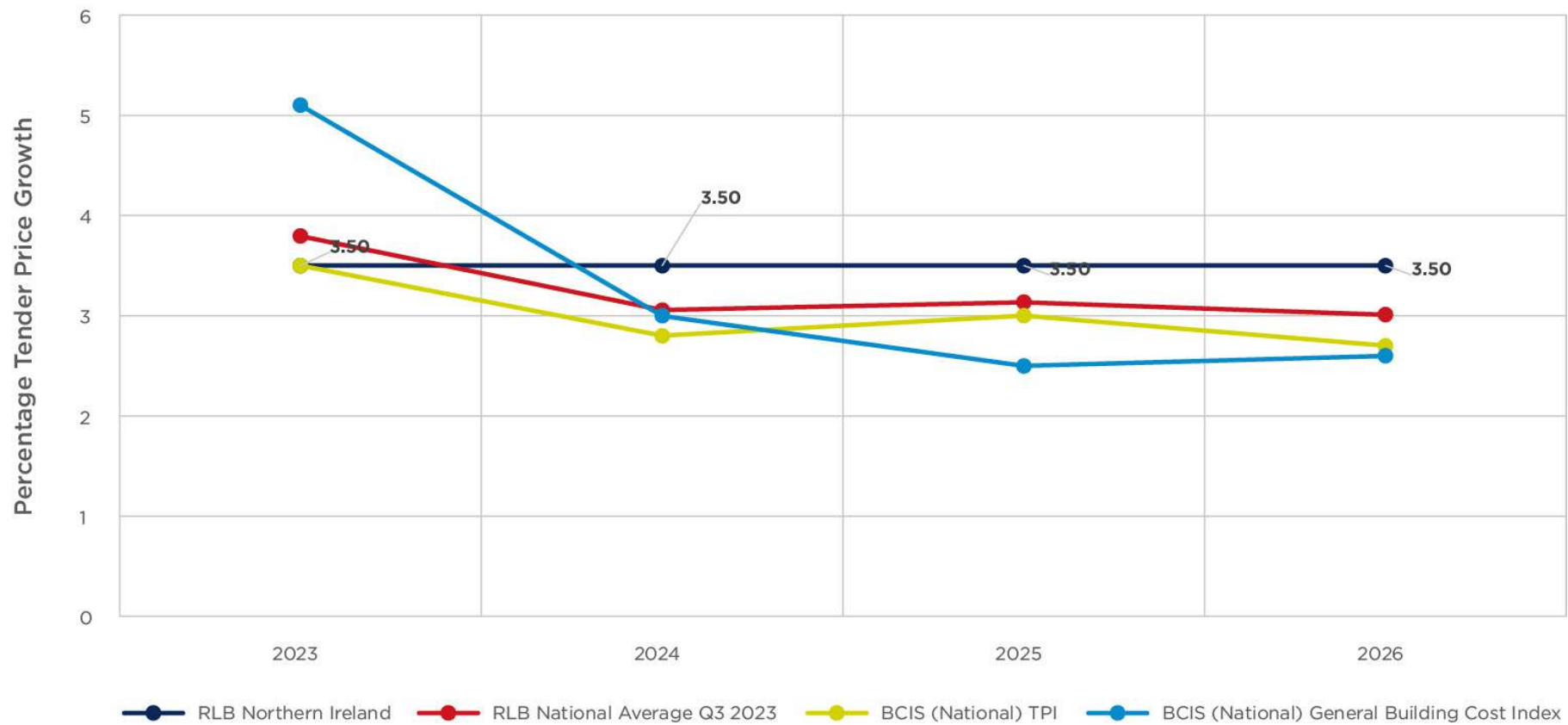


NORTHERN IRELAND

Source	% Uplift reported	2023	2024	2025	2026
Northern Ireland		3.50	3.50	3.50	3.50
Competitors/Others - Upper Range (Northern Ireland)		4.30	3.50	3.70	4.80
Competitors/Others - Lower Range (Northern Ireland)		3.00	2.25	2.00	2.50
RLB National Average		3.80	3.06	3.14	3.01
BCIS (National) TPI		3.50	2.80	3.00	2.70
BCIS (National) General Building Cost Index		5.10	3.00	2.50	2.60

Tender Price Change - Northern Ireland



OVERVIEW - NORTHERN IRELAND

Northern Ireland is seeing some slowdown in future pipeline, but with a reasonable amount of current on-site activity keeping the market relatively busy.

Workload depending on public sector spending continues to be hampered by the lack of a functioning devolved assembly. The private housing pipeline is less robust (and with output down on last year), but with both Build-to-Rent and Purpose-Built student accommodation seeing some notable activity and project starts despite interest rate pressures. Schemes may still be being brought forward, but they are taking longer to reach site as they navigate both approvals and financial challenges.

Notwithstanding the political stalemate, the health sector pipeline looks robust, as does education, partially driven by higher education projects returning following the period of Covid uncertainty. The industrial sector is also seeing good activity levels now and in pipeline prospects.

Retail and office schemes are affected by the shift in working and leisure patterns and generally schemes being brought forward include an element of re-purposing, repositioning or value addition to assets. Infrastructure schemes remain reasonably buoyant in terms of on-site activity, despite the absence of any significant devolved assembly spending, although pipelines are now looking less robust following the Department for Infrastructure's announcement of a number of paused schemes.

Despite some easing input costs (for example in steel and timber products) and less robust pipelines, there are pockets where trade availability and hot spots are causing shortages, including in relation to bricklayers. The cost-of-living pressures are partially feeding through to labour costs more generally.

Future tender price forecasts are partially driven by uncertainty in the devolved assembly.

Such uncertainty may be compounding weaker economic forecasts and rising interest rates compared to the rest of the UK. Whilst business confidence is down, the market is certainly looking for opportunity and there are sizeable projects coming forward.

Being a smaller market than many in the UK, any changes in pipeline have typically weighted heavily into tender pricing as contractors look to fill order books. However, contractor sentiment is mindful of a number of high-profile insolvencies around the UK and input costs rising against a more competitive bidding environment. As a result, tender price inflation is not directly and solely correlating with pipeline. The risk profile of any project taken to the market is a key consideration of a contractor's bidding strategy. Although there may be nervousness around pipeline, there is cautious optimism about medium term prospects.