

ONS data undermines 'Get Britain Building' pledge, says BCIS chief economist

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In response to the <u>latest quarterly output and new orders</u> data released by the ONS, Dr. David Crosthwaite, chief economist at the Building Cost Information Service (<u>BCIS</u>), has shared his comments.

Dr. Crosthwaite expresses concern over the current state of construction output and the decline in private housing orders. He calls on the upcoming spending review and the promised pipeline update to offer reassurance for the government's 1.5 million new homes target and the sector as a whole.

He said: "While the whole economy showed slightly better than expected growth in the first quarter of this year, construction was much more subdued.

"Construction output showed zero growth on a quarterly basis when compared with the last quarter of 2024. New work output increased by 0.9%, but this rise was offset by a 1.2% decline in repair and maintenance output.

"Rather than getting 'Britain building again' construction is stagnating and the government must take some positive steps to try and address this.

"Hopefully the upcoming spending review and promised pipeline update will provide some solace for the sector.

"On a more positive note, construction new orders increased by 27% on a quarterly basis, with the largest increases in orders in both infrastructure and industrial sub-sectors.



"Of more concern for the government's new homes target, private housing orders were down, suggesting the 1.5m new homes to be delivered over this Parliament might be even more challenging."