



# State of the industry: Panel Discussion

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YORhub Client Conference  
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# Introduction

## **Significance of Public Procurement**

Public procurement impacts quality, cost, and societal outcomes in UK construction projects significantly.

## **Financial Scale**

Almost £400 billion is spent annually on public procurement in the UK, with a significant proportion of this being related to construction.

## **Focus Areas**

The session will provide information on the current state of the UK construction industry as well as insights into several key challenges and opportunities.



# Session Host – Gary Wright

- Programme Manager for YORconsult
- Framework Manager for YORbuild and YORcivil
- Former Project Manager in private and public sectors
- 10+ years experience delivering capital projects, including major public realm and city centre regeneration schemes



# Panel Members



**Ross Markwell**  
Business Development Director

Esh Construction Ltd



**Mark Atkinson Jr**  
Director

MSF Ltd



**David Robinson**  
Snr Associate, Cost Management

Rider Levett Bucknall Ltd



# State of the industry – 2024-25

## Construction Output

- Total UK construction output grew by **1.0% year-on-year** to August 2025.
- **Public non-housing new work** surged by **22.5%**, driven by education and healthcare projects.
- **Public housing** fell sharply: **-14.4%** in new work and **-11.5%** in repair & maintenance.

*(Source: Office for National Statistics – ONS)*





# State of the industry – 2024-25

## Infrastructure Investment

- Government committed **£725 billion over 10 years** for infrastructure, starting in 2025.
- Annual allocations include:
  - **£6 billion** for hospitals
  - **£3 billion** for schools and colleges
  - **£600 million** for justice sector improvements

*(Source: HM Treasury Spending Review 2025)*



# State of the industry – 2024-25



## Workforce Demand

- CITB forecasts **47,860 additional workers per year** needed from 2025–2029.
- Construction workforce expected to reach **2.75 million by 2029**.

*(Source: CITB Infrastructure Skills Plan 2025)*





# State of the industry – 2024-25

## Procurement & Contracts

- Public procurement accounts for **~£385 billion annually**, with construction forming a major share.
- No single published figure for total local authority construction spend, but this is likely to exceed £10–15 billion annually, forming a significant share of the overall infrastructure investment.

*(Source: Cabinet Office & LGA)*





# Challenges and Opportunities

- Economic challenges
- Changes in political leadership
- Forward planning & pipeline
- Consistency of approach
- Recruitment challenges
- Digital Innovation
- Legislative reforms
- Late payment
- Insurance challenges
- Global conflicts
- Sector pull
- Procurement options



# Key themes

- Economy, funding and project delivery
- Forward pipeline of work
- Procurement trends



# Economy, funding and project delivery

1. Can you give us an overview of the current economic climate and the impact on the industry?
2. What challenges do you foresee related to funding and political changes?
3. How might these factors affect project delivery?



# Forward pipeline of work

1. What is your experience of pipeline and how much of a challenge is this in the industry?
2. How does forward pipeline affect investment decisions?
3. What do you see as the key resourcing challenges you think the industry is facing and can that be influenced by forward pipeline?



# Procurement trends

1. What trends are you seeing in terms of procurement options?
2. What are the impacts of inconsistent approach to procurement?
3. What advancements in digital are you seeing and what tangible results can we expect to see in the industry?



**THANK YOU**

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**Any questions?**