



Regional overview of construction and mineral products markets in Great Britain

2024 edition

Overview

Broad-based construction weakness drives mineral product sales toward a third consecutive year of decline in 2024.

A challenging macroeconomic backdrop and high interest rates dragged on the construction sector in 2023 and the first half of 2024. Businesses in the construction supply chain have been dogged by cost inflation, economic uncertainty and planning obstacles, all of which have hindered confidence and project delivery.

New housing accounts for over a fifth of primary aggregates demand (Figure 1). However, work on new sites was cut back in 2023 in response to a slowdown in buyer demand, as UK interest rates rose to a 15-year high of 5.25% in August 2023 (Bank of England [a], 2023). The affordability squeeze has been compounded by a contraction in real household income levels after a period of elevated consumer price inflation.

Infrastructure work has remained resilient, although typically varies by the location of projects on the ground. For example, Hinkley Point C has underpinned work in the South West and HS2 phase 1 in the Midlands. Both projects have been impacted by rising costs and construction delays, however, and HS2 was scaled back significantly in 2023 following the cancellation of phase 2. On roads, National Highways' investment programme has been beset by planning and cost issues. Poor delivery of key infrastructure schemes is a cause of significant uncertainty across the material supply chain, inhibiting long-term planning on supply, investment and skills.

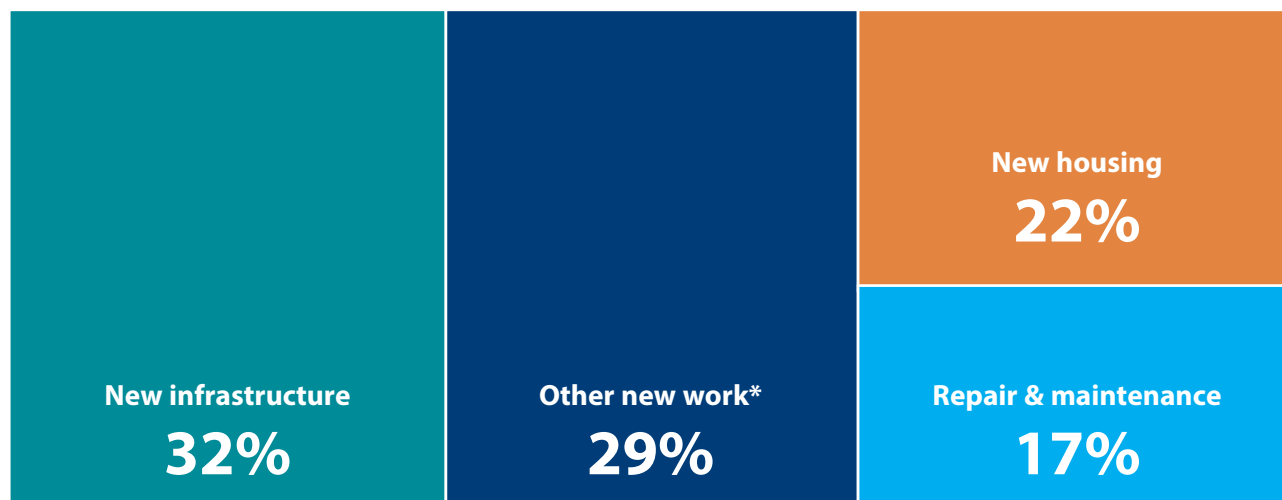
In 2023, the value of new construction contract awards was down by 14% compared to 2022 (Barbour ABI [a], 2024), signalling a weak pipeline of future construction work. A modest rebound in the first half of 2024 did not extend to the residential sector.

Among the key challenges ahead will be for housing demand to recover, expected gradually in 2025. Construction output is tipped to bounce back from 2025 according to the Construction Products Association (CPA) industry forecast (CPA, 2024). Separately, the medium-term forecast from the CITB/Experian indicates higher construction output on average across all regions over the period 2024-28 (CITB, 2024).

The expected recovery in construction activity will give a boost to demand for construction materials such as aggregates, ready-mixed concrete, asphalt and mortar. The MPA forecast indicates a gradual recovery in mineral product sales from 2025, assuming housing bounces back and other construction sectors pick up. The upturn will be from a low base, following three years of decline.

This document has primarily been produced to support Aggregate Working Parties and mineral planning authorities deliver the Managed Aggregate Supply System. The data and accompanying narrative focuses on the role mineral products play supporting the wider construction market. Further information on the role and contribution of wider mineral products can be found in the Profile of the UK Mineral Products Industry (2023), available on the MPA website: www.mineralproducts.org

Figure 1: Estimated end-use by construction sector for primary aggregates, 2023 (Source: MPA)

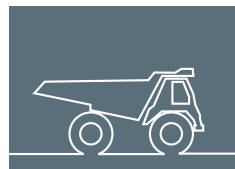


*other new work includes commercial, industrial and public non-housing.

MINERAL PRODUCTS – AN ESSENTIAL SECTOR

- The mineral products industry produces over 1 million tonnes of aggregates and manufactured mineral products every day in Great Britain (GB).
- A majority of these heavy-side materials are used in the GB construction sector¹. This flow of mineral products is essential for building and maintaining housing, roads, railways, schools, hospitals, and other infrastructure, including commercial and industrial buildings.
- MPA estimates that the industry directly contributed £8 billion in gross value added to the UK economy in 2021, employing 80,000 people directly and supporting a further 3.2 million jobs across the supply chain.
- The mineral products industry will continue to be a leader in recycling construction and mineral wastes. Recycled and secondary aggregates accounted for 30% of GB's total supply of aggregates in 2022.

¹ MPA members also supply a wide range of mineral resources and associated products for non-construction use, including industrial sands, industrial clays and industrial lime. These products support a wide variety of commercial activities, from glass manufacture and ceramics to steel production and the treatment of water and industrial emissions.



419 Million Tonnes

Supplying the nation's needs



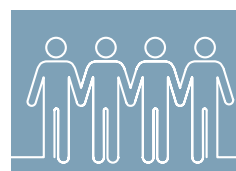
£8 Billion Gross Value Added

Providing a foundation for the UK economy



30%

Of aggregates supply uses recycled and secondary sources

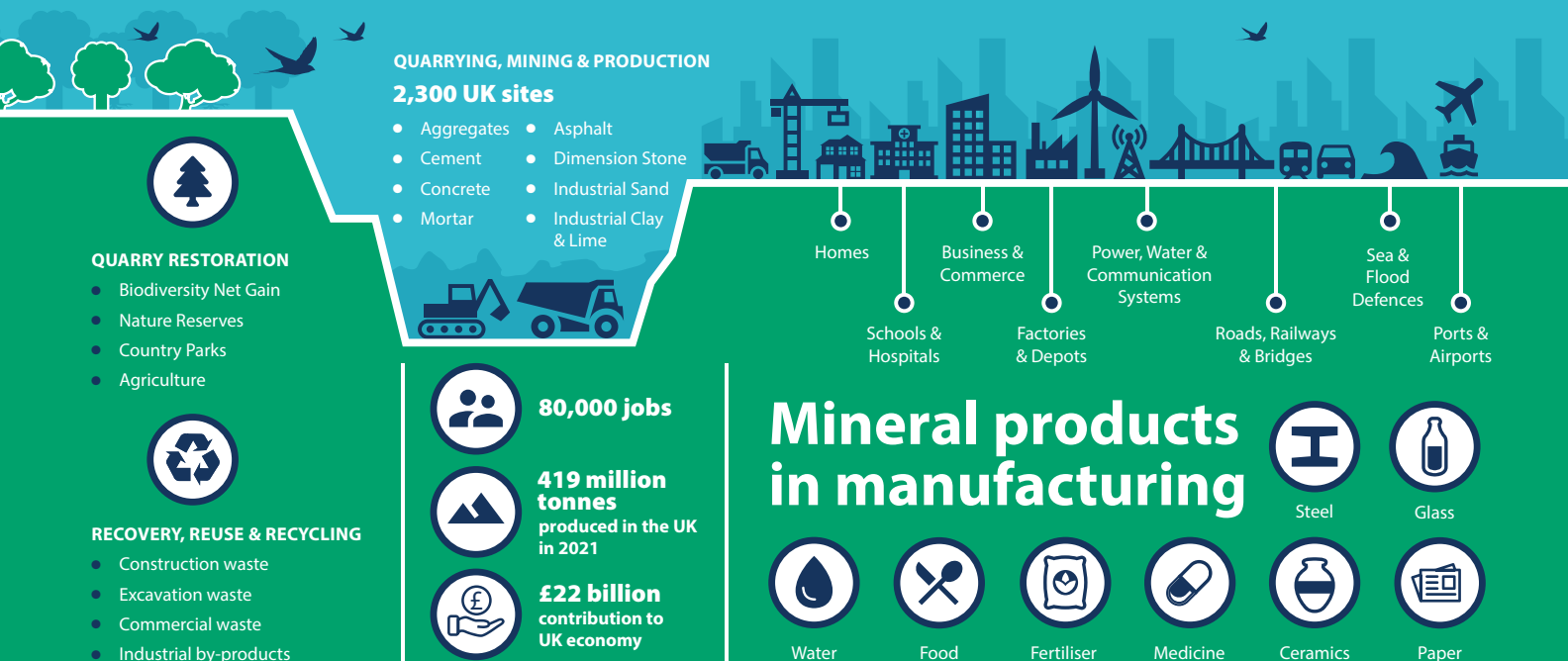


3.2 Million Jobs Supported in the Supply Chain

The multiplier effect

Figure 2 - Mineral products in construction and manufacturing (Source: MPA)

Mineral products in construction



UK economy



- **The UK economy stagnated in 2023, hampered by high costs and interest rates.**
- **A slowdown in inflation and future interest rate cuts are supportive of a return to growth in 2024 and 2025.**

The UK economy stagnated over most of 2022 and 2023, due to high inflation and interest rates, which hindered consumer spending and business investment. Early 2024 saw growth recovering from a low base.

UK GDP expanded at a quarterly rate of 0.7% in 2024Q1 and 0.6% in 2024Q2 (ONS [a], 2024), supported by a faster-than-expected slowdown in inflation (Figure 3), particularly from lower energy prices and the levelling off in food prices.

To combat inflation, the Bank of England raised interest rates to a peak of 5.25% in August 2023, the highest since 2008. Rates were cut for the first time in over 4 years in August 2024, down to 5%. Whilst this decrease was welcomed by households, who are also benefitting from a recovery in real incomes, high mortgage rates and rental costs remain a substantial burden. The future path of interest rates is uncertain, given the Bank's concern over lingering domestic price pressures and wage growth (Bank of England [b], 2024).

The UK job market has remained resilient despite the wider economic slowdown. Total nominal wage growth averaged just over 7% in 2023 (ONS [b], 2024). An uptick in unemployment and falling number of job vacancies highlighted some loosening of the labour market in the first half of 2024, which should dampen wage growth in 2024.

Medium-term economic forecasts suggest slow but steady growth in the near-term, with the Bank of England projecting UK GDP growth of 1.3% in 2024 and 1.0% in 2025 (Figure 4).

Beyond 2025, much will hinge on new government policies: growth has been declared a “national mission”, yet the challenge will be to establish a long-term strategy to boost productivity growth, labour supply and skills.

Figure 3: UK consumer price inflation has slowed significantly
(Source: ONS)

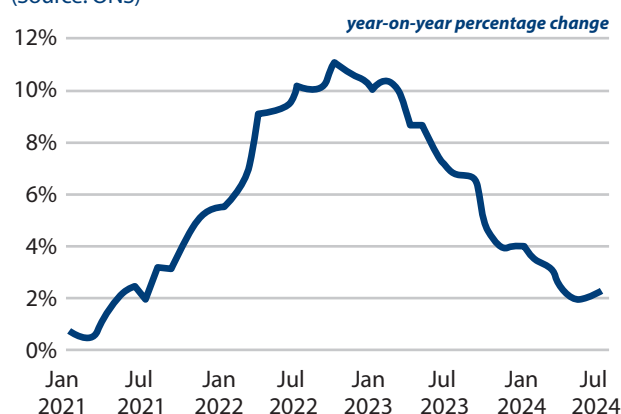
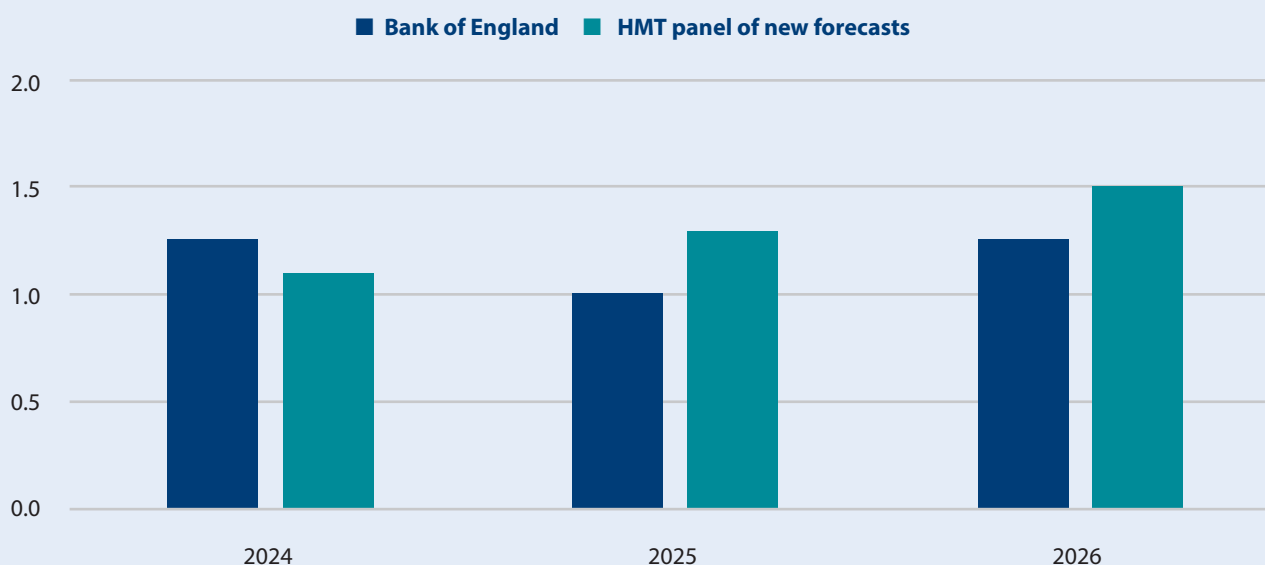


Figure 4: UK GDP growth forecasts, annual percentage change
(Source: Bank of England and HM Treasury)



GB construction outlook

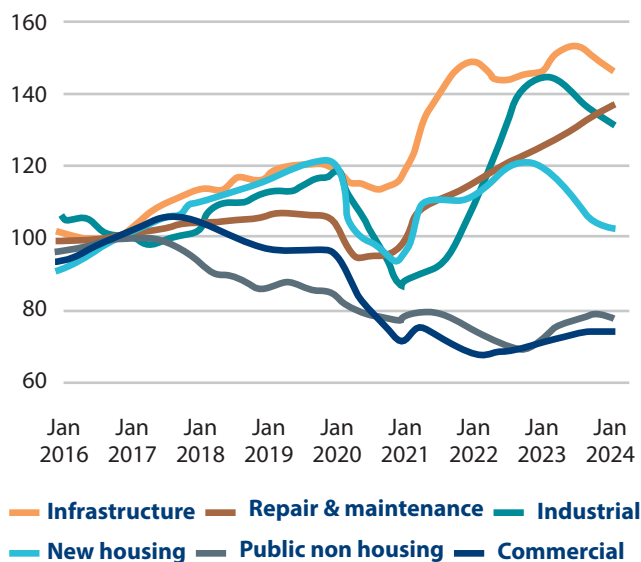
- **Construction output rose by 2.1% in 2023. Total new housing output, which accounts for over a fifth of aggregates demand, dropped by almost 12%.**
- **Infrastructure work is being supported by major projects on the ground.**
- **Industry forecasts show a 2.9% contraction in construction output in 2024, before a recovery in 2025 and 2026.**

Construction output rose by 2.1% in 2023 to a record £185.8 billion in volume terms (ONS [c], 2024). Yet, new work decreased by 2%, led by an 11.9% drop in new housing output (Figure 5). The weakness persisted in the first half of 2024. The CPA forecasts a 2.9% decline in total construction output for 2024, followed by a recovery of 2% in 2025 and 3.6% in 2026 (CPA, 2024).

Housebuilding has been the main source of weakness, with sluggish demand constrained by high mortgage costs. Only two interest rate cuts are likely by the end of 2024, contrary to earlier expectations of several cuts this year. This has pushed back the housing recovery until 2025.

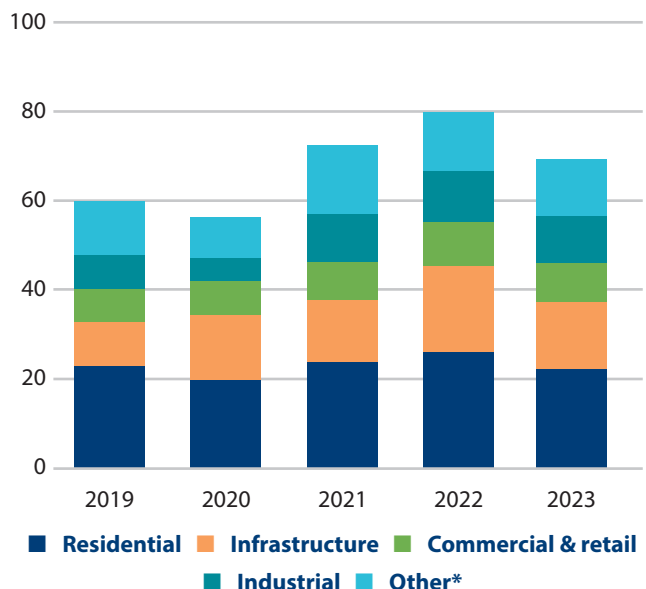
Figure 5: Components of construction output in GB
(Source: ONS)

Dec 2016 = 100



Despite rising costs, tight budgets and planning delays, infrastructure output is set to remain stable in 2024 and then rise by just under 2% in 2025, driven by major projects like HS2 and Hinkley Point C. The expansion of renewable energy offers significant growth opportunities. In roads, prospects are more subdued. National Highways' Road Investment Strategy 2 (RIS2) continues to be impacted by delivery issues. Key projects planned for RIS3 (2025-30), including the A303 Stonehenge Tunnel and the A27 Arundel Bypass, have been axed.

Figure 6: New construction contract awards in £ billions
(Source: Barbour ABI)



* Other includes Education, Hotel, Leisure & Sport, and Medical & Healthcare

Refit and refurbishment work is driving growth in the commercial sector, whilst work on new offices and retail tower projects has been subdued since 2017. Industrial work is coming off recent highs in 2022 and 2023. A weakening pipeline of new work was underlined by last year's 14% drop in the value of new contract awards (Figure 6). Accounting for cost inflation, the actual volume of future work faded at a faster rate. This is particularly true of the residential sector, which failed to see any improvement in the first half of 2024 (Barbour ABI [b], 2024).

Proposals to streamline planning including by hiring more planning officers, enabling development on parts of the Green Belt, making national-level decisions on key projects, and lifting restrictions on onshore wind should support construction activity over the medium term. In contrast, a shrinking labour supply could hinder the government's pledge of building 1.5 million homes in five years. The UK construction workforce has decreased by almost 350,000 since 2019Q1 to 2.08 million (ONS [d], 2024).

Mineral products markets

- MPA market sales in Great Britain are on track for a third consecutive year of decline in 2024.
- MPA forecasts a slow recovery from 2025, assuming a rebound in housebuilding.

The mineral products market is facing a third straight year of decline in 2024 (Figure 7). This reflects a backdrop of unfavourable economic conditions, escalating costs, rising interest rates and a diminishing pipeline of new construction projects. In 2023, primary aggregates sales volumes (crushed rock and sand & gravel) dropped by 5.0%, asphalt by 6.6%, ready-mixed concrete by 6.2% and mortar by 15.0% (MPA [a], 2024).

A marked slowdown in housebuilding activity has coincided with faltering demand from other major construction markets, particularly from commercial high-rise and highways projects. Sales of ready-mixed concrete, fundamental in construction, declined to their lowest volumes since the 1960s. Asphalt sales, split approximately 60/40 between road and non-road construction, slipped to a decade low. By contrast, pockets of growth primarily driven by ongoing work on major infrastructure projects have supported demand for primary aggregates as fill materials, although not enough to fully offset the reduction in demand from other markets.

Persisting weaknesses in Britain's construction sector in the first half of 2024 means that mineral products sales will fall substantially in 2024 (MPA [b], 2024). A recovery is expected to begin in 2025, from a low base, driven by a gradual rebound in the housing market and cautious growth in infrastructure (Figure 8).



Figure 7: MPA sales volumes in Great Britain: 2014Q1 - 2024Q2, seasonally adjusted (Source: MPA)

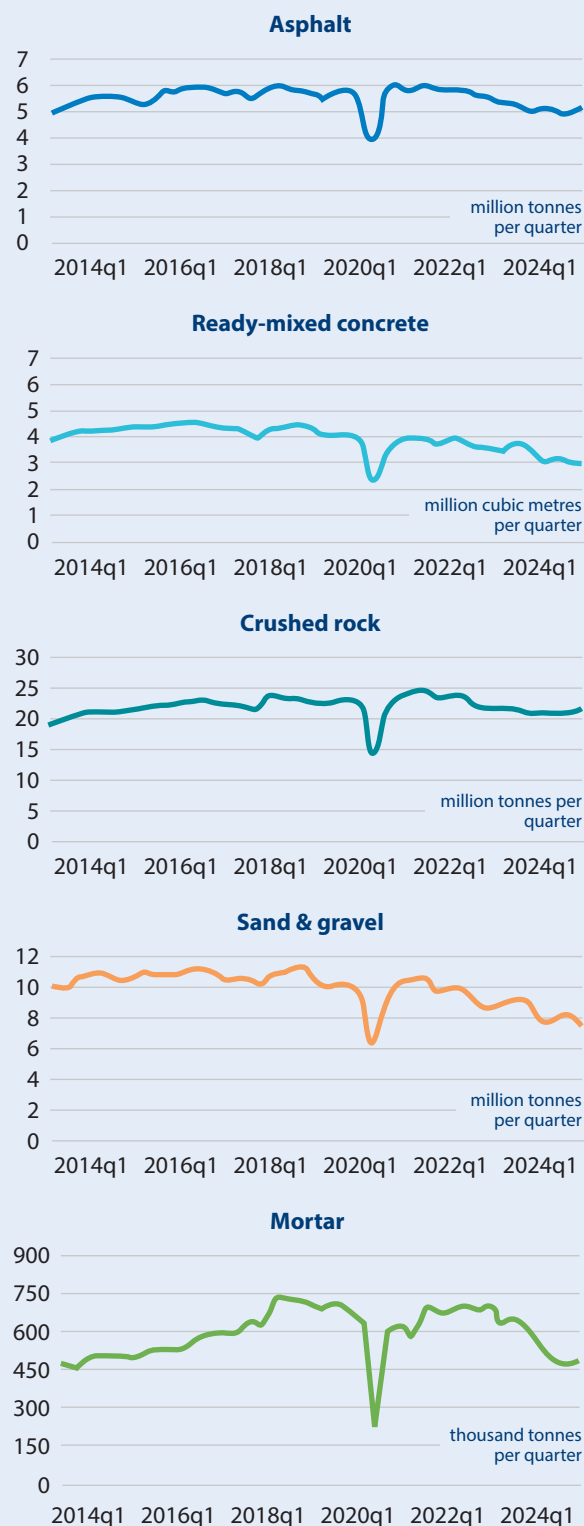
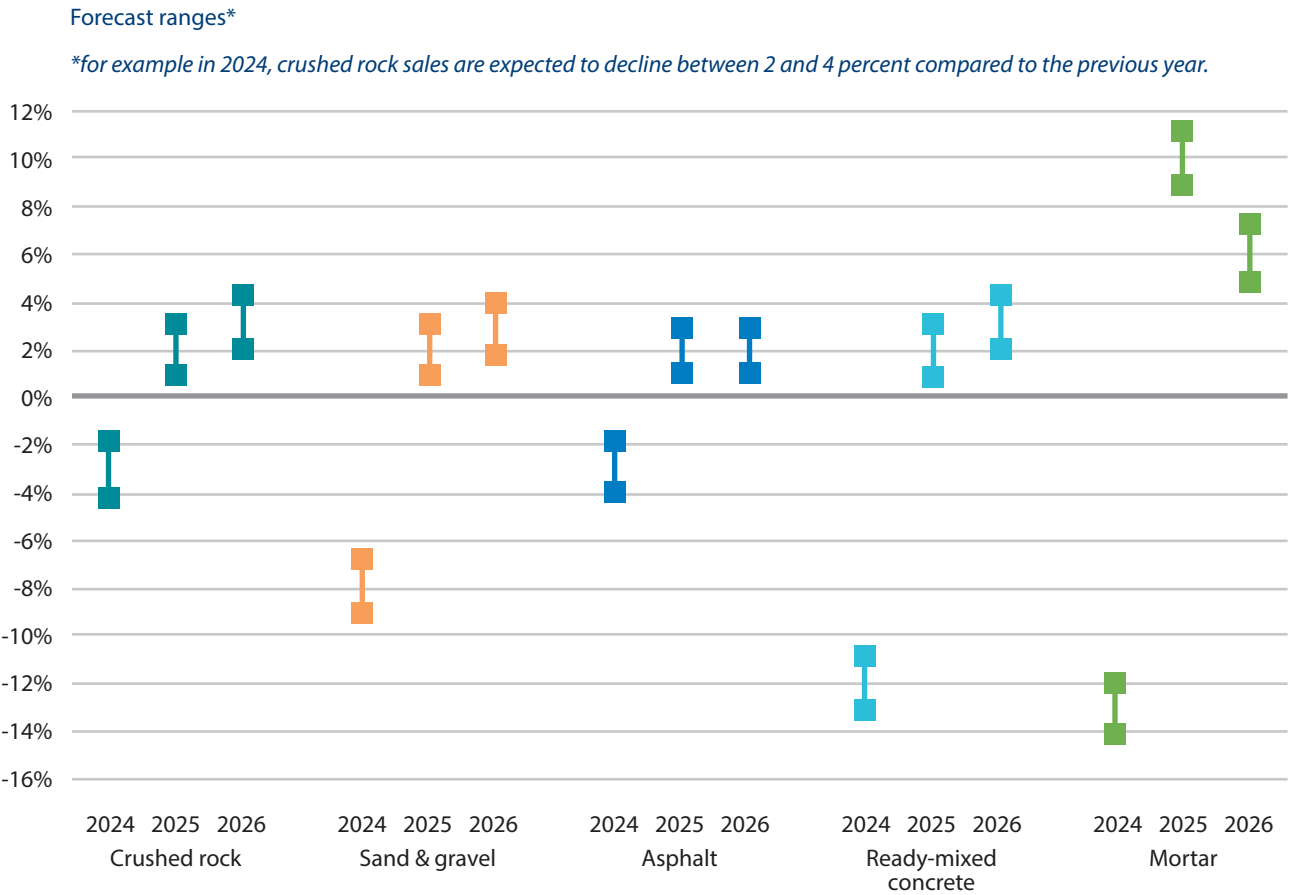




Figure 8: MPA forecast for mineral products sales volumes in Great Britain – September 2024 (Source: MPA)



Regional summary

- In 2022, construction output in GB contributed just over 6% of the total value added across the economy. It is the third largest sector², behind production³ (12%) and services (81%) (ONS [e], 2024).
- Construction activity has broadly slowed since the second half of 2022, driven by the decline in new housing output.
- London accounted for a fifth of total construction work in 2023, with the East of England, North West, and South East each contributing over 10%. Scotland had an 8% share, and Wales 4%.
- MPA sales volumes broadly weakened in 2023. Wales bucked the trend, with significant growth across all markets (Table 1).
- The East Midlands accounted for the highest proportion of crushed rock sales (28%) in 2023. Over half of sand & gravel sales were in the East, South East and West Midlands (Table 2).
- The CITB regional construction forecast indicates that the East of England and London will see the fastest annual average rate of growth in 2024-28 of almost 3% (CITB, 2024).

Table 1: Percentage change in MPA sales volumes by region, 2023 vs. 2022, seasonally adjusted

	Asphalt	RMC ⁽¹⁾	CR	SG
NE	-14.5%	-6.7%	0.7%	(2)
NW	-5.7%	-3.4%	-13.7%	-15.5%
YH	-15.0%	-9.4%	-10.9%	(2)
EM	-14.9%	-21.9%	-8.8%	-13.9%
WM	-9.8%	-8.6%	-9.9%	-3.9%
EE	1.7%	-16.7%	(2)	-18.4%
LN	-0.3%	-4.6%	(2)	(2)
SE	-0.3%	-9.5%	(2)	-6.8%
SW	-3.2%	-8.3%	-0.1%	0.3%
WA	1.5%	4.2%	11.4%	48.5%
SC	-10.4%	-1.0%	-6.5%	-4.5%
GB	-6.6%	-8.5%	-4.1%	-7.1%

(1) Fixed plants only. Regional information for site plants is excluded for confidentiality reasons.
(2) Data cannot be disclosed for confidentiality reasons.

Table 2: Regional summary table (Source: ONS, CITB, MPA)

	Construction output (volume) in 2023, billions	Largest sector of construction output in 2023	Construction forecast, average % per annum over 2024-28	MPA aggregates sales volumes in GB - 2023, Mt (% share of GB sales in brackets)	
				Crushed rock	Sand & gravel
North East	7.6	Infrastructure	1.5%	4.1 (5%)	**
North West	19.0	Private housing	2.2%	4.3 (5%)	0.9 (3%)
Yorkshire and The Humber	15.7	Non-housing R&M	2.2%	6.1 (7%)	**
East Midlands	11.6	Private housing	1.9%	23.7 (28%)	3.8 (11%)
West Midlands	13.6	Non-housing R&M	2.0%	3.9 (5%)	5.8 (17%)
East of England	17.6	Non-housing R&M	2.9%	*	5.7 (17%)
London	38.4	Private housing	2.9%	*	**
South East	25.9	Housing R&M	2.7%	*	6.3 (18%)
South West	13.7	Housing R&M	1.9%	21.7 (26%)	1.7 (5%)
Wales	8.0	Infrastructure	1.2%	10.6 (13%)	1.5 (4%)
Scotland	14.8	Infrastructure	2.1%	8.6 (10%)	2.4 (7%)

* Crushed rock volumes and market share data unavailable for the East of England, London and South East for confidentiality reasons.
** Sand & gravel volumes and market share data unavailable for London, North East and Yorkshire and the Humber for confidentiality reasons.

² Agriculture accounts for the remaining 1% of gross value added.

³ Production consists of four broad sectors: manufacturing, mining and quarrying, electricity and gas, and water supply and sewerage.

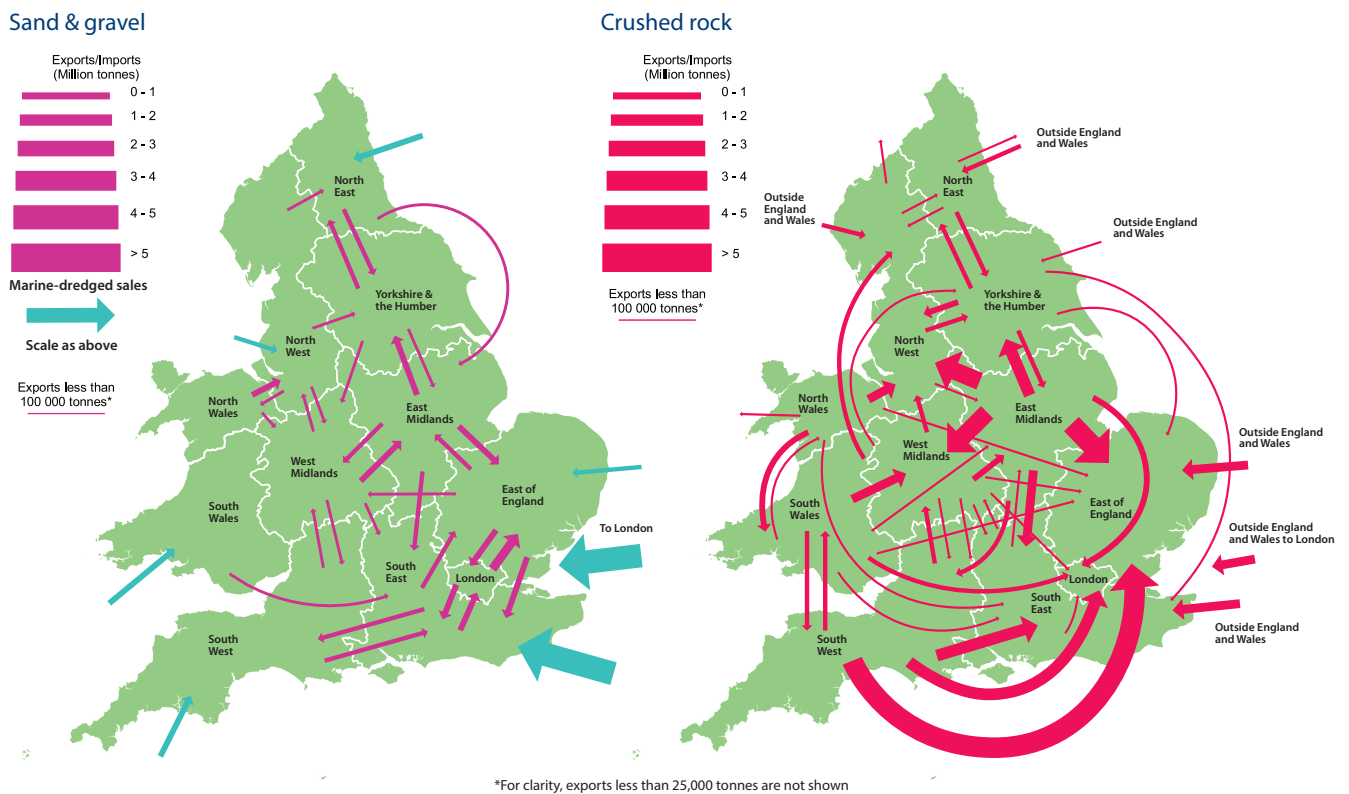


Inter-regional flows are fundamental to meeting demand

Aggregates can only be extracted where they naturally occur. This necessitates inter-regional movement in England and Wales (BGS, 2021), highlighting the need for an effective mineral planning system to ensure a secure, sustainable supply to meet the demands of the construction sector in Great Britain (Figure 9). For example:

- The South East has its own sand & gravel and recycled aggregates but relies on crushed rock from the East Midlands, South West, and Scotland, and marine-dredged sand and gravel from coastal waters.
- Most of London's primary aggregates are imported by rail from the East Midlands and South West or sourced as marine-dredged aggregates landed at Thames wharves.

Figure 9: Primary aggregates flows in England and Wales, 2019 (Source: BGS)



North East

Population: 2.7m (4% of GB total) | Annual average GDP growth in 2018-22: 0.9%

Key construction statistics

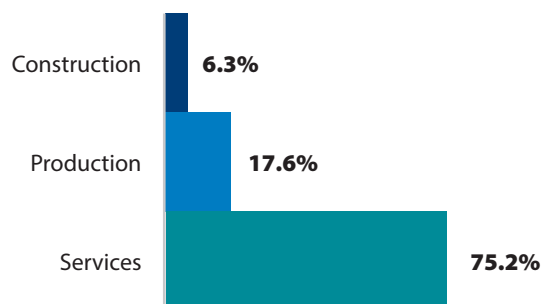
£7.6 billion - Construction output in 2023
17.5% - Annual output increase compared to 2022
4% - Share of total GB construction output

MPA sales volumes: 2023 vs. 2022

Asphalt	-14.5%
Ready-mixed concrete	-6.7%
Crushed rock	0.7%
Sand & gravel*	n/a

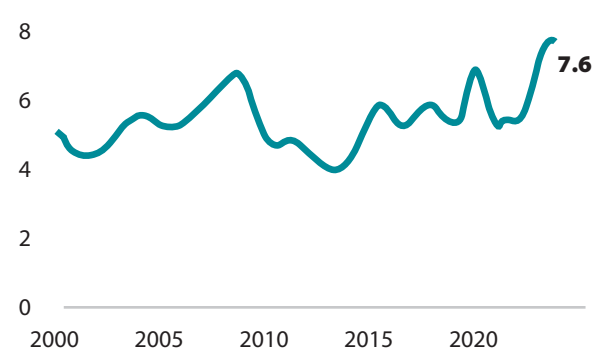
*Sand & gravel not published for confidentiality reasons

Sector share by gross value added in the North East in 2022 (Source: ONS)



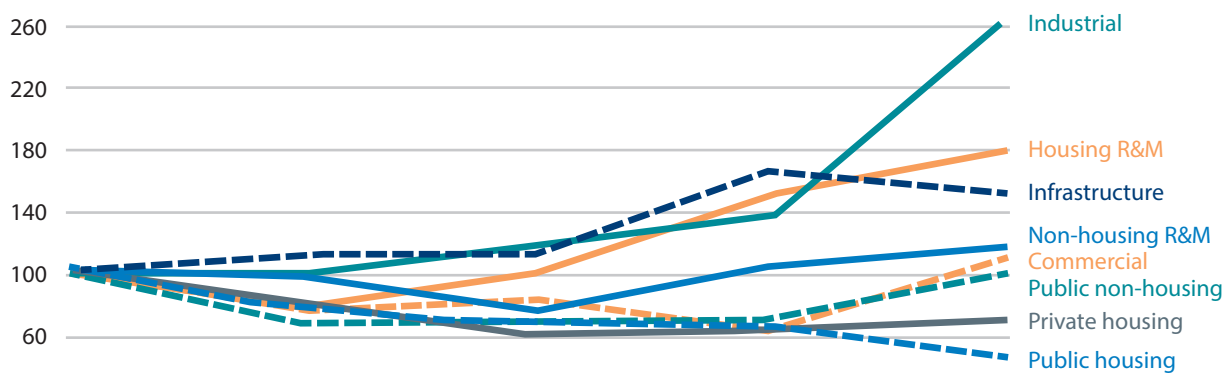
Agriculture accounted for 0.9% of gross value added.

Construction output: 2000-2023. Rolling annual totals, £ billions (Source: ONS)



CONSTRUCTION OUTPUT BY SECTOR AND MARKET SHARE

Annual output change by construction sector (2019 = 100) (Source: ONS)



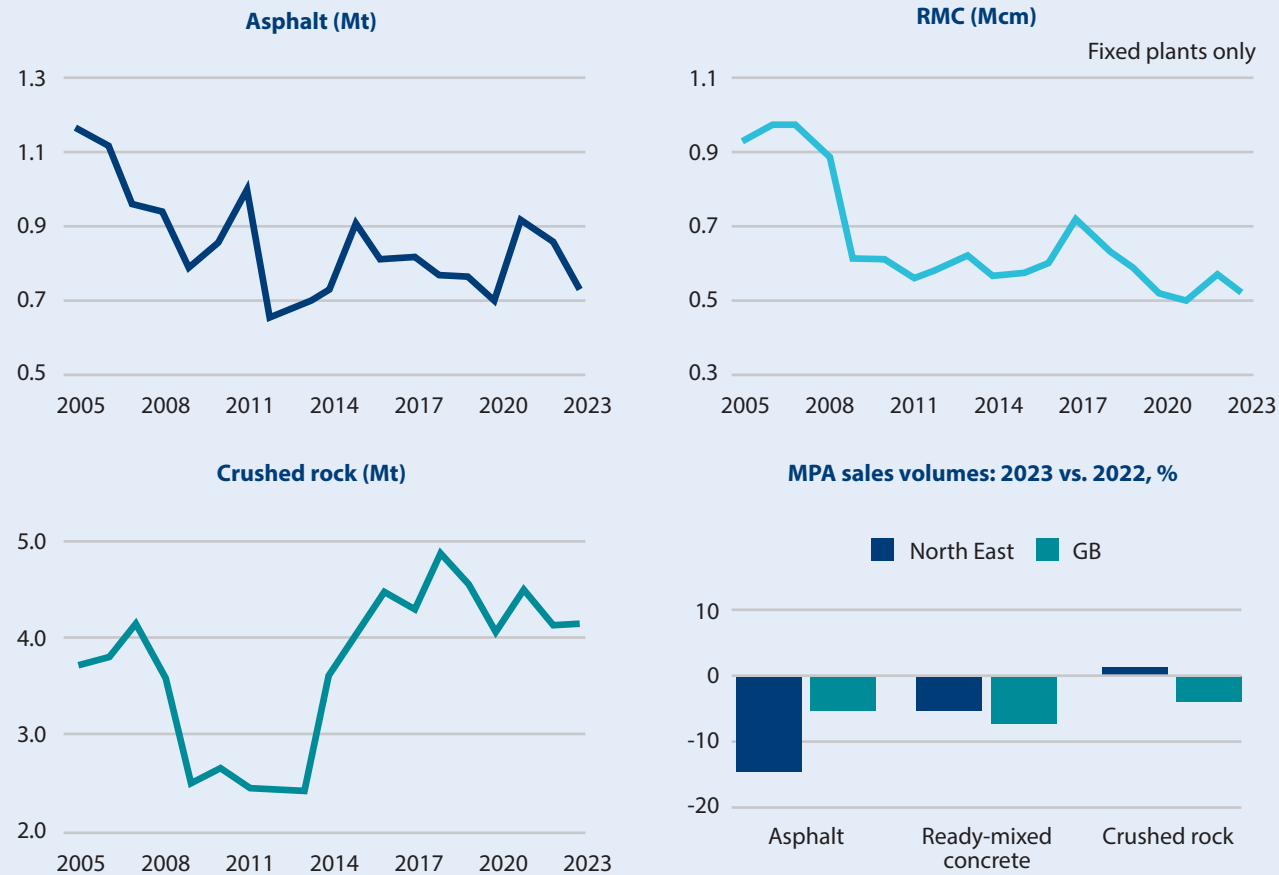
R&M = Repair & maintenance

Shares of construction output by sector in 2023, North East vs GB (Source: ONS)

Public Housing		Infrastructure		Commercial		Housing R&M	
3%	3%	20%	16%	14%	12%	15%	20%
Private Housing		Industrial		Public non-housing		Non-housing R&M	
16%	19%	10%	4%	6%	5%	16%	21%



MINERAL PRODUCTS MARKETS: ANNUAL SALES VOLUMES, 2005-2023* (Source: MPA)

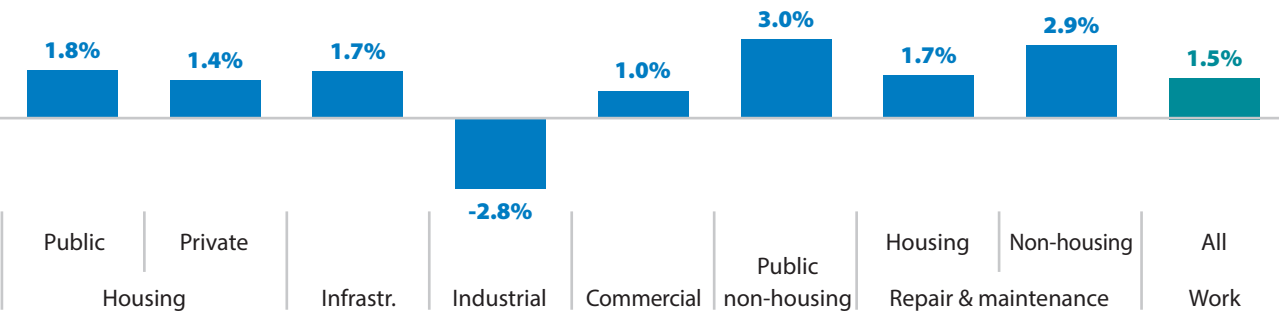


Mt = million tonnes, Mcm = million cubic metres. *Data for sand & gravel cannot be published for confidentiality reasons.

CONSTRUCTION OUTLOOK AND SECTOR FORECASTS

- The Riverside Sunderland regeneration project is a large-scale development which includes new homes, commercial space and leisure facilities. Gateshead Quayside is another significant mixed-use regeneration scheme.
- Ongoing work at Darlington train station is among the biggest transport schemes.
- Residential work includes the 300-home development in Grove Hill, Middlesbrough, which began last year.
- Industrial work is expected to moderate after a sharp rise in 2023, yet the construction of new warehouse units and manufacturing facilities should remain resilient.

Annual average construction output growth by sector: 2024-28 forecast (Source: CITB/Experian)



North West

Population: 7.5m (11% of GB total) | Annual average GDP growth in 2018-22: 1.6%

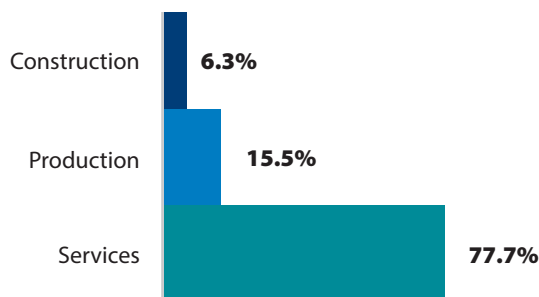
Key construction statistics

£19.0 billion - Construction output in 2023
6.9% - Annual output decline compared to 2022
10% - Share of total GB construction output

MPA sales volumes: 2023 vs. 2022

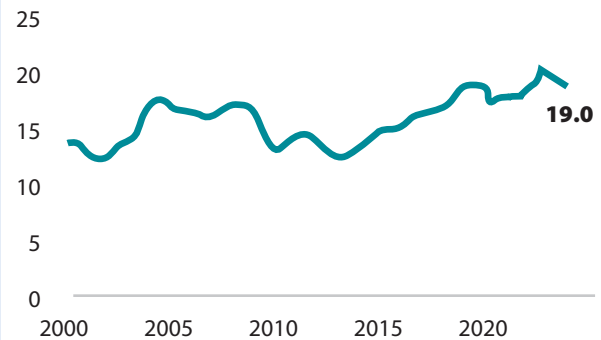
Asphalt	-5.7%
Ready-mixed concrete	-3.4%
Crushed rock	-13.7%
Sand & gravel	-15.5%

Sector share by gross value added in the North West in 2022 (Source: ONS)



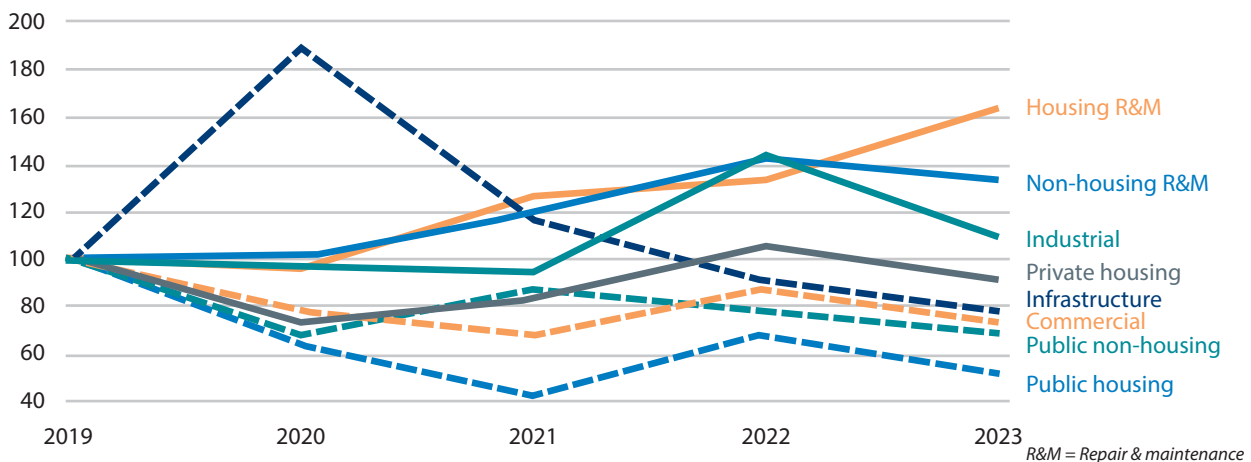
Agriculture accounted for 0.5% of gross value added.

Construction output: 2000-2023. Rolling annual totals, £ billions (Source: ONS)



CONSTRUCTION OUTPUT BY SECTOR AND MARKET SHARE

Annual output change by construction sector (2019 = 100) (Source: ONS)

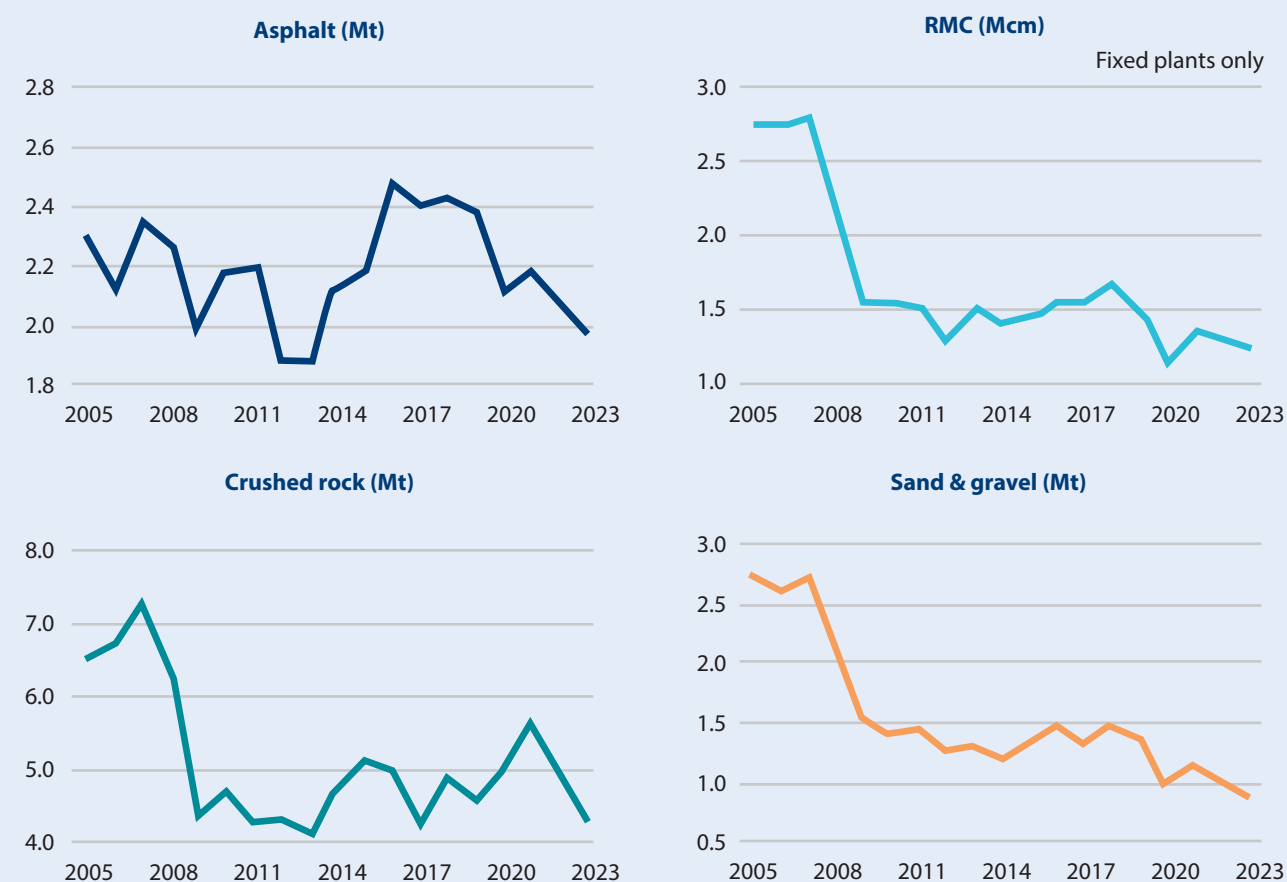


Shares of construction output by sector in 2023, North West vs GB (Source: ONS)

Public Housing		Infrastructure		Commercial		Housing R&M	
2%	3%	10%	16%	12%	12%	17%	20%
Private Housing		Industrial		Public non-housing		Non-housing R&M	
27%	19%	4%	4%	5%	5%	23%	21%



MINERAL PRODUCTS MARKETS: ANNUAL SALES VOLUMES, 2005-2023 (Source: MPA)

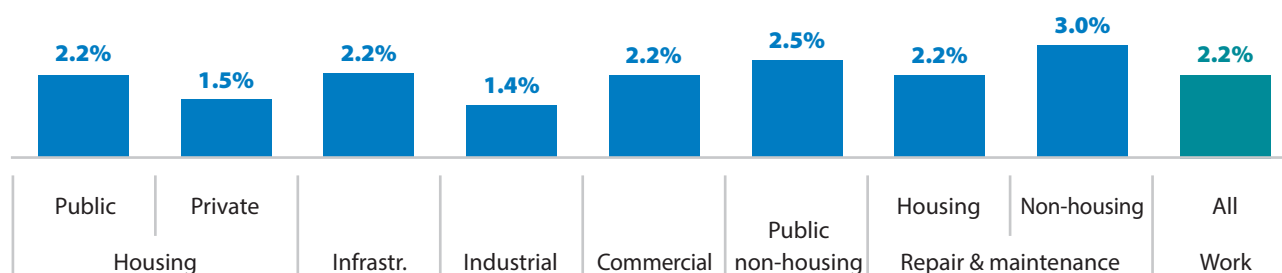


Mt = million tonnes, Mcm = million cubic metres

CONSTRUCTION OUTLOOK AND SECTOR FORECASTS

- Housing is the dominant driver of activity, accounting for almost 30% of total construction output. Projects include The Gateway development in Liverpool, part of the Pumpfields regeneration zone.
- More residential and commercial units are planned as part of Stockport's major regeneration scheme following the completion of the Stockport Interchange transport hub.
- The expansion of the Countess of Chester Hospital is among the main publicly-funded schemes.
- The £225 million Carlisle Southern Link Road is supporting infrastructure.

Annual average construction output growth by sector: 2024-28 forecast (Source: CITB/Experian)



Yorkshire and The Humber

Population: 5.5m (8% of GB total) | Annual average GDP growth in 2018-22: 1.6%

Key construction statistics

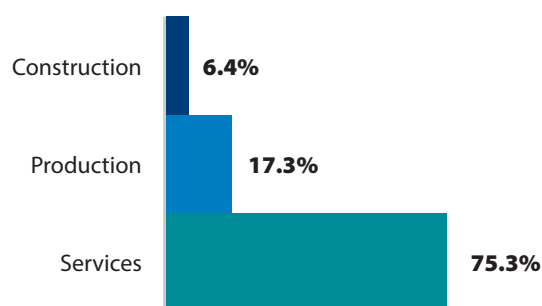
£15.7 billion - Construction output in 2023
8.3% - Annual output increase compared to 2022
8% - Share of total GB construction output

MPA sales volumes: 2023 vs. 2022

Asphalt	-15.0%
Ready-mixed concrete	-9.4%
Crushed rock	-10.9%
Sand & gravel*	n/a

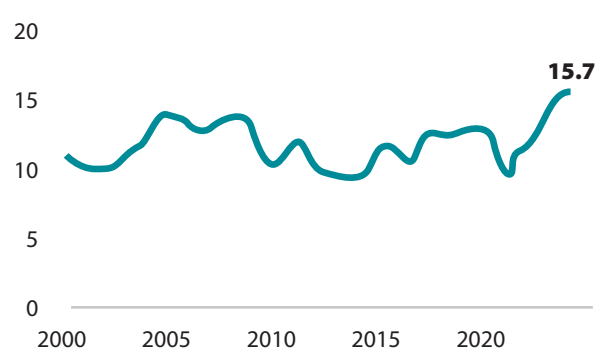
*Sand & gravel not published for confidentiality reasons

Sector share by gross value added in Yorkshire and the Humber in 2022 (Source: ONS)



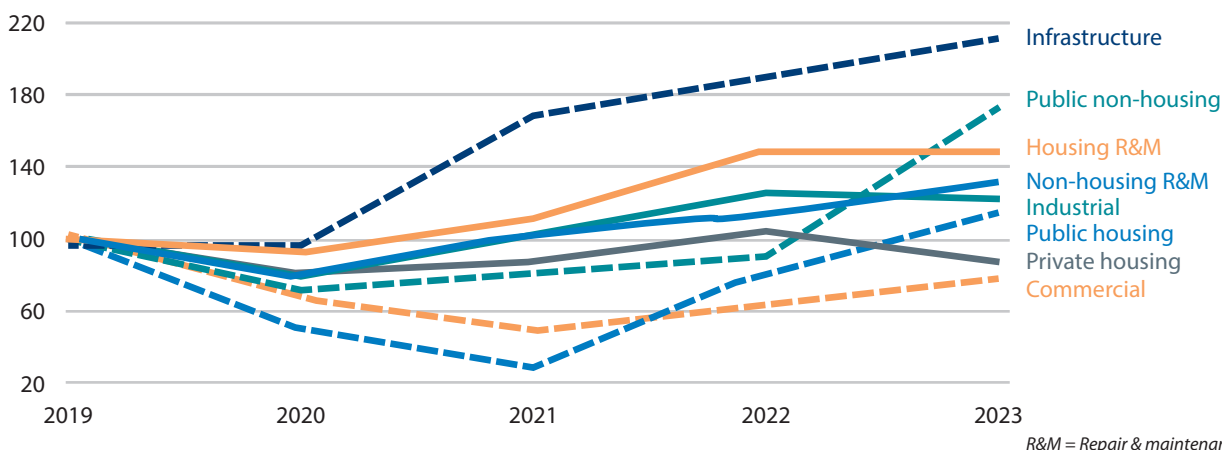
Agriculture accounted for 1% of gross value added.

Construction output: 2000-2023. Rolling annual totals, £ billions (Source: ONS)



CONSTRUCTION OUTPUT BY SECTOR AND MARKET SHARE

Annual output change by construction sector (2019 = 100) (Source: ONS)



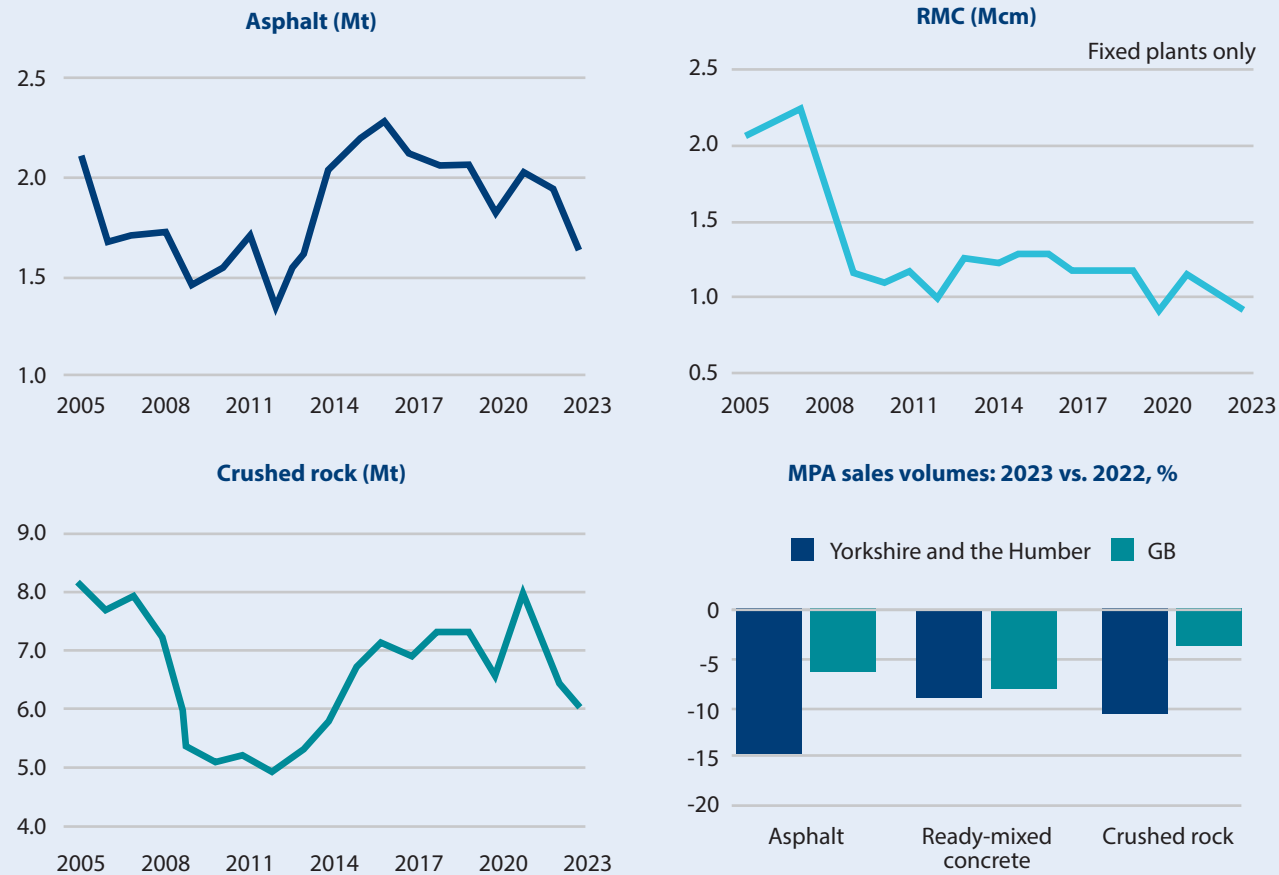
R&M = Repair & maintenance

Shares of construction output by sector in 2023, Yorkshire and The Humber vs GB (Source: ONS)

Public Housing		Infrastructure		Commercial		Housing R&M	
3%	3%	17%	16%	10%	12%	17%	20%
Private Housing		Industrial		Public non-housing		Non-housing R&M	
18%	19%	5%	4%	6%	5%	24%	21%



MINERAL PRODUCTS MARKETS: ANNUAL SALES VOLUMES, 2005-2023* (Source: MPA)

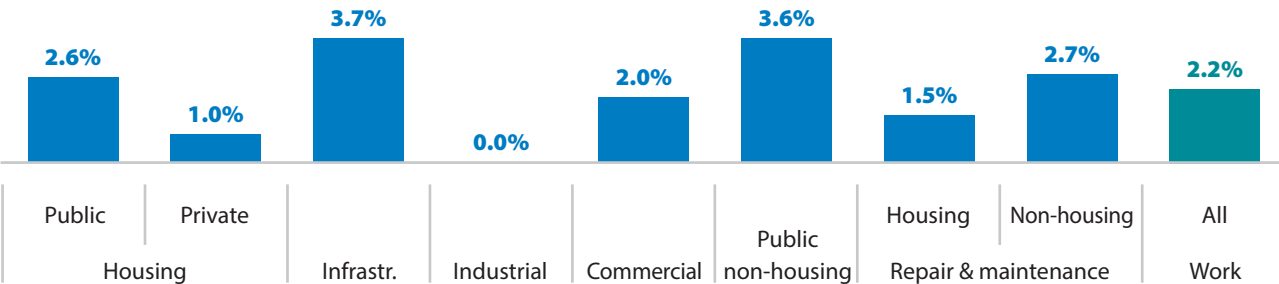


Mt = million tonnes, Mcm = million cubic metres. *Data for sand & gravel cannot be published for confidentiality reasons.

CONSTRUCTION OUTLOOK AND SECTOR FORECASTS

- Several residential projects will support construction work over the next five years. This includes student accommodation, led by the Cirrus Point skyscraper, which is set to become the tallest student block in the world.
- The Unity mixed-use regeneration development in Doncaster includes new homes, commercial space, transport upgrades and industrial units.
- Work has started on the Leeds Bradford airport terminal refurbishment and expansion.
- The pipeline of industrial work is supported by several developments, including at the Melton West Business Park.

Annual average construction output growth by sector: 2024-28 forecast (Source: CITB/Experian)



East Midlands

Population: 4.9m (8% of GB total) | Annual average GDP growth in 2018-22: 1.2%

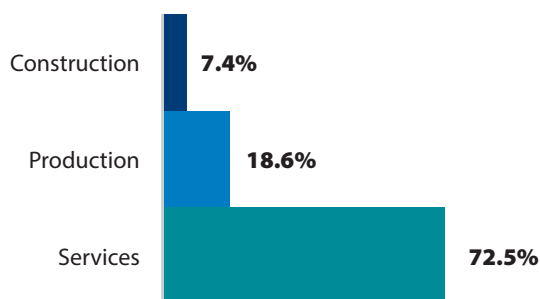
Key construction statistics

£11.6 billion - Construction output in 2023
11.7% - Annual output increase compared to 2022
6% - Share of total GB construction output

MPA sales volumes: 2023 vs. 2022

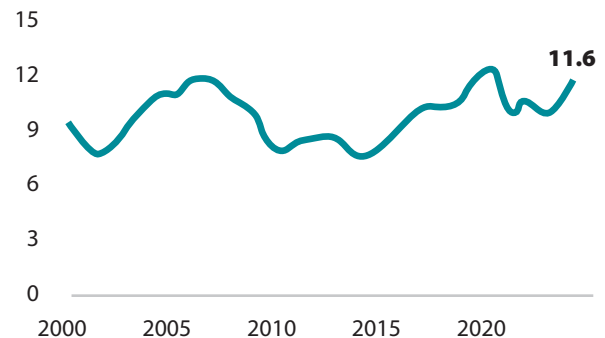
Asphalt	-14.9%
Ready-mixed concrete	-21.9%
Crushed rock	-8.8%
Sand & gravel	-13.9%

Sector share by gross value added in the East Midlands in 2022 (Source: ONS)



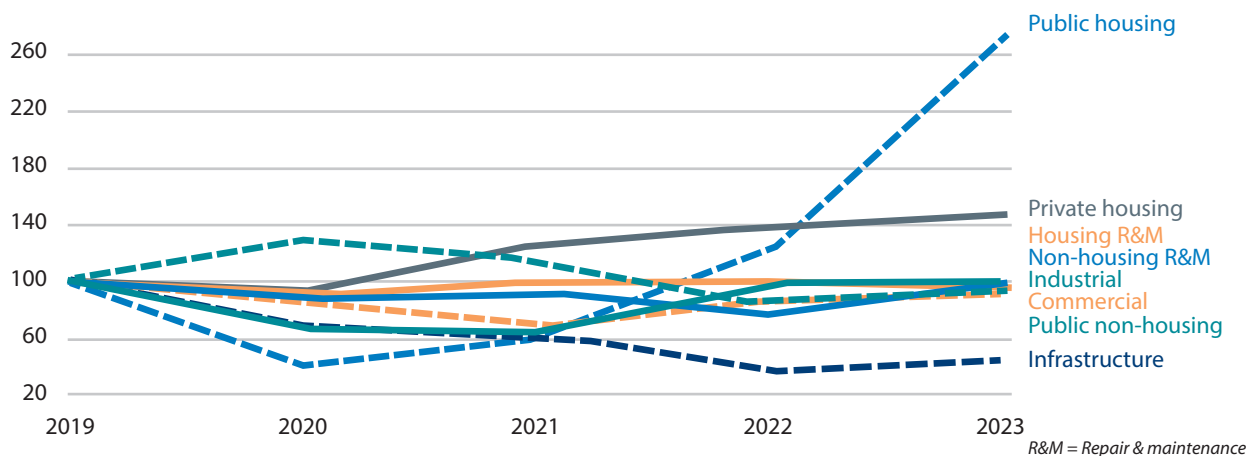
Agriculture accounted for 1.5% of gross value added.

Construction output: 2000-2023. Rolling annual totals, £ billions (Source: ONS)



CONSTRUCTION OUTPUT BY SECTOR AND MARKET SHARE

Annual output change by construction sector (2019 = 100) (Source: ONS)



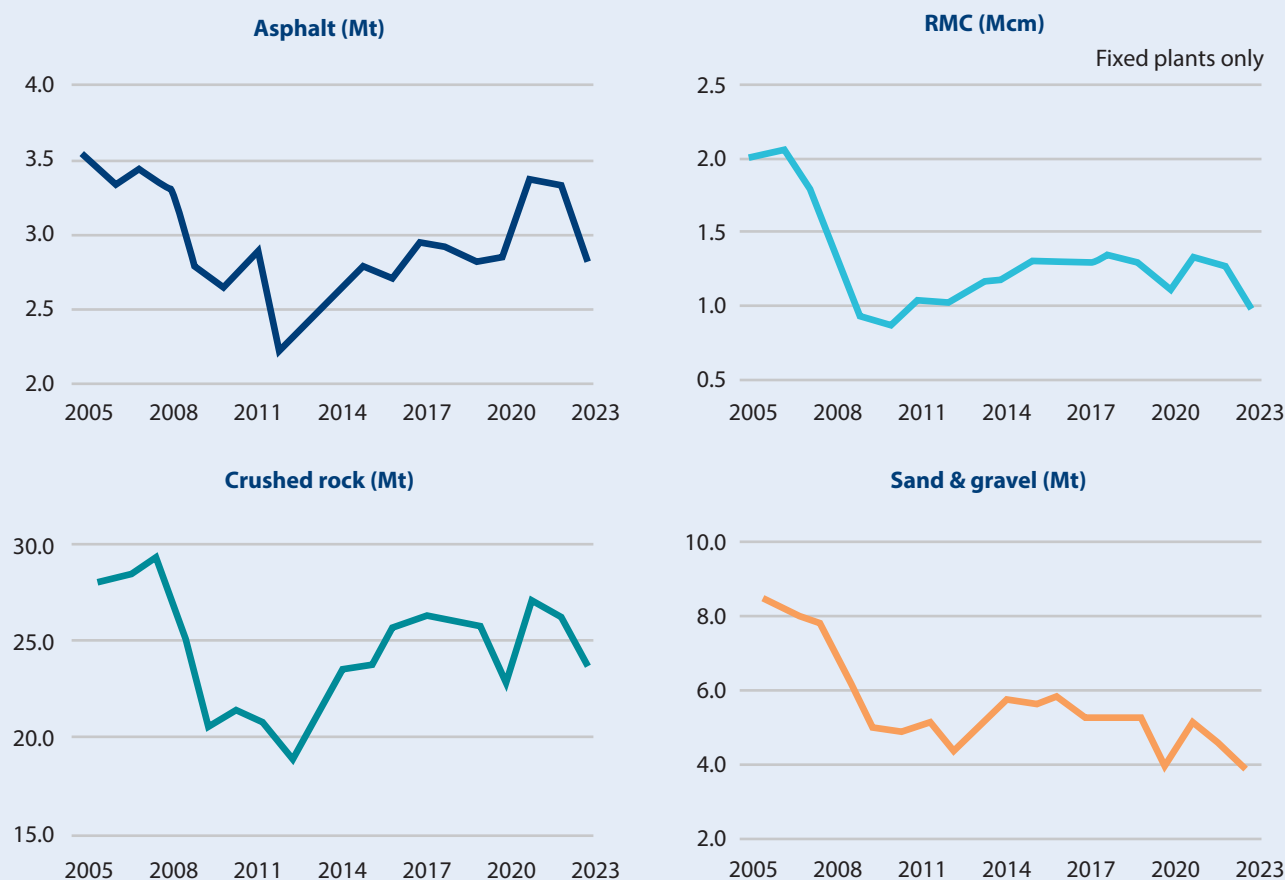
R&M = Repair & maintenance

Shares of construction output by sector in 2023, East Midlands vs. GB (Source: ONS)

Public Housing		Infrastructure		Commercial		Housing R&M	
5%	3%	13%	16%	12%	12%	15%	20%
Private Housing		Industrial		Public non-housing		Non-housing R&M	
25%	19%	9%	4%	5%	5%	16%	21%



MINERAL PRODUCTS MARKETS: ANNUAL SALES VOLUMES, 2005-2023 (Source: MPA)



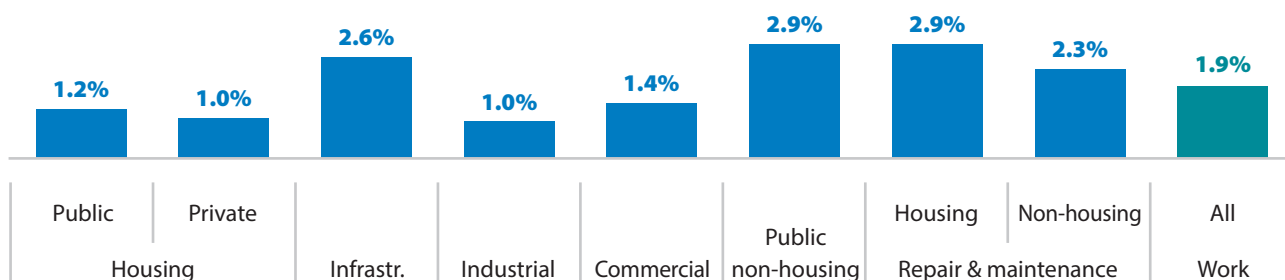
Mt = million tonnes, Mcm = million cubic metres

CONSTRUCTION OUTLOOK AND SECTOR FORECASTS

- New housing, offices and warehouses are all part of the Top Wighay Farm development in Nottinghamshire. The construction of a new school is also in the plans.
- Public infrastructure projects include the proposed HMP Gartree super-prison, ongoing work on the Midland mainline electrification upgrade and the new Business School at the University of Derby.
- As the UK's only inland freeport, the East Midlands Freeport continues to attract investment. This includes plans to expand industrial and logistical capacity around East Midlands airport.

Significant volumes of crushed rock are exported to the East of England, London and the South East. The production of minerals and mineral products will also be influenced by the construction outlook in these regions.

Annual average construction output growth by sector: 2024-28 forecast (Source: CITB/Experian)



West Midlands

Population: 6.0m (9% of GB total) | Annual average GDP growth in 2018-22: 0.7%

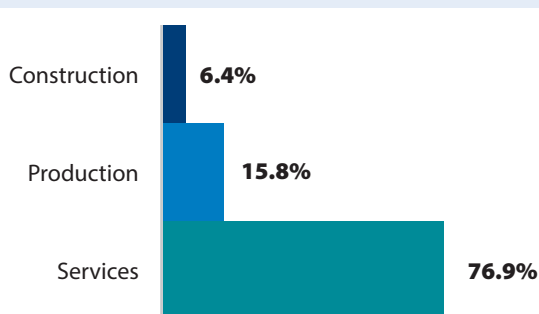
Key construction statistics

£13.6 billion - Construction output in 2023
7.2% - Annual output decline compared to 2022
7% - Share of total GB construction output

MPA sales volumes: 2023 vs. 2022

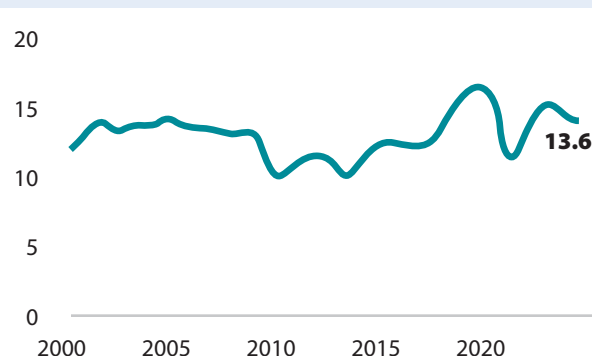
Asphalt	-9.8%
Ready-mixed concrete	-8.6%
Crushed rock	-9.9%
Sand & gravel	-3.9%

Sector share by gross value added in the West Midlands in 2022 (Source: ONS)



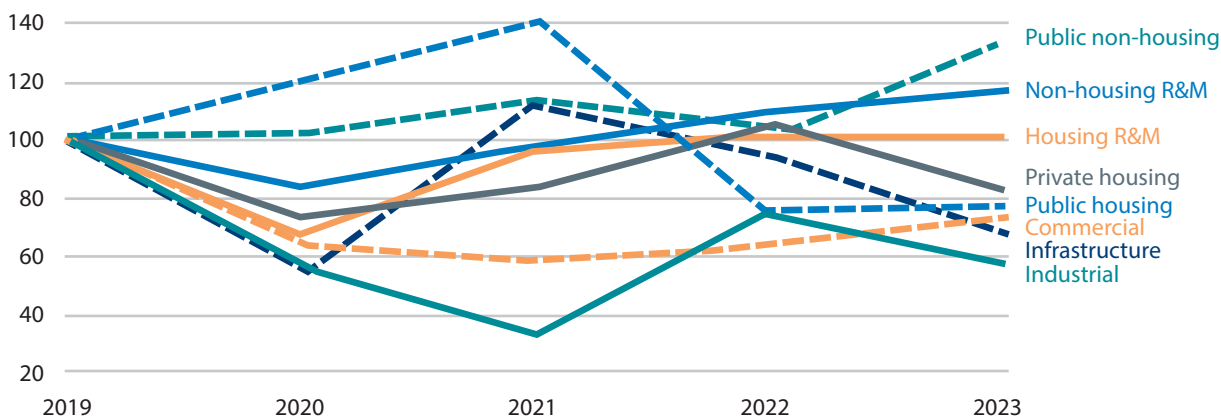
Agriculture accounted for 0.9% of gross value added.

Construction output: 2000-2023. Rolling annual totals, £ billions (Source: ONS)



CONSTRUCTION OUTPUT BY SECTOR AND MARKET SHARE

Annual output change by construction sector (2019 = 100) (Source: ONS)



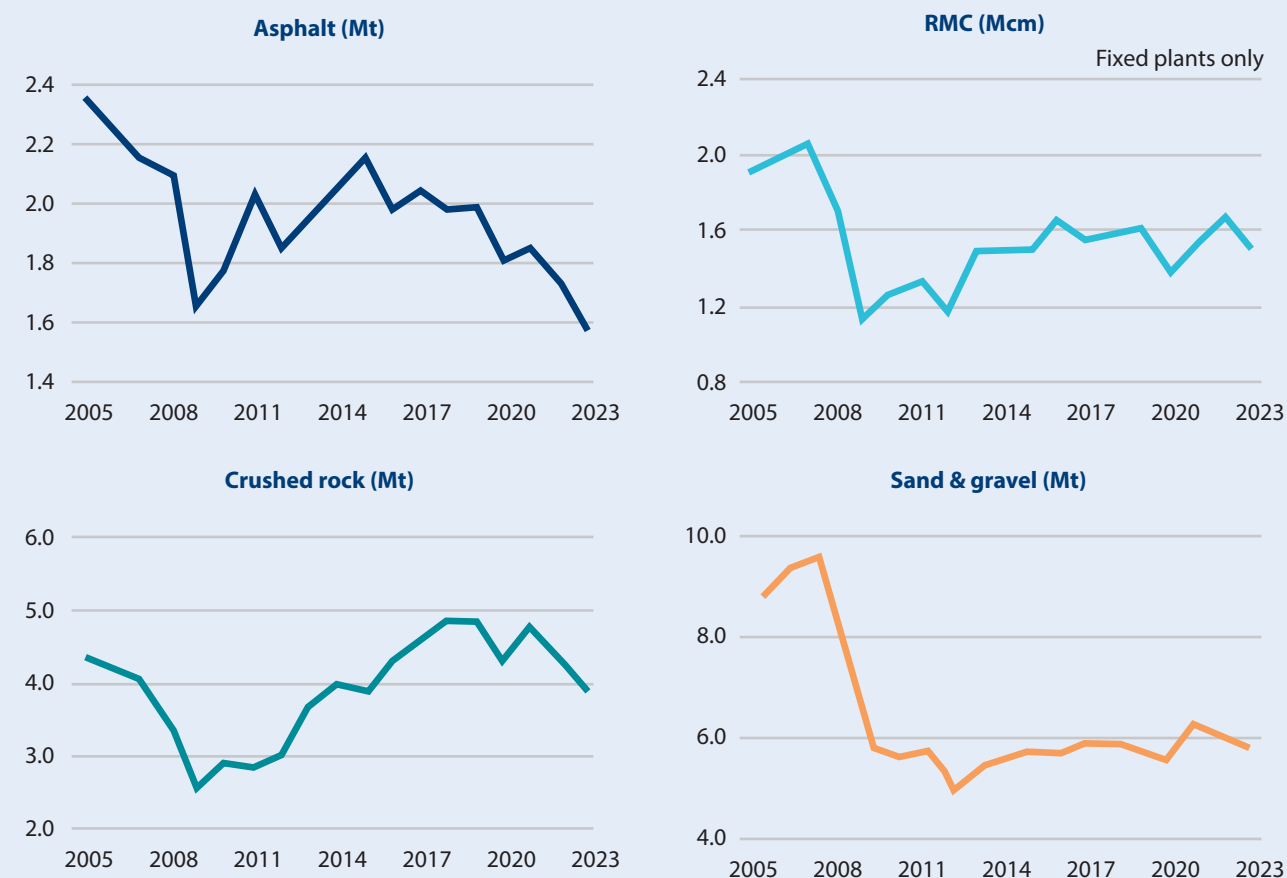
R&M = Repair & maintenance

Shares of construction output by sector in 2023, West Midlands vs. GB (Source: ONS)

Public Housing		Infrastructure		Commercial		Housing R&M	
2%	3%	13%	16%	11%	12%	18%	20%
Private Housing		Industrial		Public non-housing		Non-housing R&M	
22%	19%	4%	4%	7%	5%	23%	21%



MINERAL PRODUCTS MARKETS: ANNUAL SALES VOLUMES, 2005-2023 (Source: MPA)

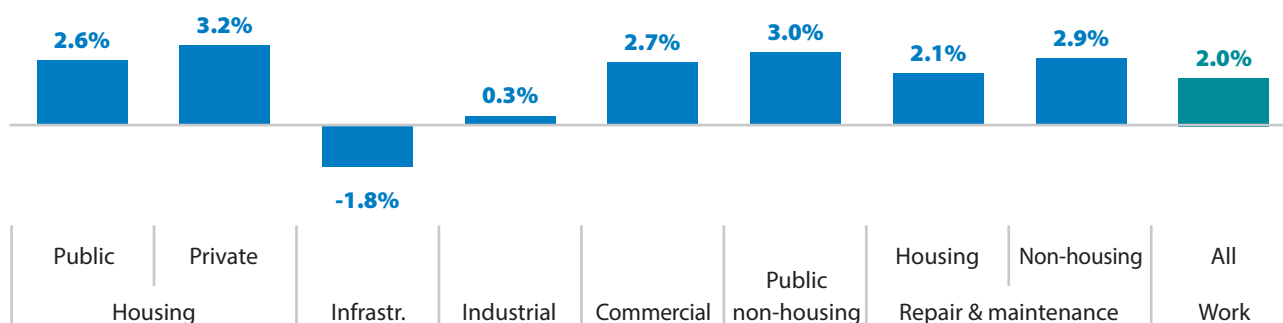


Mt = million tonnes, Mcm = million cubic metres

CONSTRUCTION OUTLOOK AND SECTOR FORECASTS

- The first of three phases has begun at the West Midlands Interchange, a huge logistics development which includes a major rail freight interchange and could deliver up to 8 million square feet of warehousing capacity.
- Coventry's City Centre South regeneration project is due to start in Summer 2024, with plans for hundreds of new homes, commercial units and public open space.
- Infrastructure remains underpinned by HS2. The project will see 'peak' construction in 2024, and work has commenced on Birmingham Curzon Street station.

Annual average construction output growth by sector: 2024-28 forecast (Source: CITB/Experian)



East of England

Population: 6.4m (10% of GB total) | Annual average GDP growth in 2018-22: 0.9%

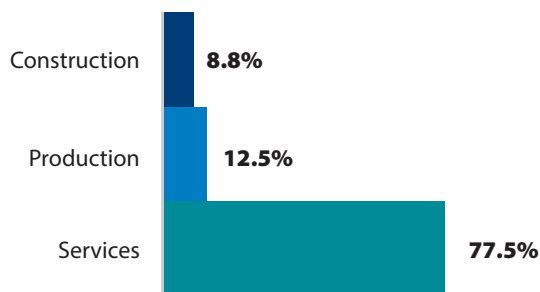
Key construction statistics

£17.6 billion - Construction output in 2023
6.2% - Annual output decline compared to 2022
9% - Share of total GB construction output

MPA sales volumes: 2023 vs. 2022

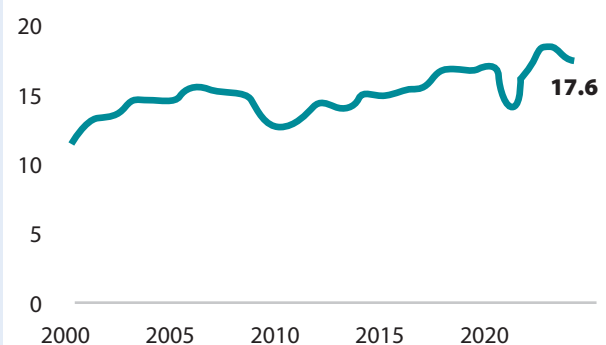
Asphalt **1.7%**
 Ready-mixed concrete **-16.7%**
 Crushed rock* **n/a**
 Sand & gravel **-18.4%**
 *Crushed rock not published for confidentiality reasons

Sector share by gross value added in the East of England in 2022 (Source: ONS)



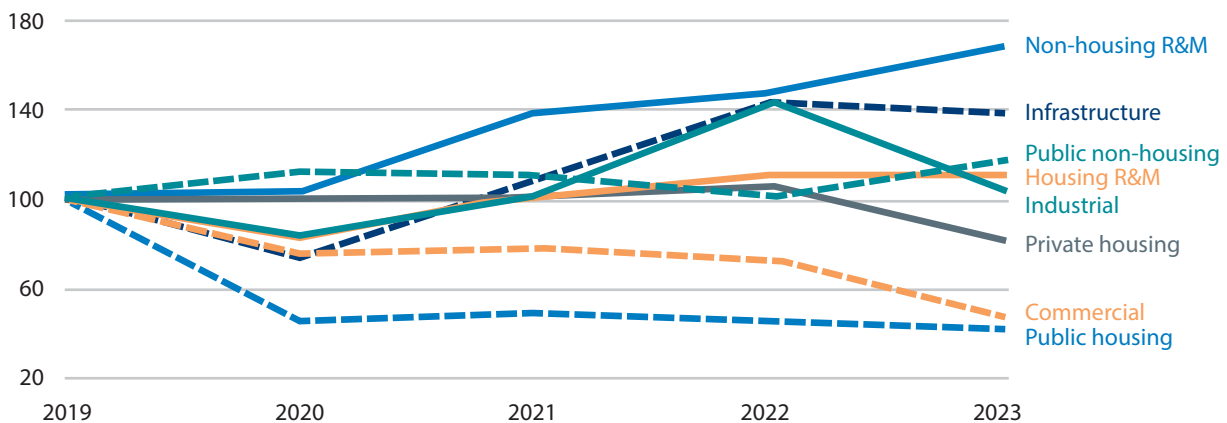
Agriculture accounted for 1.2% of gross value added.

Construction output: 2000-2023. Rolling annual totals, £ billions (Source: ONS)



CONSTRUCTION OUTPUT BY SECTOR AND MARKET SHARE

Annual output change by construction sector (2019 = 100) (Source: ONS)

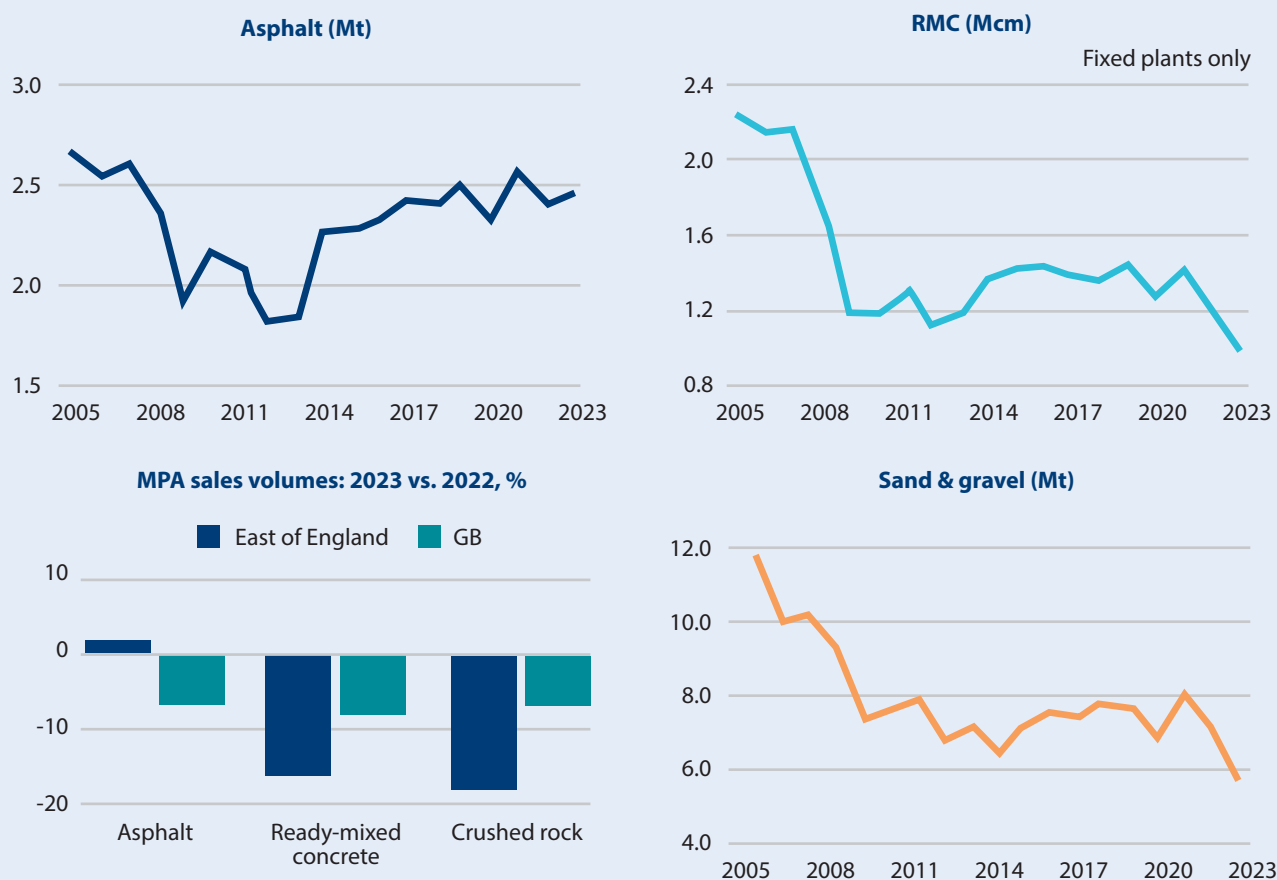


R&M = Repair & maintenance

Shares of construction output by sector in 2023, East of England vs. GB (Source: ONS)

Public Housing		Infrastructure		Commercial		Housing R&M	
2%	3%	14%	16%	8%	12%	25%	20%
Private Housing		Industrial		Public non-housing		Non-housing R&M	
15%	19%	3%	4%	6%	5%	27%	21%

MINERAL PRODUCTS MARKETS: ANNUAL SALES VOLUMES, 2005-2023* (Source: MPA)

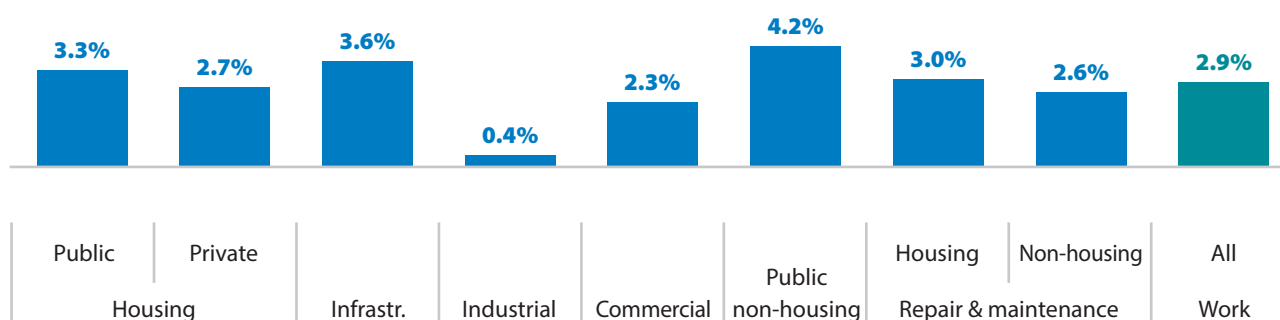


Mt = million tonnes, Mcm = million cubic metres. *Data for crushed rock cannot be published for confidentiality reasons.

CONSTRUCTION OUTLOOK IN THE EAST OF ENGLAND

- The Sizewell C nuclear facility entered the initial phase of preparatory work in early 2024. The construction timeline is uncertain due to funding not yet being secured.
- Work on National Highways' A428 Black Cat road scheme has commenced, while a series of improvements along the A47 are in the early stages after delays.
- A new development near Cambridge North railway station was given the green light early in 2024. Part of the wider regeneration of the area, the plans include new housing, commercial buildings and community spaces.

Annual average construction output growth by sector: 2024-28 forecast (Source: CITB/Experian)



London

Population: 8.9m (14% of GB total) | Annual average GDP growth in 2018-22: 0.8%

Key construction statistics

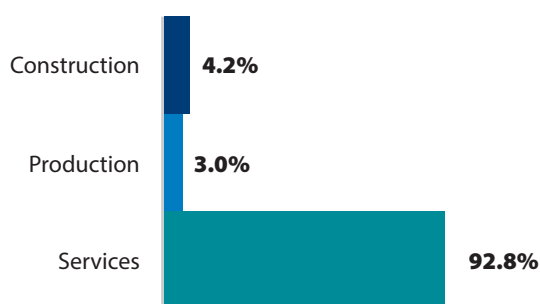
£38.4 billion - Construction output in 2023
0.7% - Annual output increase compared to 2022
21% - Share of total GB construction output

MPA sales volumes: 2023 vs. 2022

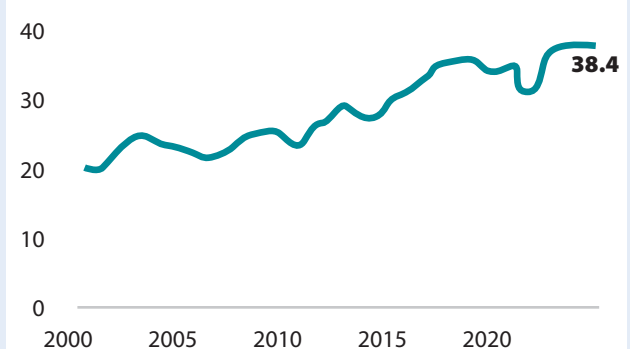
Asphalt **-0.3%**
 Ready-mixed concrete **-4.6%**
 Crushed rock* **n/a**
 Sand & gravel* **n/a**

**Data for crushed rock and sand & gravel cannot be published for confidentiality reasons.*

Sector share by gross value added in London in 2022 (Source: ONS)

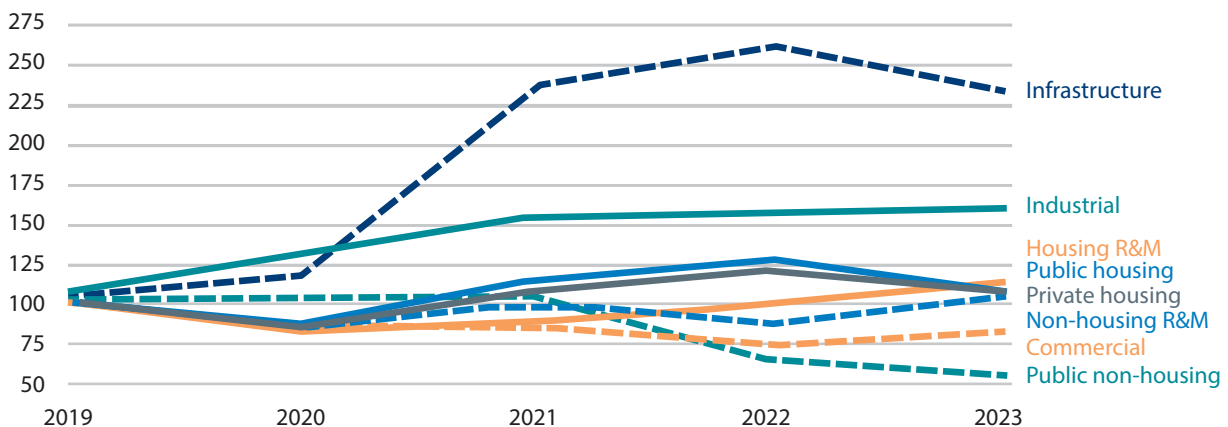


Construction output: 2000-2023. Rolling annual totals, £ billions (Source: ONS)



CONSTRUCTION OUTPUT BY SECTOR AND MARKET SHARE

Annual output change by construction sector (2019 = 100) (Source: ONS)



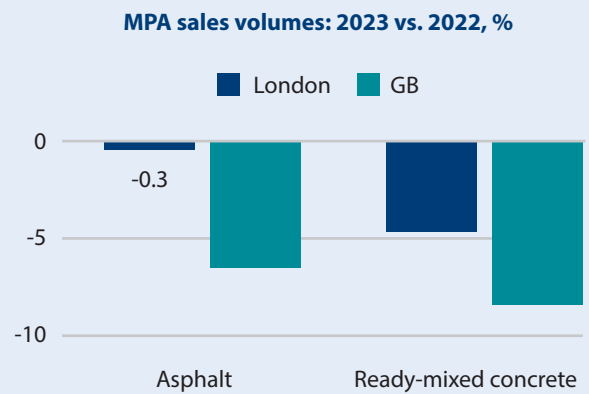
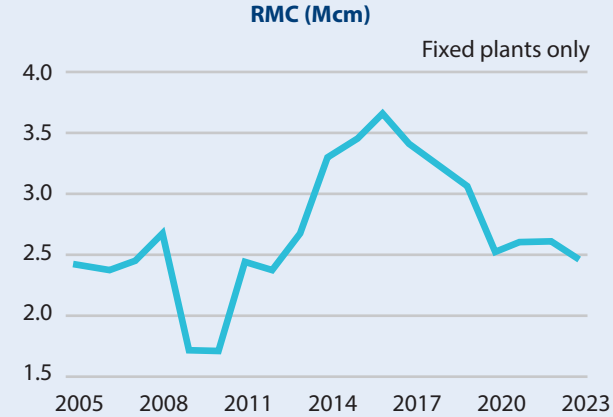
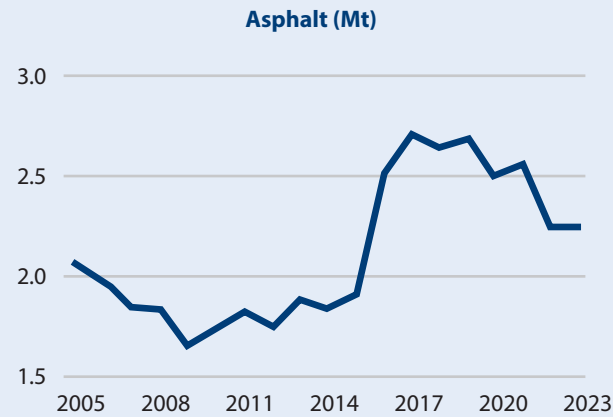
R&M = Repair & maintenance

Shares of construction output by sector in 2023, London vs. GB (Source: ONS)

Public Housing		Infrastructure		Commercial		Housing R&M	
5%	3%	17%	16%	22%	12%	16%	20%
Private Housing		Industrial		Public non-housing		Non-housing R&M	
25%	19%	1%	4%	3%	5%	11%	21%



MINERAL PRODUCTS MARKETS: ANNUAL SALES VOLUMES, 2005-2023* (Source: MPA)

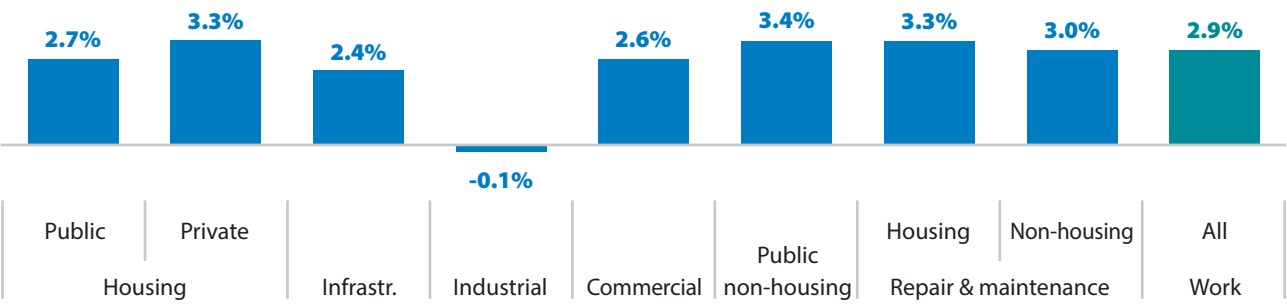


Mt = million tonnes, Mcm = million cubic metres. *Data for crushed rock and sand & gravel cannot be published for confidentiality reasons.

CONSTRUCTION OUTLOOK AND SECTOR FORECASTS

- Several major developments including at Queen Elizabeth Olympic Park, Canary Wharf, and Brent Cross Town are expected to continue progressing over the next 5 years, with new housing, commercial offices and leisure facilities part of the plans.
- The Affordable Homes Programme 2021-26 continues to support new housebuilding.
- Refit and refurbishment underpinned activity in the commercial sector in 2023 and schemes in the pipeline include the Timber Square development and refurbishment of Thirty High in Victoria.

Annual average construction output growth by sector: 2024-28 forecast (Source: CITB/Experian)



South East

Population: 9.4m (14% of GB total) | Annual average GDP growth in 2018-22: 1.7%

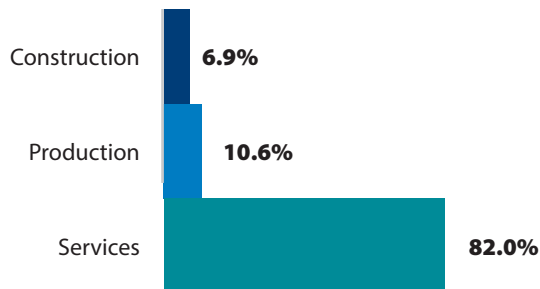
Key construction statistics

£25.9 billion - Construction output in 2023
5.9% - Annual output increase compared to 2022
14% - Share of total GB construction output

MPA sales volumes: 2023 vs. 2022

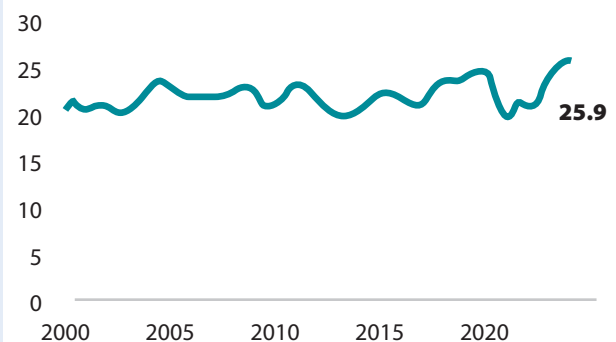
Asphalt **-0.3%**
 Ready-mixed concrete **-9.5%**
 Crushed rock* **n/a**
 Sand & gravel **-6.8%**
**Crushed rock not published for confidentiality reasons*

Sector share by gross value added in the South East in 2022 (Source: ONS)



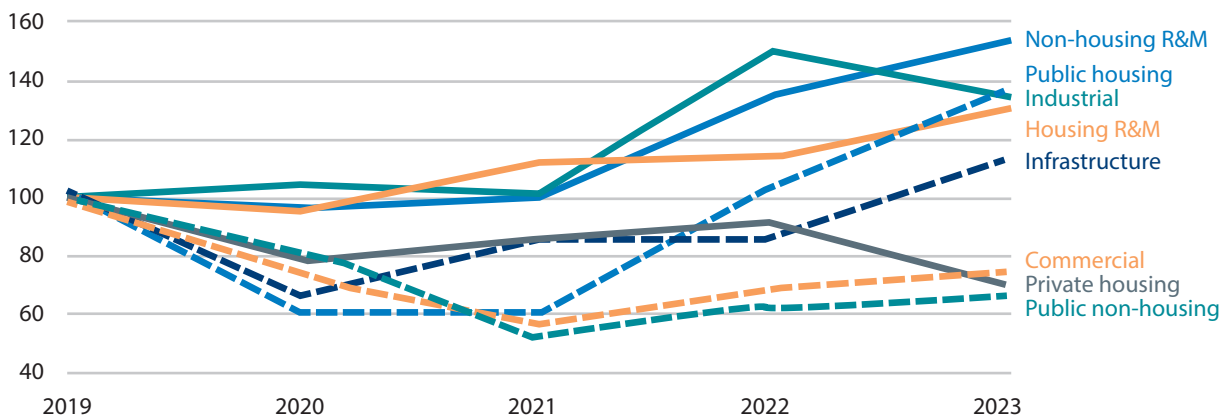
Agriculture accounted for 0.5% of gross value added.

Construction output: 2000-2023. Rolling annual totals, £ billions (Source: ONS)



CONSTRUCTION OUTPUT BY SECTOR AND MARKET SHARE

Annual output change by construction sector (2019 = 100) (Source: ONS)



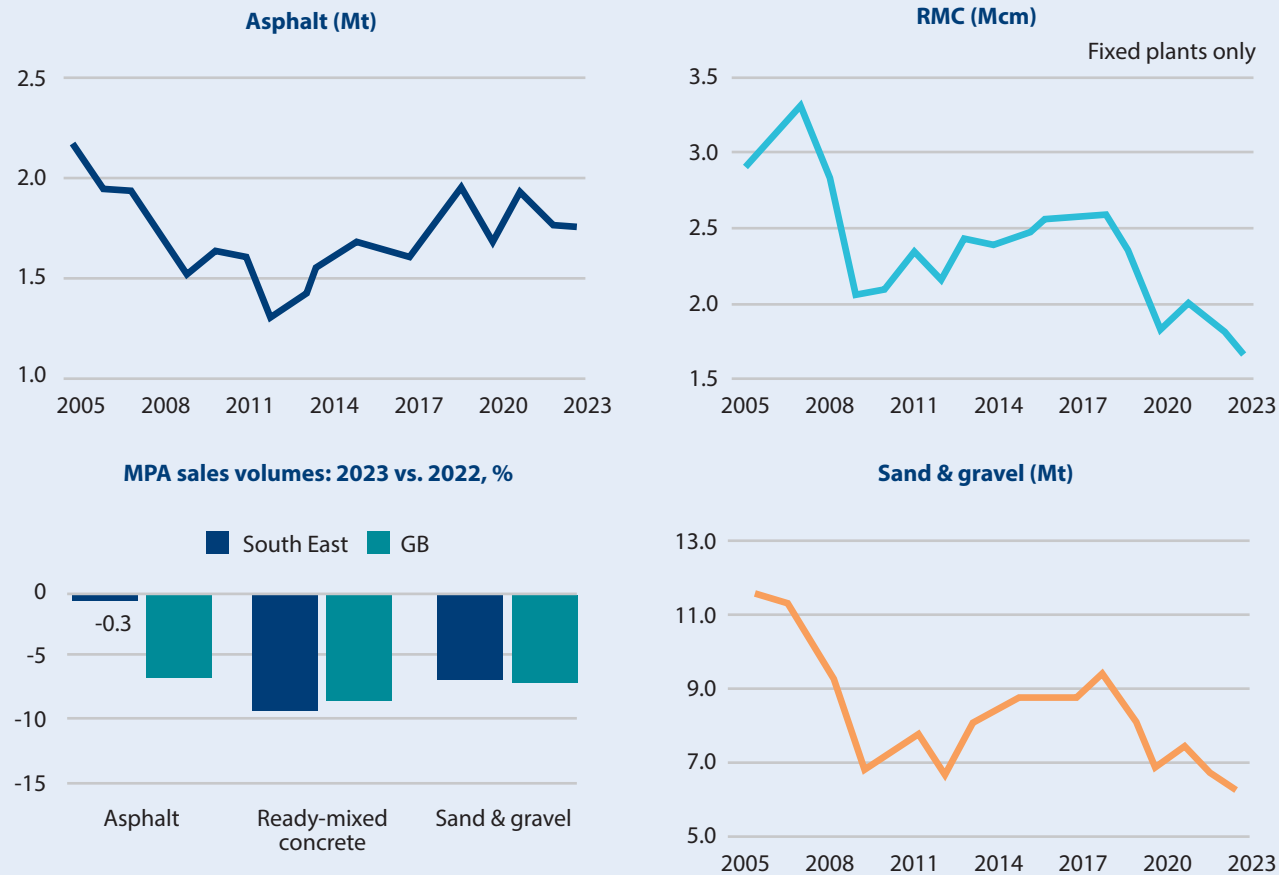
R&M = Repair & maintenance

Shares of construction output by sector in 2023, South East vs. GB (Source: ONS)

Public Housing		Infrastructure		Commercial		Housing R&M	
2%	3%	12%	16%	11%	12%	27%	20%
Private Housing		Industrial		Public non-housing		Non-housing R&M	
15%	19%	3%	4%	4%	5%	26%	21%



MINERAL PRODUCTS MARKETS: ANNUAL SALES VOLUMES, 2005-2023* (Source: MPA)

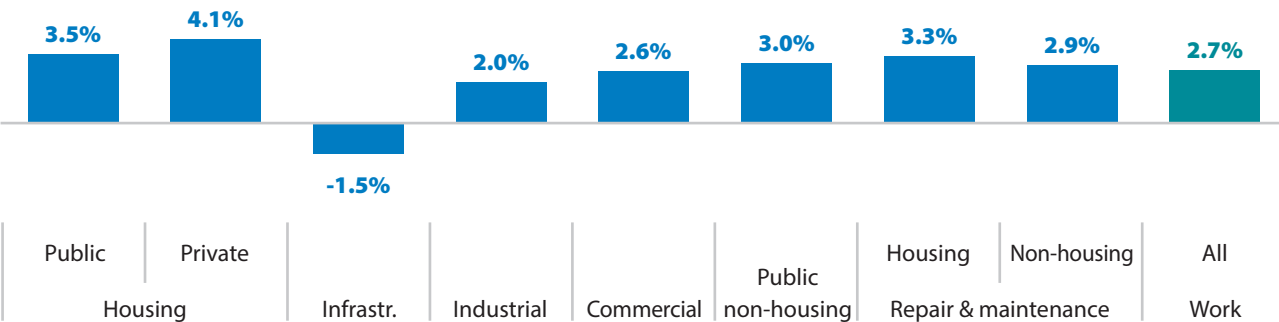


Mt = million tonnes, Mcm = million cubic metres. *Data for crushed rock cannot be published for confidentiality reasons.

CONSTRUCTION OUTLOOK AND SECTOR FORECASTS

- Tipner East in Portsmouth will provide around 850 new homes, as well as commercial and recreational facilities.
- The planned Otterpool Park development in Kent could lead to the creation of up to 10,000 new homes.
- Wycombe Film Studios is under construction, following completion in 2024 of the brand new Shinfield Studios near Reading and the expansion of Shepperton Studios in Surrey.
- The Havant Thicket Reservoir will be the first new reservoir in the UK for several decades. Preparatory work has begun and completion is expected in 2029.

Annual average construction output growth by sector: 2024-28 forecast (Source: CITB/Experian)



South West

Population: 5.8m (9% of GB total) | Annual average GDP growth in 2018-22: 1.7%

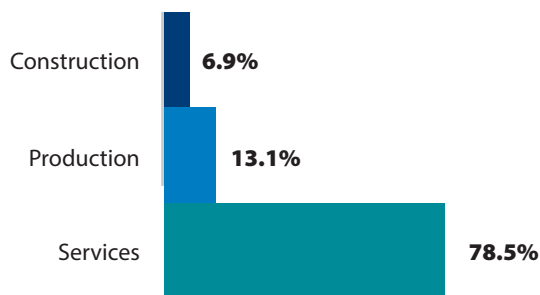
Key construction statistics

£13.7 billion - Construction output in 2023
2.6% - Annual output decline compared to 2022
7% - Share of total GB construction output

MPA sales volumes: 2023 vs. 2022

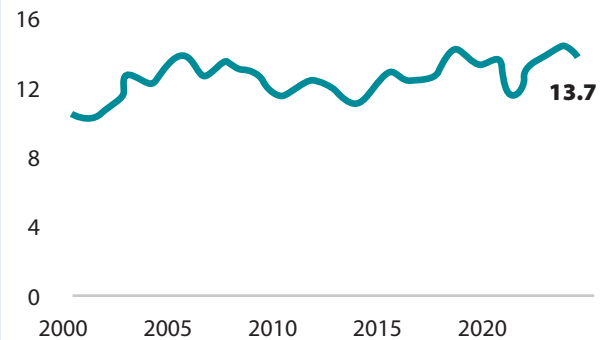
Asphalt	-3.2%
Ready-mixed concrete	-8.3%
Crushed rock	-0.1%
Sand & gravel	0.3%

Sector share by gross value added in the South West in 2022 (Source: ONS)



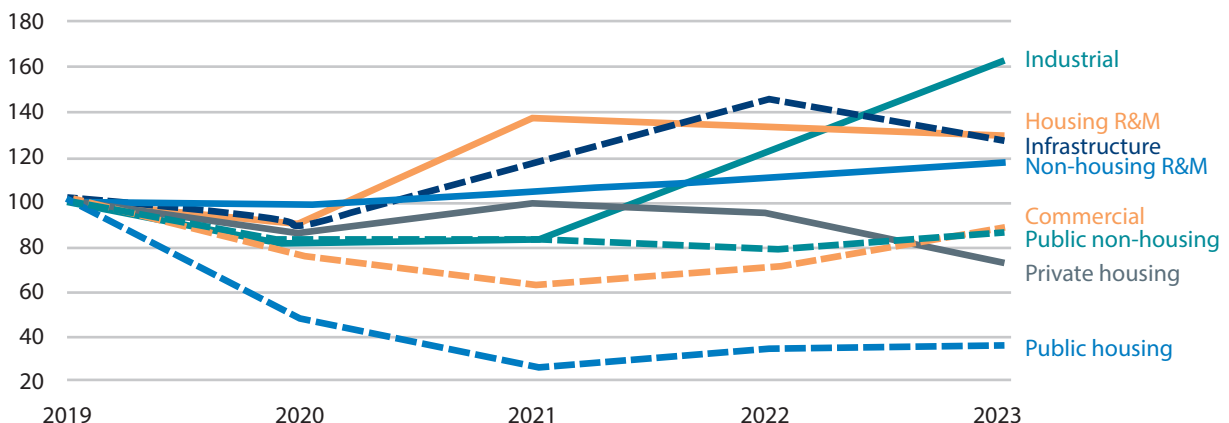
Agriculture accounted for 1.5% of gross value added

Construction output: 2000-2023. Rolling annual totals, £ billions (Source: ONS)



CONSTRUCTION OUTPUT BY SECTOR AND MARKET SHARE

Annual output change by construction sector (2019 = 100) (Source: ONS)



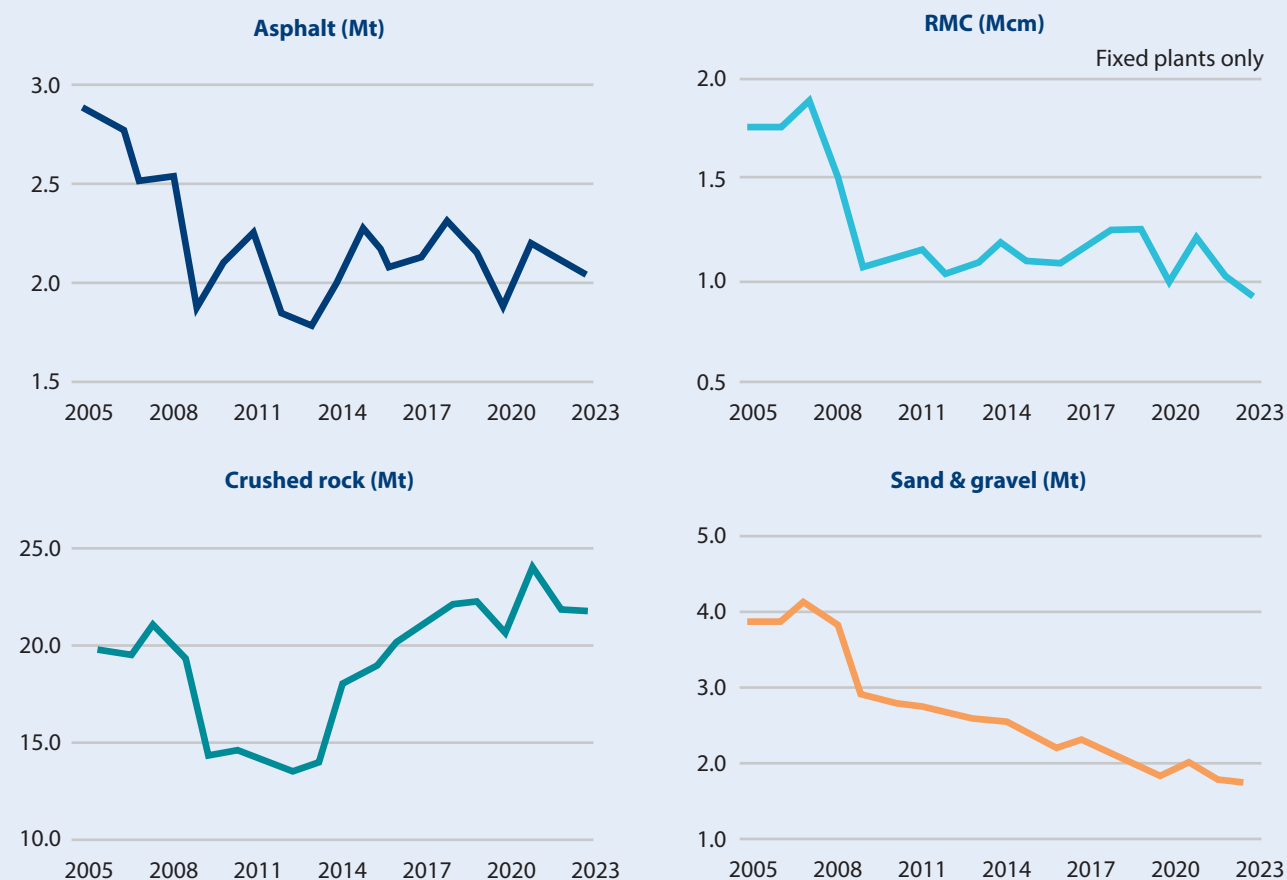
R&M = Repair & maintenance

Shares of construction output by sector in 2023, South West vs. GB (Source: ONS)

Public Housing		Infrastructure		Commercial		Housing R&M	
2%	3%	14%	16%	14%	12%	27%	20%
Private Housing		Industrial		Public non-housing		Non-housing R&M	
17%	19%	5%	4%	6%	5%	15%	21%



MINERAL PRODUCTS MARKETS: ANNUAL SALES VOLUMES, 2005-2023 (Source: MPA)



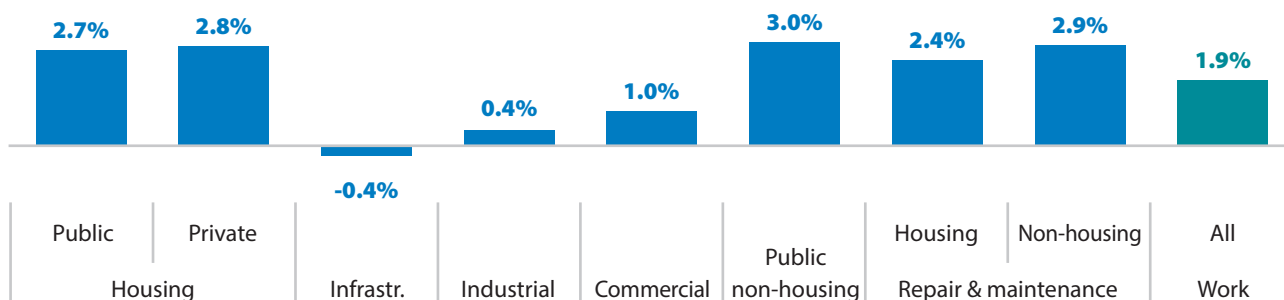
Mt = million tonnes, Mcm = million cubic metres

CONSTRUCTION OUTLOOK AND SECTOR FORECASTS

- Hinkley Point C remains the main engine of growth for infrastructure. Yet, delays have pushed back the estimated completion to beyond 2030.
- Main construction work on the £4 billion gigafactory in Somerset is expected to begin in Summer 2024, with the site due to become operational in 2026.
- Plans submitted to redevelop the Galleries shopping space in Bristol include new homes, retail units, student accommodation and other leisure and community facilities. Early-stage construction has also begun on the YTL Arena Bristol, a large indoor entertainment venue.

Significant volumes of crushed rock are exported to the East of England, London and the South East. The production of minerals and mineral products will also be influenced by the construction outlook in these regions.

Annual average construction output growth by sector: 2024-28 forecast (Source: CITB/Experian)



Wales

Population: 3.1m (5% of GB total) | Annual average GDP growth in 2018-22: 0.5%

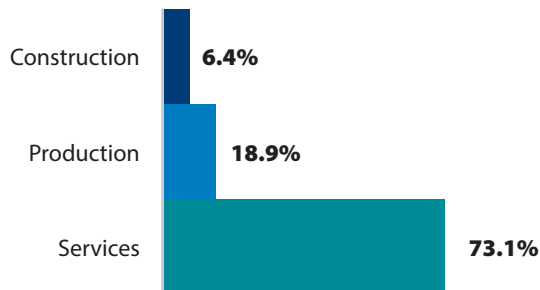
Key construction statistics

£8.0 billion - Construction output in 2023
32.1% - Annual output increase compared to 2022
4% - Share of total GB construction output

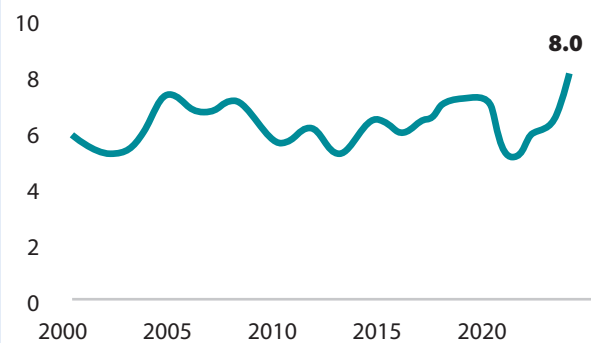
MPA sales volumes: 2023 vs. 2022

Asphalt	1.5%
Ready-mixed concrete	4.2%
Crushed rock	11.4%
Sand & gravel	48.5%

Sector share by gross value added in Wales in 2022 (Source: ONS)

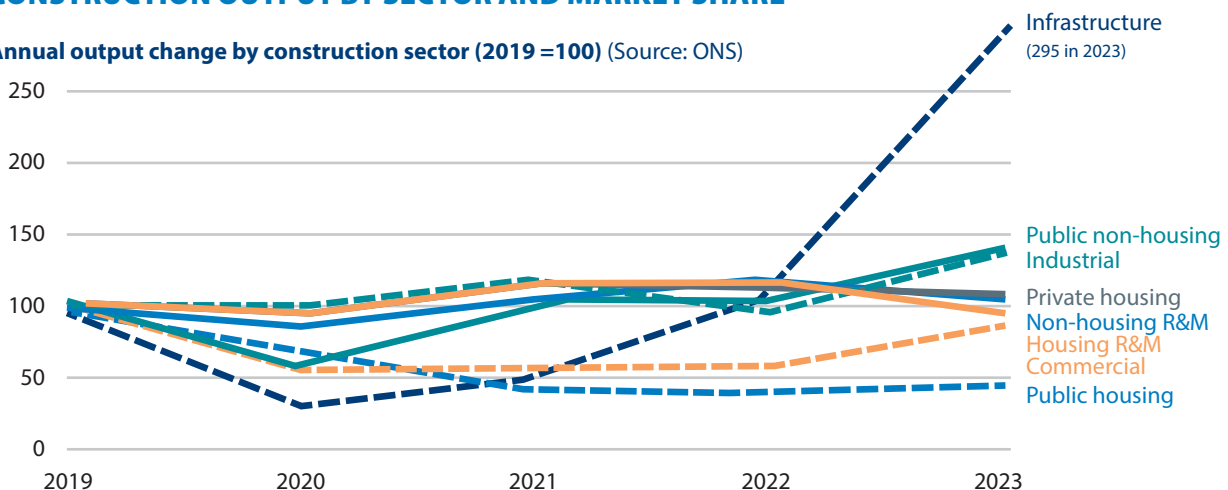


Construction output: 2000-2023. Rolling annual totals, £ billions (Source: ONS)



CONSTRUCTION OUTPUT BY SECTOR AND MARKET SHARE

Annual output change by construction sector (2019 = 100) (Source: ONS)



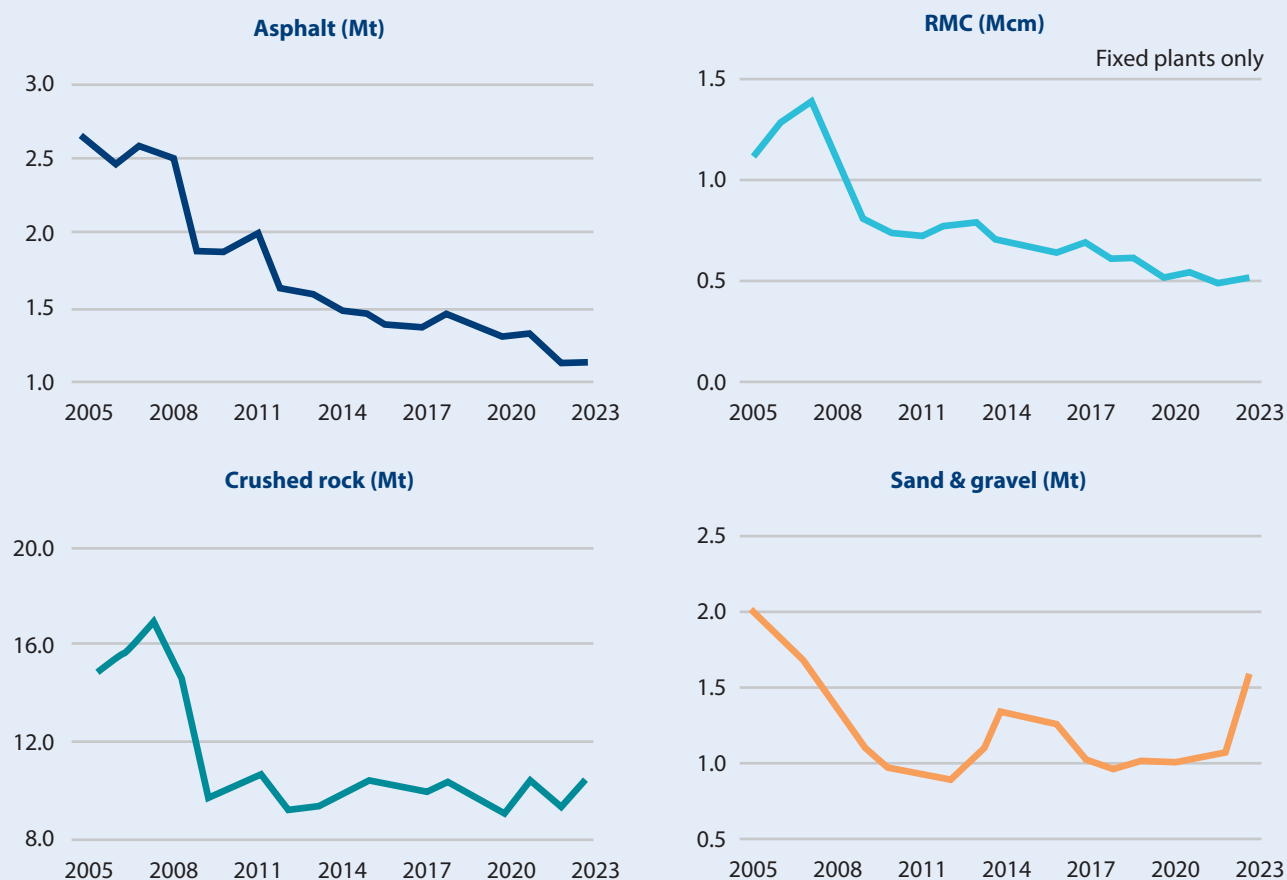
R&M = Repair & maintenance

Shares of construction output by sector in 2023, Wales vs. GB (Source: ONS)

Public Housing		Infrastructure		Commercial		Housing R&M	
2%	3%	34%	16%	10%	12%	13%	20%
Private Housing		Industrial		Public non-housing		Non-housing R&M	
14%	19%	3%	4%	11%	5%	13%	21%



MINERAL PRODUCTS MARKETS: ANNUAL SALES VOLUMES, 2005-2023 (Source: MPA)

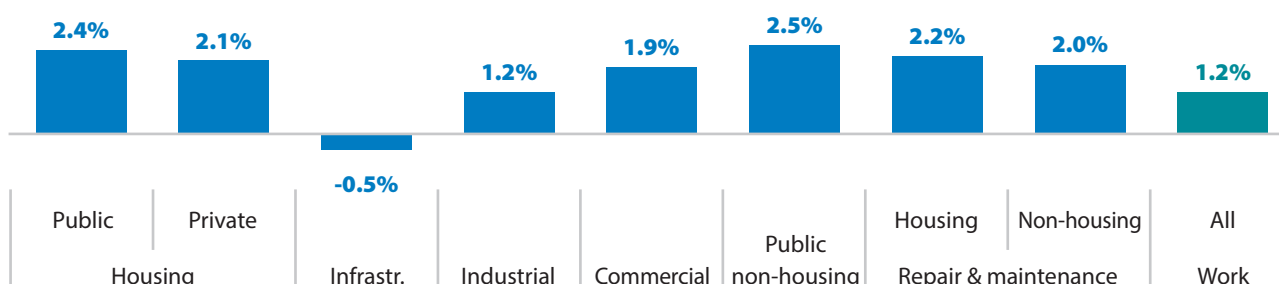


Mt = million tonnes, Mcm = million cubic metres

CONSTRUCTION OUTLOOK AND SECTOR FORECASTS

- The Embankment mixed-use regeneration scheme has been approved and could feature around 2,500 new homes and several commercial business and retail buildings.
- The Blue Eden project proposed for Swansea's waterfront is in planning, and includes a renewable energy transport hub, eco-housing and research centre.
- It is unclear what drove the sharp rise in infrastructure output in 2023, but the increase was from a low base and pushed output above its most recent peak in 2017.
- Investigative works have begun on the Awel y Mor offshore wind farm project. Elsewhere, floating offshore wind opportunities in the Celtic Sea appear to be some years away from reaching construction.

Annual average construction output growth by sector: 2024-28 forecast (Source: CITB/Experian)



Scotland

Population: 5.4m (8% of GB total) | Annual average GDP growth in 2018-22: 0.8%

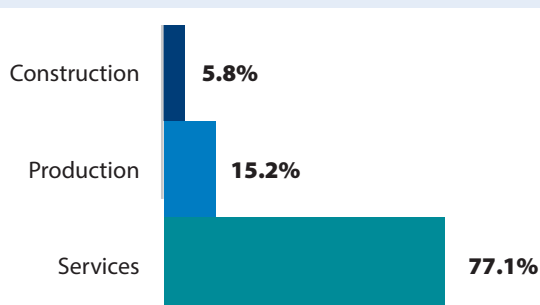
Key construction statistics

£14.8 billion - Construction output in 2023
4.1% - Annual output increase compared to 2022
8% - Share of total GB construction output

MPA sales volumes: 2023 vs. 2022

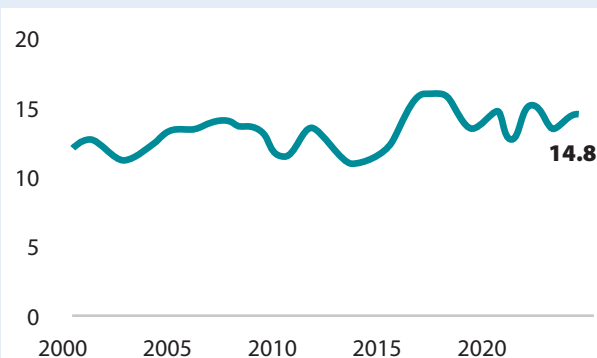
Asphalt **-10.4%**
 Ready-mixed concrete **-1.0%**
 Crushed rock **-6.5%**
 Sand & gravel **-4.5%**

Sector share by gross value added in Scotland in 2022 (Source: ONS)



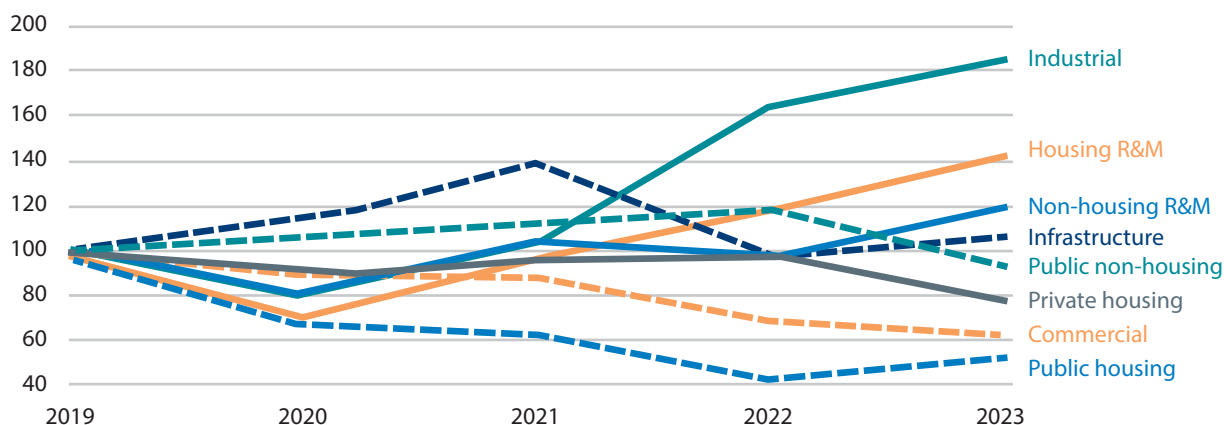
Agriculture accounted for 1.9% of gross value added.

Construction output: 2000-2023. Rolling annual totals, £ billions (Source: ONS)



CONSTRUCTION OUTPUT BY SECTOR AND MARKET SHARE

Annual output change by construction sector (2019 = 100) (Source: ONS)



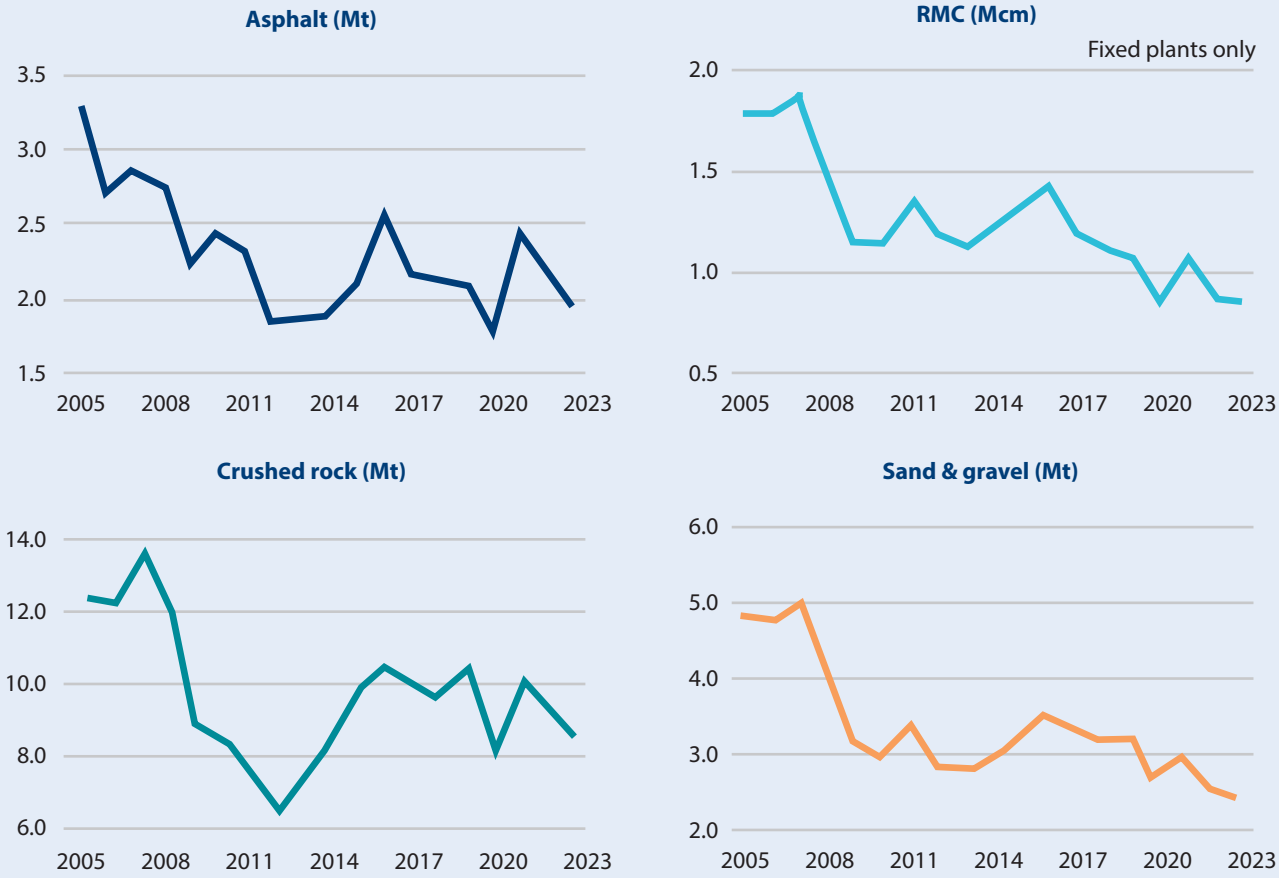
R&M = Repair & maintenance

Shares of construction output by sector in 2023, Scotland vs. GB (Source: ONS)

Public Housing		Infrastructure		Commercial		Housing R&M	
4%	3%	22%	16%	9%	12%	19%	20%
Private Housing		Industrial		Public non-housing		Non-housing R&M	
15%	19%	4%	4%	7%	5%	20%	21%



MINERAL PRODUCTS MARKETS: ANNUAL SALES VOLUMES, 2005-2023 (Source: MPA)

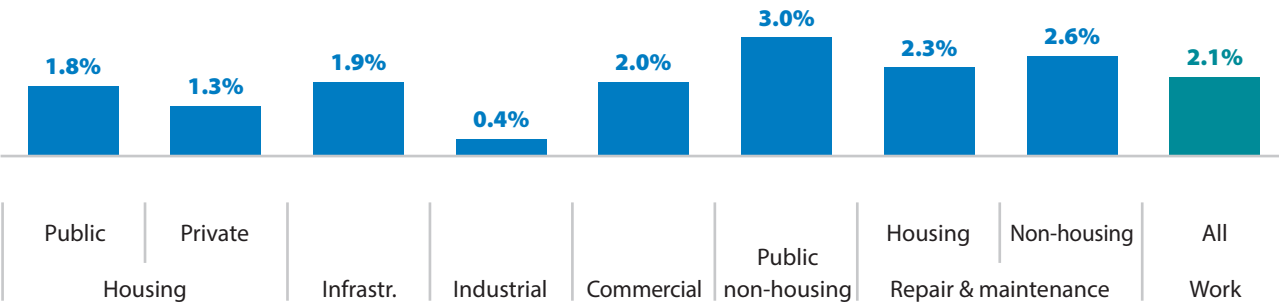


Mt = million tonnes, Mcm = million cubic metres

CONSTRUCTION OUTLOOK AND SECTOR FORECASTS

- Renewable energy could underpin significant growth. Work is progressing on the North Kyle onshore wind farm in East Ayrshire. There are several offshore wind schemes at the planning stage. Moray West is already underway.
- The Coalburn 500 MW battery storage facility is under construction, while the Coalburn 2 and Devilla energy storage schemes have been given the green light.
- Work is due to start on the new HMP Highland prison building in Inverness, supporting public infrastructure activity.

Annual average construction output growth by sector: 2024-28 forecast (Source: CITB/Experian)



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ONS data in this document is up to date as of August 15, 2024

The Mineral Products Association is the trade association for the aggregates, asphalt, cement, concrete, dimension stone, lime, mortar and industrial sand industries.

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Mineral Products Association

1st Floor, 297 Euston Road. London NW1 3AD
Tel: 0203 978 3400 info@mineralproducts.org
www.mineralproducts.org

