

Construction output down in May

2 years ago



Evidence gathered by the [Office for National Statistics \(ONS\)](#) shows the picture of monthly construction output, which is estimated to have decreased 0.2% in volume terms in May 2023; this is the third consecutive fall in the month-on-month series, with the monthly value in level terms at £15,360 million.

The decrease in monthly output came solely from a decrease in new work (0.4% fall), with repair and maintenance being flat (0.0%) on the month.

At the sector level, four out of the nine sectors saw a fall in May 2023, with the main contributors to the monthly decrease seen in non-housing repair and maintenance and private housing new work, which decreased 2.5% and 1.7%, respectively.

Anecdotal evidence continued to indicate a slow-down in private housing, referencing customers' economic worries; however, some businesses across other sectors continued to report an easing in inflation.

An additional bank holiday was held for the coronation of King Charles III on 8th May 2023; while adjustments are made for regular calendar effects, there was no explicit adjustment for this ad hoc event; the timing of the bank holiday indirectly affects the number of trading days, which could affect construction monthly estimates.

Alongside the monthly decrease, construction output saw an increase of 0.2% in the three months to May 2023; this is the ninth period of consecutive growth in the three-month-on-three-month series; however, this is the weakest growth since the decrease in the three months to August 2022 (0.1% fall).

The increase in the three-month-on-three-month series came solely from a rise in repair and maintenance (2.5%), as new work saw a decrease of 1.3%; despite the increase, total repair and maintenance has

weakened compared with the strength at the start of the year; the largest positive contributor was private housing repair and maintenance (3.9%); non-housing repair and maintenance (1.6%) was the other main contributor to the three-month-on-three-month increase, despite the decrease on the month.

Read the full DBT construction dashboard [here](#).

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