

ONS data points to 'another tough year for construction', according to BCIS

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Building Cost Information Service ([BCIS](#)) chief economist, Dr David Crosthwaite, has responded to the [latest ONS data](#) on construction output and new orders, released last week.

Dr Crosthwaite shares concerns that a third consecutive decline may be the result of structural issues rather than unfavourable weather patterns, suggesting that this year could be another difficult one for construction, with declining new orders, planning approvals and housing completions.

He said: “More bad news for the construction sector as the January output figures from the ONS show a further decline of 0.2%, with new work output contracting by 0.7% while R&M output grew by 0.4%.

“This follows a similar fall in output recorded in December, November was the last time there was positive construction output growth. The weather was blamed for the decline in output, but my feeling is that falling demand is the result of something more structural.

“The new output data comes on the back of recent announcements showing a decline in new orders, planning approvals, and housing completions, suggesting this year is going to be another difficult one for construction.”