

FOR IMMEDIATE RELEASE JANUARY 2010

## Public Sector (Non-Residential) Construction Market - UK 2010-2014

New AMA report reviews public sector construction market in the UK and considers future prospects.

"Between 2002 and 2007, public sector new-build construction accounted for about a quarter of the industry's output. In 2009, with private sector activity sharply down, this proportion increased to over 40% of new-build output, with public sector funding boosting the performances of sectors such as health and education, driven by the Government's continuing programmes such as Building Schools for the Future, the Academies Programme, the Primary Capital Programme, NHS LIFT and Procure21."

A brief summary of the report is included on the following page.

Priced at £650, the report is currently available from AMA Research Ltd,  
Telephone 01242 235724 or e-mail at [sales@amaresearch.co.uk](mailto:sales@amaresearch.co.uk).

### **Editors Note:**

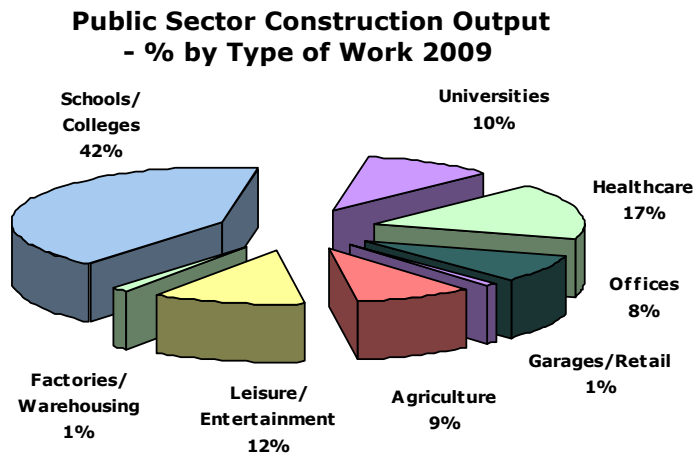
Attached is a summary of the report. Please use brief extracts if you wish, **but we would request that references to company market shares are not published without our prior permission.**

If you would like to receive an editorial review copy or would like to speak to an author of this report, please contact Andrew Hartley or Chris Moore on (01242) 235724.

Please include our web address and telephone number on any review printed, it would also be appreciated if a copy of the review could be forwarded to AMA Research. Thank you.

AMA Research Ltd  
Montpellier House  
Montpellier Drive  
Cheltenham  
Gloucestershire GL50 1TY  
Tel: +44 (0)1242 235724  
Fax: +44 (0)1242 262948  
E-mail: [andrewhartley@amaresearch.co.uk](mailto:andrewhartley@amaresearch.co.uk)  
Website: [www.amaresearch.co.uk](http://www.amaresearch.co.uk)

## Public Sector (Non-Residential) Construction Market - UK 2010-2014



AMA Research has recently published the 3rd Edition of the report "Public Sector (Non-Residential) Construction Market in the UK", which should be of particular interest to all construction professionals and provides a comprehensive review of public sector (non-residential) construction.

Between 2002 and 2007, new-build public sector construction accounted for about a quarter of the industry's output. In 2009, with private sector activity sharply down, this proportion increased to over 40% of new-build output, with public sector funding boosting the performances of sectors such as health and education, driven by the Government's continuing programmes such as Building Schools for the Future and the Academies Programme, the Primary Capital Programme, NHS LIFT and Procure21.

In 2009, public sector funding boosted the performances of sectors such as health and education, whilst private commercial sectors such as offices and industrial recorded declines in output. The total estimated output values for non-domestic public sector construction new work for 2009 are estimated to be around £12.8 billion – an increase of over 20% compared with 2008.

In terms of future workload, public sector markets continue to hold up well, particularly in education where framework agreements remain relatively solid. However, the picture for the second half of 2010 is less certain, as capital expenditure is expected to fall in the medium term, influenced by huge public sector debt.

The report presents an overall review of the UK construction industry with forecasts to 2014 and gives a detailed assessment of the major sectors such as education, healthcare, defence, and law and order. We also review current progress of government programmes within these sectors and discuss the future of capital funding in these areas beyond 2011.

The Government's commitment to construction programmes within healthcare and education has helped to underpin growth in the market over the past few years. However, it now seems certain that public spending will be cut after the General Election as a result of the massive escalation in public sector debt. Whilst frontline services such as hospitals, schools and police services have all been safeguarded from cuts by the main political parties, the building industry remains concerned that any significant cut-backs in capital spending will have a substantial negative impact on construction work over the next 5 years.

The main emphasis of this report, therefore, is the future impact of a slowdown in public sector investment in 2011 as a result of the budget deficit and how this will affect construction output. In addition, the impending General Election will also have significant implications for the public sector construction market and we review in detail the outlook for the sector under a potential Conservative government, should they be elected.

AMA Research's report "**Public Sector (Non-Residential) Construction Market – UK 2010-2014**" is available in hard copy or electronic format for £650 and can be ordered online at [www.amaresearch.co.uk](http://www.amaresearch.co.uk) or by calling 01242 235724.