

BCIS reports tender prices up for civil engineering

12 months ago



Civil engineering tender prices increased by an average of 1% in the final quarter of 2024, according to a panel newly established by the [Building Cost Information Service](#) (BCIS).

The BCIS Civil Engineering TPI panel has been formed to advise on the latest movement in tender prices, i.e. prices agreed between client and constructor at commit to construct, and to inform quarterly updates to the BCIS Civil Engineering Tender Price Index.

Comprised of cost consultants from firms involved in multiple civil engineering tenders in the UK, the panel will also provide commentary on conditions affecting pricing levels on civil engineering projects.

At its first meeting, panellists also agreed on a 4.7% average increase in civil engineering tender prices in the year to 4Q2024.

Dr David Crosthwaite, BCIS chief economist, said: "It's fantastic to see the Civil Engineering TPI panel up and running. From our UK building TPI panel and our Scottish tender price assessment and contractor panels, we know just how valuable the insights are that we get from experts working on multiple tenders.

"They really help us to understand the context of what we see in the data and how different the tendering experience might be dependent on location, procurement route and sub-sector."

The panel described a generally positive pipeline of work for the next 12 months, though some projects remain at the mercy of government policy, for example the Lower Thames Crossing scheme, and in some cases are reliant on direct public sector expenditure.

Panellists described a 'wait and see' approach in the market, with the results of phase 2 of the government's spending review and the National Infrastructure and Construction Pipeline due to be published later this year.

Dr Crosthwaite added: "As is always the case, the sector needs clarity and commitment to schemes to properly plan and to give confidence to the supply chain.

"When asked about contractors' appetite to tender, the civil engineering TPI panellists described a similar profile to the building TPI panel, with risk aversion among contractors meaning suitable tenderers are found after searching, but they're not seeing very eager contractors. This was particularly the case with larger projects, where there needs to be agreement about who carries the risk."

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