surveyors, Listers@sg-practice.co.uk - General uncertainty on the economy, particularly relating to lack of government policy clarity and short-term thinking; reacting not promoting. Also the effect of current conflicts on resources.

Matthew Coates, Cambridge, Mace, matthew.coates@macegroup.com - Scarcity of labour wrt Sizewell, Bedford Universal Studios, general Cambridge works, impending large Norwich project.

Matthew Smith, Cambridge, Pewter Partnership, 68mattanthonysmith@gmail.com - Skilled labour shortage. Government purchase tax/stamp duty increases on investment properties.

Oliver Crisp, Maidstone, Allen Dadswell, oliver.crisp@allendadswell.co.uk - Interest rates impacting the housing market. Public bodies significantly slow approvals.

Oliver Kannemeyer, Godalming, Drake & Kannemeyer LLP, o.kannemeyer@dkgroup.co.uk - Procurement and frameworks impact smaller firms more than larger firms.

Ollie Smith, Southampton, Wates Construction Limited, ollie.smith@wates.co.uk - Collapse in migration numbers and hostile policies to migration are meaning that staff costs, and therefore construction costs, are increasing. Projects are not making it past second stage as clients get cold feet when market-tested build costs are realised.

Mr Paul H S Dolman, Princes Risborough, Paul Dolman Services, paulhsdolman@gmail.com - Coherence of measures is lacking. Tax concessions on recycled materials e.g. VAT free + planning & building regs subsidies + strong promotion by government of the need to change practices on THIS project, not next year's, might help. It's a climate emergency for mankind, not just for wildlife.

Philip Beere, Chatham, Accolaide Surveyors Limited, philip.beere@accolaidesurveyors.com - Costs in respect of access scaffolding have considerably increased in past 12 months.

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

Robin Goddard, Dorking, BPG Architects + Surveyors, robin.goddard@bpg.co.uk - The Building Safety Act continues to impact the progress of projects resulting in delays and additional costs.

Said Hajismaili, London, Climb Build Ltd, Saidhajismaili@climbbuild.com - Increased use of AI by clients is reducing some of the demand for QS services, especially pre-contract initial feasibility advice.

Sam Rogerson, Milton Keynes, Cumming Group (FM & Constructing Services) Ltd, sam.rogerson@cumming-group.com - Global conflicts affecting supply chain.

Mr Stephen (Steve) Frizell, Leatherhead, Frazer Contract Services Ltd, frizell.steve@gmail.com - The (absence of the) Defence Investment Plan and next SDSR.

Tim Mole, Haywards Heath, Gould Baxter, tmm@gouldbaxter.co.uk - Difficulties with obtaining listed building consent.

South West

Dan Tapscott, Bristol, Daytona Consult Ltd, dan@daytonaconsult.com - Land values.

David Partridge, Taunton, Summerfield Developments (SW) Ltd, dpartridge@summerfield.co.uk - The ongoing global situation continues to stoke market uncertainty and suppress demand particularly in the private commercial and residential sectors.

David Perry, Reduth, Wm G Weller & Son Ltd, david@wmweller.co.uk - Uncertainty in construction costs and lack of confidence in government policy and direction is deterring businesses from committing to capital projects. A wait-and-see approach continues.

Edward Charles Currie, Exeter, AECOM Ltd.,, edward.currie@aecom.com - Government has been slow to confirm programmes of work. Central Govt projects are made overly complex from a process perspective.

Geoff de Pass, Bristol, hdp Associates Limited, gdepass@hdpassociates.com - Primarily business uncertainty regarding recent global events and large numbers of experienced people leaving the industry (burn out & early retirement).

Harry Blakes, Bristol, Workman LLP, harry.blakes@workman.co.uk - The significant number of taxes introduced/increased are stifling growth which is impact investment into the economy and viability of projects.

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

Jake Farrow, Bristol / Cardiff, Mace Consult, jake.farrow@macegroup.com - General unwillingness from clients to build; frustration at required infrastructure. Clients' and personnel's lack of drive to use sustainable materials or building practices.

James Hurford, Bristol, Barratt Redrow, james.hurford@redrow.co.uk - Subdued housing market due to current economic factors.

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.

Josh Marshall, Bristol, AtkinsRéalis, joshua.marshall@atkinsrealis.com - NI increases on wages and lack of talent within specialist sectors such as refrigeration engineers.

Kelvin Herbert, Weston-super-Mare, Kelvin Herbert QS, kh-qs@outlook.com - Ageing workforce; both professionals and site-based workforce are causing issues.

Leigh Florence, Newton abbot, Baker Estates Ltd, lflorence@hotmail.co.uk - Ensuring that planning is efficient and effective. The planning system needs to be supportive of residential development to deliver much needed housing both for the economy and for purchasers. The government's targets are unrealistic and if they are to be achieved they need a shake-up through the planning system.

Mark Scoot, Devon and Cornwall, Maypool Estates LTD, mark.scoot1@outlook.com - Lack of confidence in the wider economy and therefore market demand.

Myles Joseph Kenneth Clough, Exeter, Myles Clough Management Services Limited, myles@cloughmanagement.co.uk - There remains not enough resource within local council planning departments to manage the planning application workload in order to respond within agreed timescales and this continues to hold up construction projects.

Paul Bennett, Exeter, Ravenslade Limited, pbennett@ravenslade.co.uk - Issues are still being experienced with the planning system and length of time to determine planning applications which impacts the delivery of projects. We are also seeing shortage of electric infrastructure network availability to service the larger sites in certain areas of the south west.

Paul Swindlehurst, Bristol, Paul swindlehurst Surveying, paulswindlehurst.qs@gmail.com - Skills shortage and unregulated builders.

Phil Lewis, Exeter, Randall Simmonds LLP, phil.lewis@randallsimmonds.co.uk - Delays to key government expenditure such as the Defence Investment Plan is preventing release of schemes and causing uncertainty.

Richard Rhodes, Pl11bj, Richard Rhodes, Richardrhodes@stoneleighsc.co.uk - Mixed stability both global and national creating uncertainty in the financial market constraining lending and investment at competitive rates.

Timothy Julius McCarthy MRICS, London, Spider Rope Access, tim@spider-ropeaccess.com - Demand for repair, maintenance and building safety works remains strong, particularly within commercial property portfolios. However, increasing labour costs, skills shortages, compliance requirements and client budget constraints continue to place pressure on delivery and profit margins.

Trevor John Barfoot, Paignton, Aspectum Chartered Building Consultancy Ltd, Tjb@tjbarfoot.co.uk - Planning rules, the planners, the departments and the bureaucracy surrounding even the simplest of applications are the main holdup in getting new construction projects underway.

William P Howard, Bristol, W P Howard Chartered Building Surveyor, Williamphoward@btinternet.com - Lack of knowledge in professional institutions and their management staff.

Wales

Alan Thomas, Newcastle Emlyn, Alan Thomas, alanthomasproperty@gmail.com - Lack of skilled labour, knowledge and professionals.

Alun Owen, Cardiff, Owen Associates, alun@owenassociates.co.uk - Inflation and global uncertainty with fuel prices.

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

Glen Maggs, Swansea, SCP Construction Cost Consultants, glen@scpqs.co.uk - Delays caused by prolonged regulatory approval from bodies such as SAB and Natural Resources Wales, decline in demand for private housing, viability of public housing, shortage of main contractors.

Mr Huw Williams, Rhondda Cynon Taf, HD Williams Ltd Chartered Surveyors, hdwilliams1@hotmail.co.uk - Trade skills shortages.

Julian Thorpe, Swansea, Bay Quantity Surveyors Ltd, julianpthorpe@gmail.com - Lack of trained QSs and apprenticeships.

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.

Matt Potter, Aberystwyth, MJP quantity Surveying, matt@mjpquantitysurveying.co.uk - Unstable and volatile world policies forcing prices of raw materials up, which has an impact on all supply chains.

Paul Ronald Williams, Cardiff to Pembroke, P R Williams Chartered Quantity Surveyors, prwilliamsltd@btinternet.com - General confidence in economy and government, and cost of borrowing.

Robert Fiaher, Swansea, Robert Fisher Limited, info@robertfisherlimited.co.uk - Planning delays due to restrictive planning requirements. Lack of good quality labour at competitive rates. Delays in material supplies.

West Midlands

Anderw Shenton, Shrewsbury, Andrews Building Conservation Ltd, andrew@andrewsbuildingconservation.co.uk - The construction industry is fast becoming deskilled with a lack of young people coming through training. There is a great skills shortage. Legislation and planning policy is severely hindering many projects and the people involved are academics with no practical knowledge. Pragmatism is needed.

Chris King, Gloucester, Hyde, chrisking1954@gmail.com - The current governments focus on taxing and spending on benefits is a major barrier.

Daniel Shandley, Birmingham, Spicer Surveys Ltd, dan@spicersurveys.com - Supply chain failings and poorly skilled labour.

David Morris, Stoke on Trent, Morris Chartered Surveyors, david.morris@morrissurveyors.co.uk - Challenges for smaller firms vs national competitors for local public contracts.

Garrie Weatherley, Birmingham, Trinity Property Consultants Ltd, gjw@trinitypc.co.uk - Ongoing Middle East conflict continues to provide uncertainty with short to medium terms cost impact.

Graham wright, Birmingham, Waldeck, wrightgraham@hotmail.com - Delay in government grants and political uncertainty.

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

Matthew A Hackling, Worcester, Lintels Surveyors Ltd, mhackling@outlook.com - We've noticed much higher demand for residential home purchase surveys in the last eight weeks; it's feast or famine.

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

Paul Birks, Birmingham, HCT Construction Consultants Limited, Paul.Birks@hctcc.co.uk - Planning remains a major hurdle; the delays caused by policies such as BNG are entirely unhelpful and unnecessary.

Phil Hodges, Birmingham, Ridgeways Surveyors Limited, phil@ridgewaysqs.co.uk - Noted decrease in tender opportunities mixed with delayed starts due to planning and financial constraints, certain contractors increasingly concerned.

Ryszard Kawak, Stoke on Trent, Townsend and Renaudon LLP, Ryszard.kawak@t-and-r.co.uk - Lack of central government support.

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

Yorkshire & the Humber

Alan Coleman, York, Compass bc, accolers08@gmail.com - Land banking of developers keeping development costs high.

Andrew Gaunt, Leeds, BWA, andrew.gaunt@bwa.uk.net - Delays in the planning process.

Damian Wilkinson, Leeds, Quantum Expert Solutions, damian@quantumexpertsolutions.com - General uncertainty in the UK and Global economy.

David Wade, Leeds, Moorgarth group, david.wade@moorgarth.com - Falling property values due to rents declining.

Gareth Wilson, Huddersfield, Kirklees Metropolian District Council, g.wilson53@hotmail.com - Political change and local authority budgets.

Ian Tomlinson, Leeds, Rex Procter and Partners, i.tomlinson@rpp.co.uk - The conflict rumbles on and market patience is wearing thin. Costs are starting to rise and margins are being squeezed, both for project and business costs. It is hard to get paid.

Inealpal Sandhu, Leeds, Arcadis, INEALPAL@GMAIL.COM - Shortage of chartered QS.

James Morley, Catterick, DIO, james.morley124@mod.gov.uk - Labour and material shortages affecting large procurement packages.

John Skelton, York, JSA Design & Development, john@jsadesign.co.uk - Insufficient training and skilled labour remains a constant problem across all project types. This will only improve with increased government support of real apprentice schemes to give employers the confidence to make a long-term commitment to training young entrants to the industry.

Mark Wakeman, Skipton, Intake Management Solutions Ltd, mark@intakemanagement.co.uk - Designers not willing to consider new products and just 'doing what they have always done'.

Neve Latham, Doncaster, VolkerRail, Nevenjl@hotmail.com - Government Budget Allocation.

Paul Walker, Leeds, Two Plus Two Commercial Services Ltd, paul@two-plus-two.com - Continued governmental uncertainty will likely remain a concern to many.

Reginald Ohaka, Sheffield, Freedom Group Ltd, nkinald@gmail.com - Increase in skills training.

Tim Farris, Sheffield, Slayleigh Commercial, tim.farris@btinternet.com - Planning constraints and the council's housing site intentions; 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 Q2 2026 = 1135

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. As a member-led chartered professional body working in the public interest, we uphold the highest technical and ethical standards.

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