

TPI.

3RD QUARTER 2021

Our Tender Price Inflation report looks at the movement of prices in tenders for building contracts in the UK. The report examines a number of contributing factors and is further informed by our market survey responses and contractor consultations.

KEY CONTACTS



GAVIN MURGATROYD
Partner, London
+44 (0)20 7209 3000
g.murgatroyd@gardiner.com



MICHAEL URIE
Market Analyst, London
+44 (0)20 7209 4362
m.urie@gardiner.com

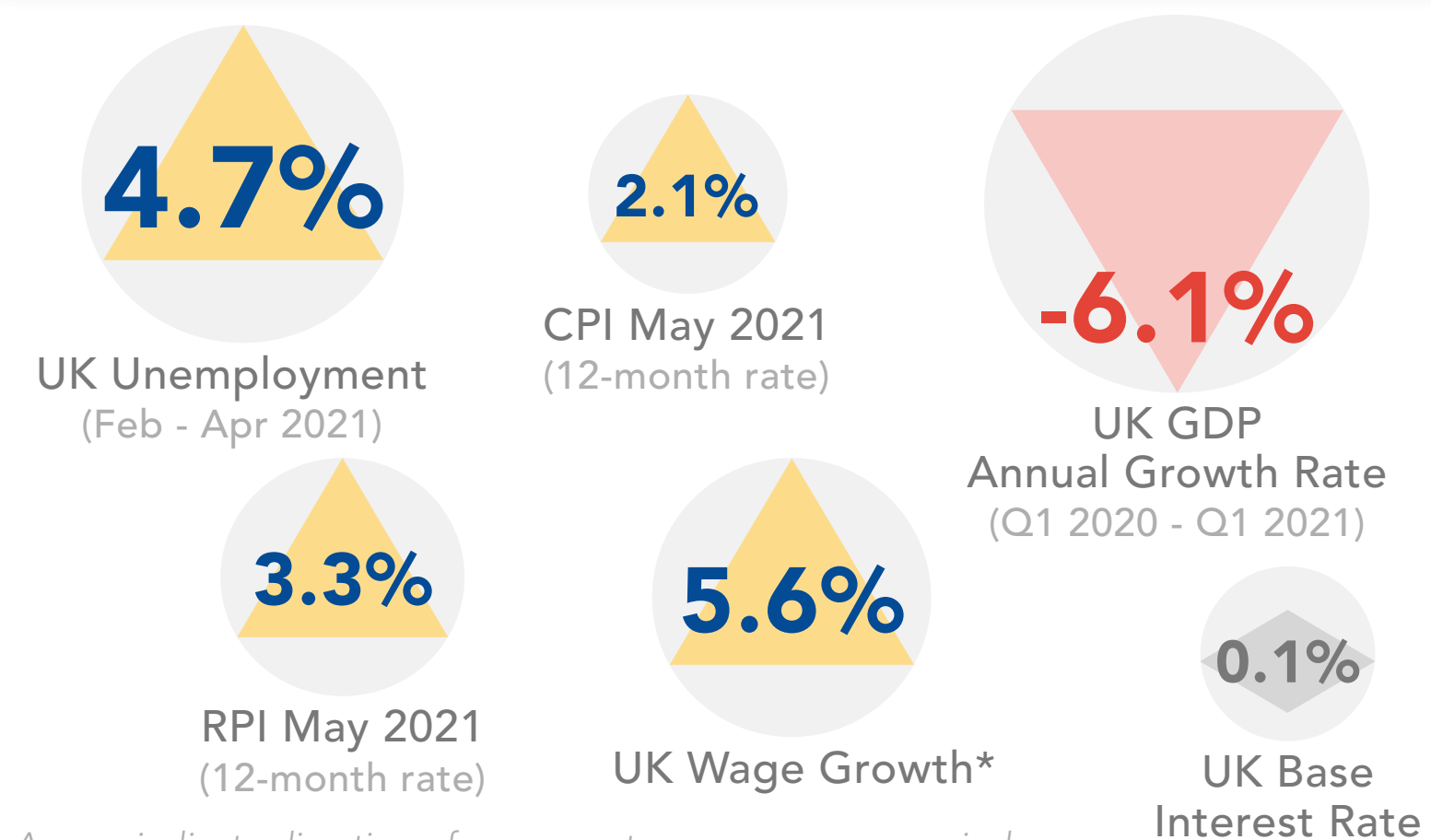
For our full-length report,
PLEASE VISIT...

GT MARKET INTELLIGENCE

MACRO ECONOMIC HEADLINES

June 2021

Unless otherwise indicated, figures show percentage change over 12 months



Arrows indicate direction of movement over a one-year period.
*Average Weekly Earnings (Total Pay), Y-on-Y three-month average to Apr 2021.

TENDER PRICE CHANGE

Tender price annual percentage change Q3 2021

% Regional forecasts	2021		2022		2023		2024	
	Now	Last*	Now	Last*	Now	Last*	Now	Last*
Greater London	2.00	0.50	1.50	1.25	1.75	1.50	2.00	1.75
South East	2.00	0.50	1.50	1.25	1.75	1.50	2.00	1.75
South West	1.75	0.00	1.50	1.25	1.75	1.50	2.00	1.50
East	2.00	1.00	2.00	2.00	1.75	2.00	1.75	1.50
Midlands	2.00	1.00	1.75	1.25	1.50	1.50	1.75	1.75
Wales	1.25	0.00	1.50	1.00	1.50	1.50	1.50	1.50
Yorks & Humber	1.50	0.50	1.25	1.00	1.25	1.50	1.50	1.50
North West	1.75	1.00	1.50	1.50	1.75	1.75	1.75	1.50
North East	1.75	0.50	1.50	1.00	1.50	1.00	1.50	1.50
Scotland	3.00	1.00	1.50	1.50	1.75	2.00	2.00	2.00
Northern Ireland	3.00	0.00	2.00	1.00	2.00	1.00	2.00	1.50
UK Average (weighted)	2.00	0.50	1.50	1.25	1.75	1.50	1.75	1.75

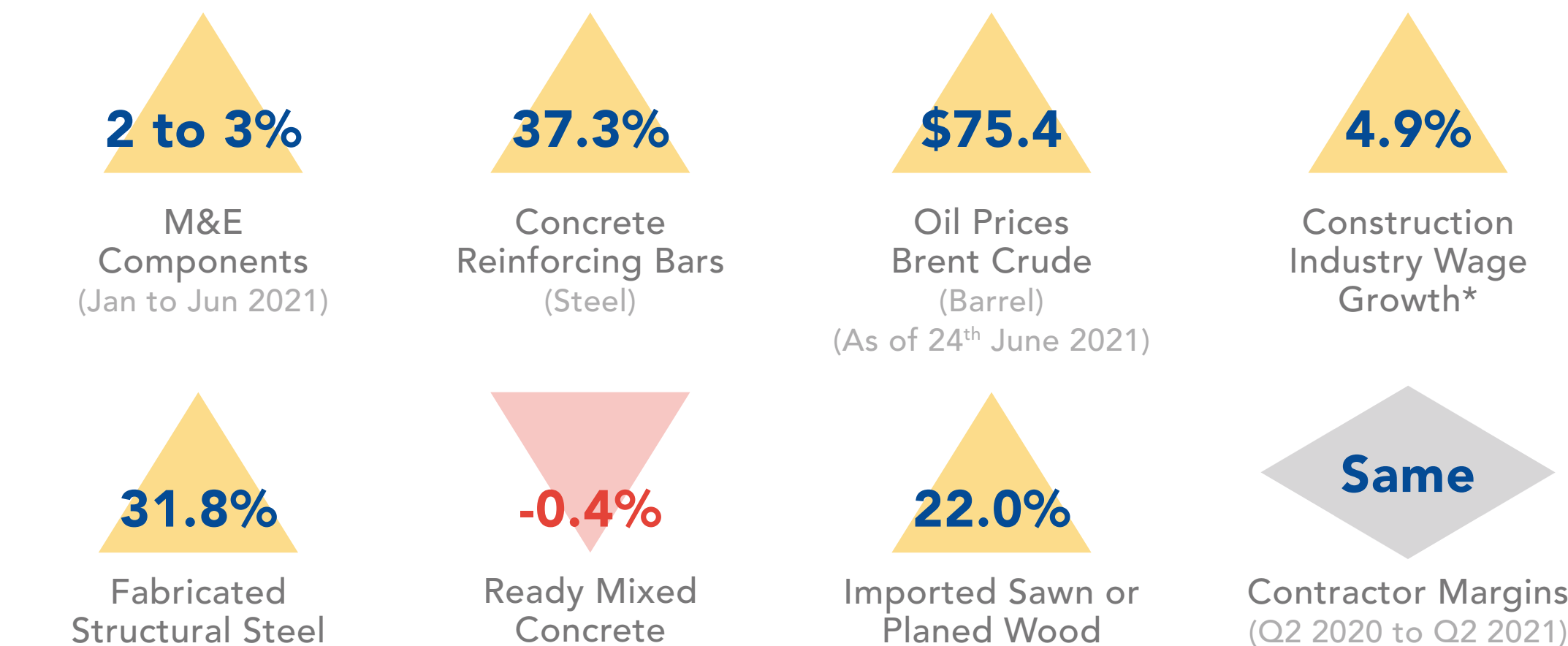
Last* 2Q 2021

Figures are cumulative annual

INPUT COSTS

Year-on-Year (April 2020 – April 2021)

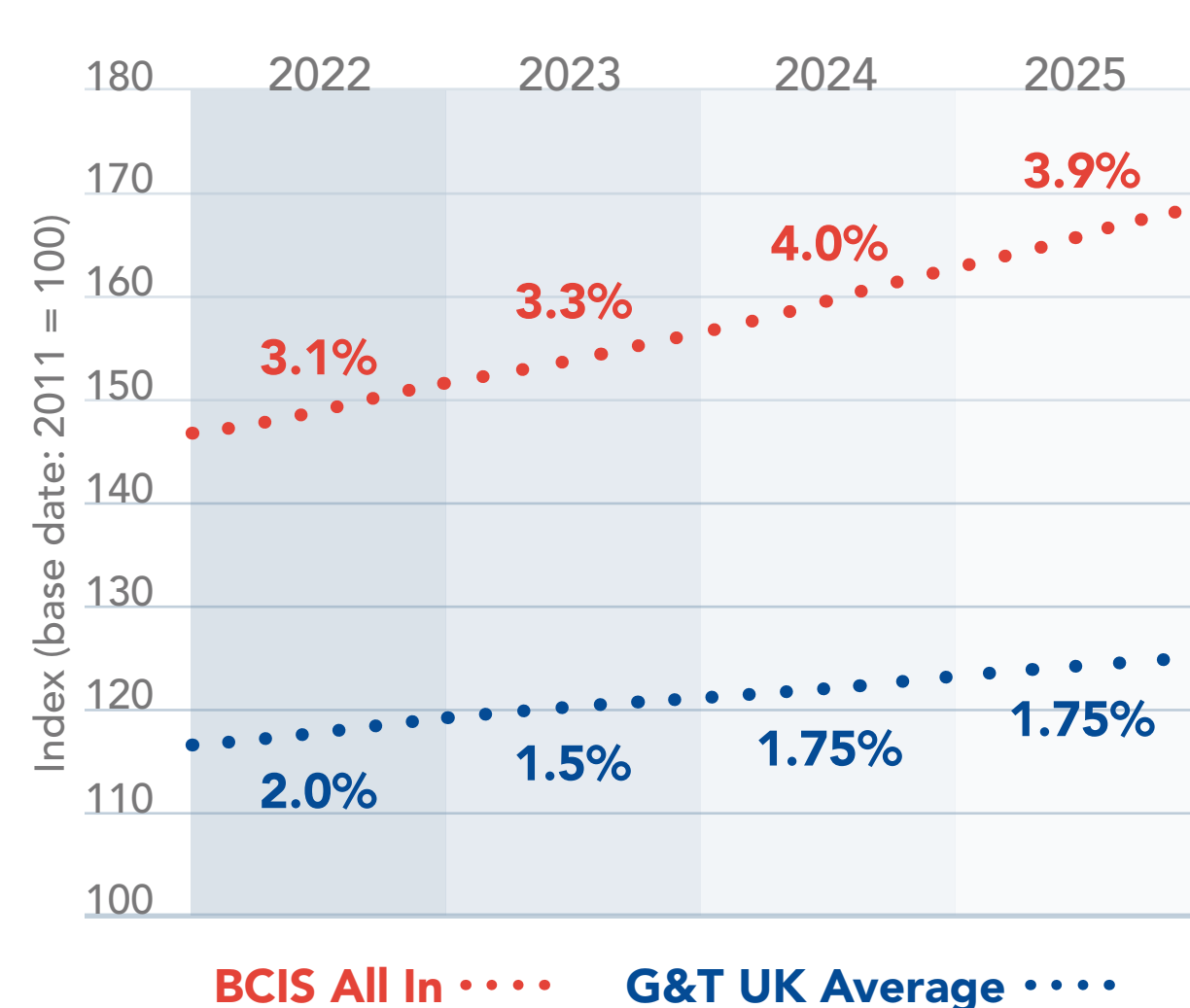
ONS building materials tables. Figures are cumulative annual denotes movement trend



*Average Weekly Earnings (Total Pay), Y-on-Y three-month average to Apr 2021.

FORECASTS

Tender Price Trend, All UK TPI Q3 2021



Our advice is to review each project on its own merits. This forecast publication must be treated as a guide only, being that it is based on averages of various types and sizes of projects across a region, ascertained through our latest market research. The quality, both of design and desired end product, procurement route (particularly ownership and transfer risk), delivery timescales, complexity of design and desire of contractors to tender should be carefully considered in project specific estimates and their outturn cost. Suitable allowances should be made for project specific designs, site conditions and local market conditions, which should be reviewed regularly with your Gardiner & Theobald team to determine the appropriate base cost.