

National
Association
Construction
Frameworks



*By the public sector,
For the public sector*

Market Intelligence Report

Q4 2025

Overview

Every quarter, NACF's Main Contractors gather market intelligence from within the construction industry.

Data is collected for 10 high level construction trades across seven cities within the UK. This data is grouped into five regions: South, London, Wales, Midlands, and the North.

This information is used to identify national and regional market trends and forecast for the following year by commenting on changes in tender workload, employment, building costs and material and labour availability.

The NACF shares this information amongst partners in order to highlight key areas of risk that may impact future project delivery.

This data is also made publicly available to the benefit of the wider industry and can be used to help specialist suppliers better manage their workflows and labour forces to serve NACF's contractors and public sector projects in the best way possible.



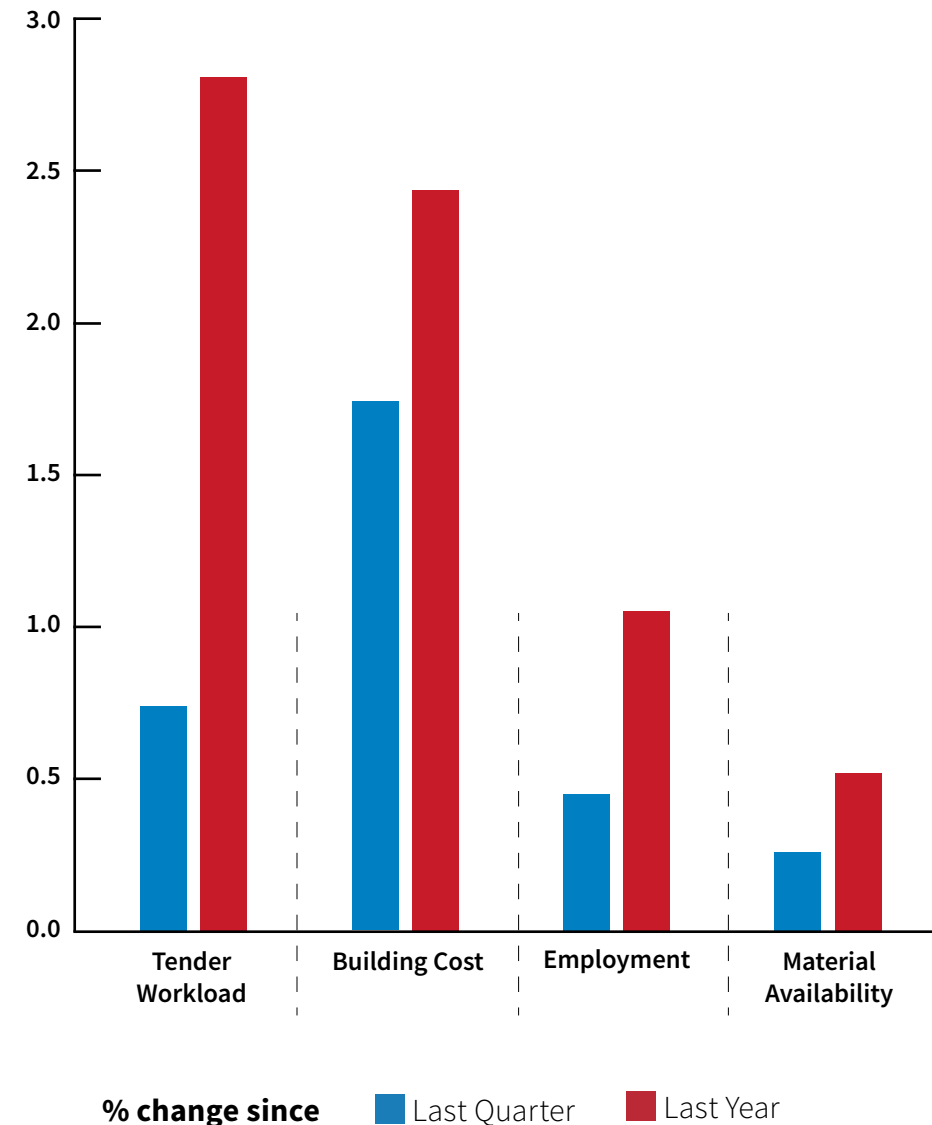
Executive Summary: Q4 2025

Throughout Q3, NACF contractors and their trade supply chain reported cautious recovery. This cautiousness has continued into the final quarter of the year, where national tender workload increased by a minimal 0.74%.

Sustained national inflation, high interest rates, and complex regulatory environments has flooded the market with uncertainty and resulted in poor confidence to invest. As project teams navigate these complex conditions, the conversion of pipeline amongst the industry has been slow with preconstruction programmes extending as the viability of projects have been called into question.

However, NACF contractors have reported tender workload to increase by 2.81% when compared with the same time last year, demonstrating that although challenging conditions persist, new work opportunities within the public sector are slowly improving. This is supported by ONS data, where Construction New Orders increased by 9.8% on the year in Q3.

Building cost increased by 1.74% when compared with last quarter. Trade suppliers report that material prices have remained relatively consistent, but labour and employment costs have contributed heavily to this increase. Employment throughout Q4 has been limited at 0.45% as the impact of rises in national insurance contributions and minimum wage have begun to take effect.



Executive Summary: Q4 2025

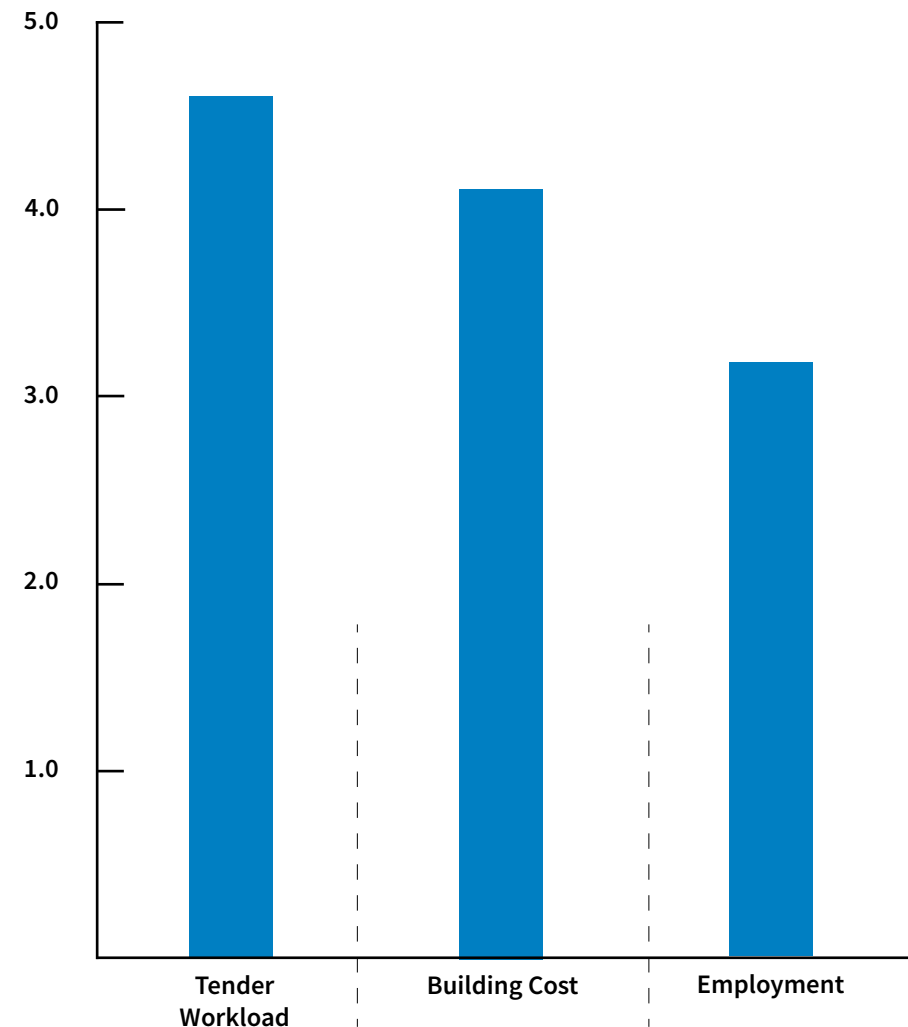
On a more positive note, material availability has remained consistent when compared with last quarter, with only an average increase in lead time of half a week.

Looking into the year ahead, the national forecast to Q4 2026 anticipates growth:

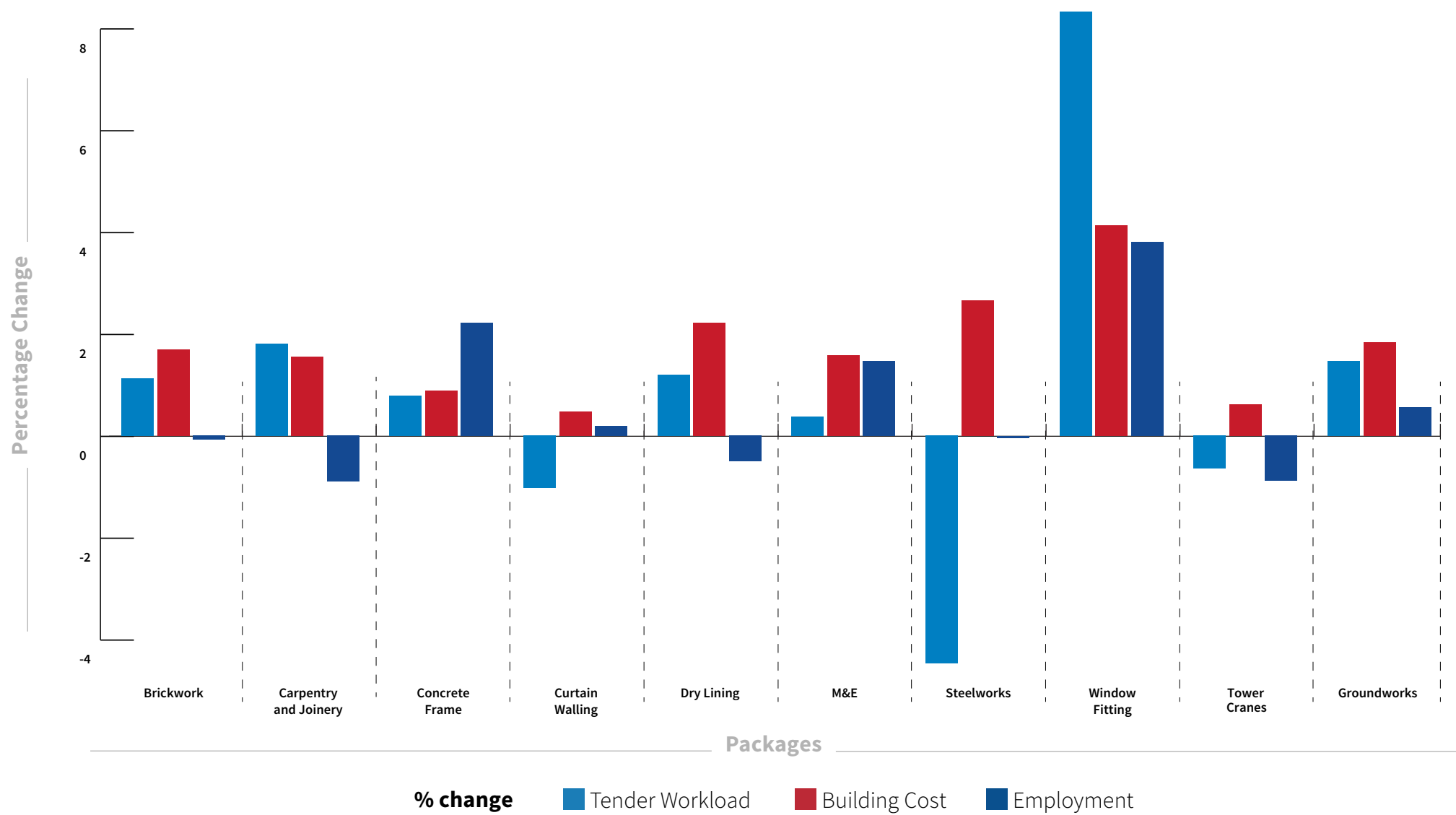
- Tender Workload +4.60%
- Building Cost +4.11%
- Employment +3.18
- Material Availability +0.52 weeks

This growth may present a new set of challenges for 2026 and onwards as the capacity of the construction sector is tested. The need for strategic procurement and proactive risk management will be critical in drawing the attention of a broad selection of quality suppliers.

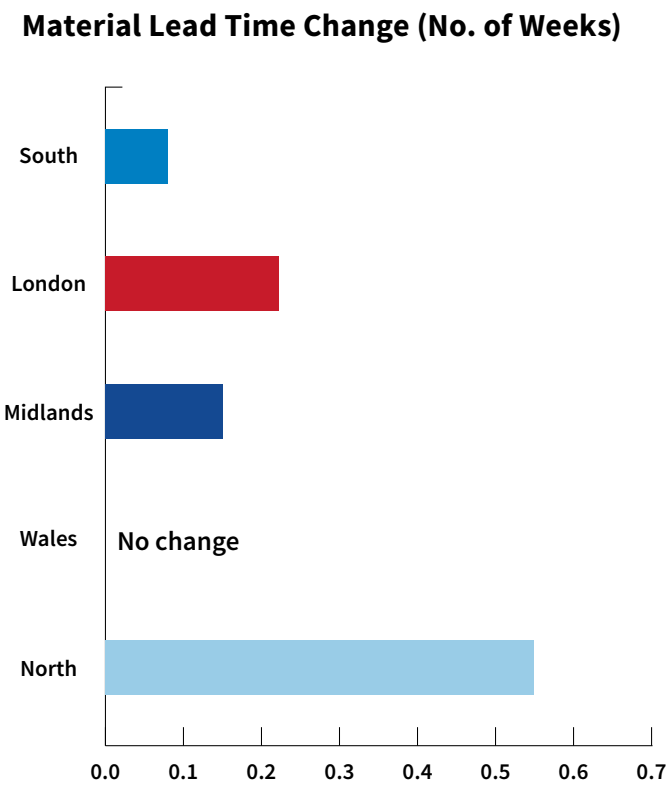
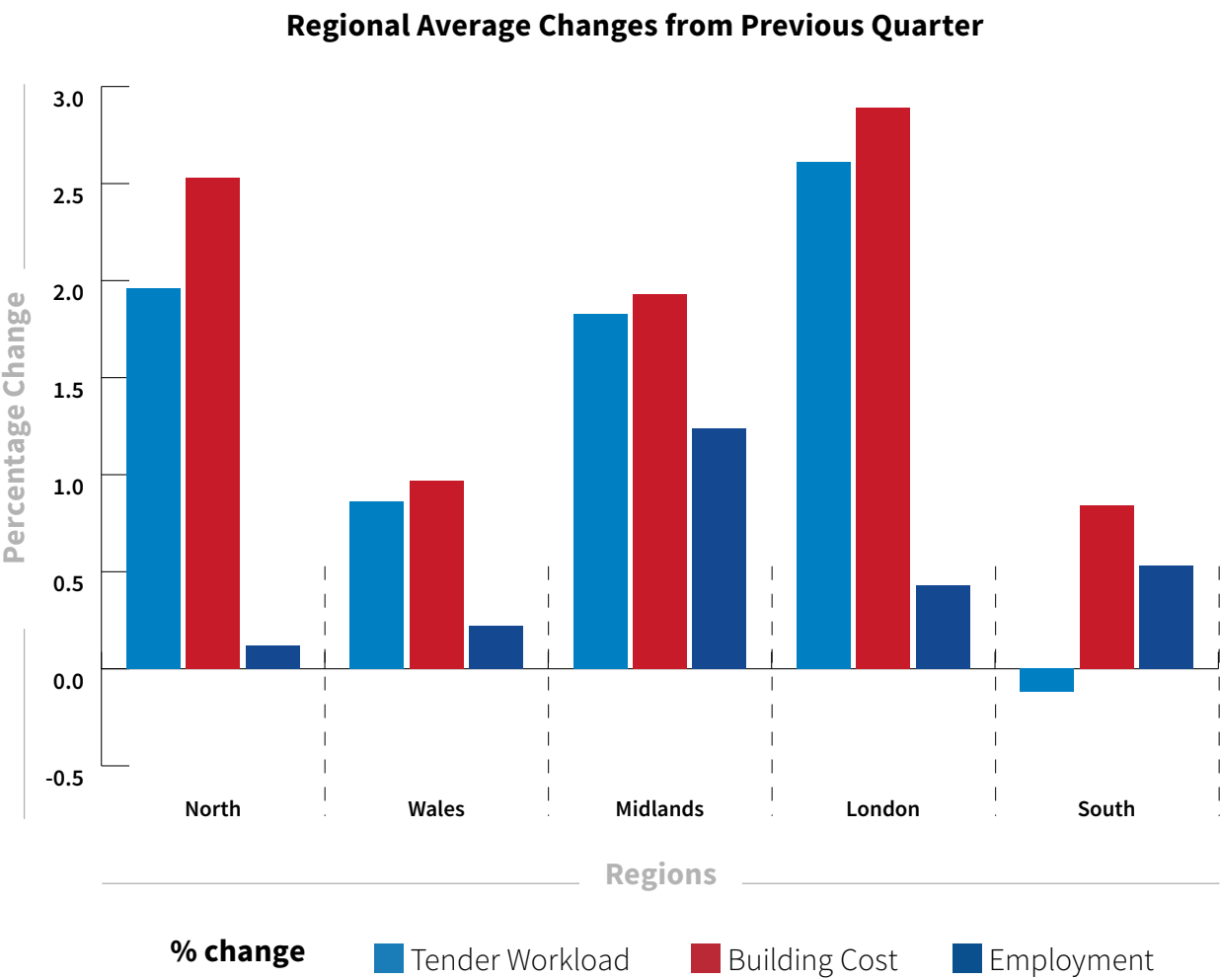
The need for predictable outcomes is crucial for public sector projects; Clients should consider the use of collaborative procurement models and early supply chain integration to help maximise opportunities for buildability and real-time cost advice.



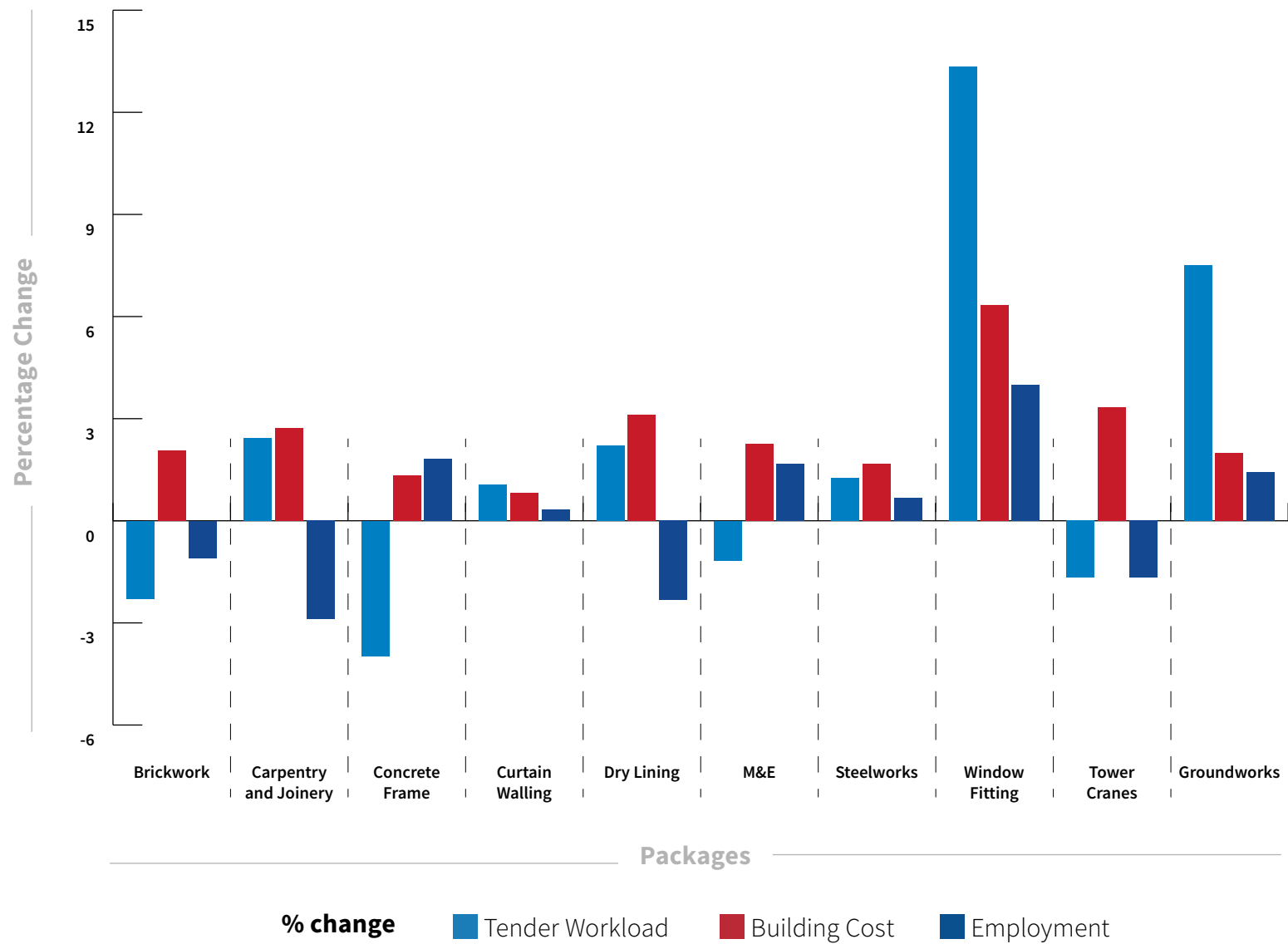
National Change Since Last Quarter



Comparison with Q3 2025 (Regional)



Comparison to Q3 2025: North



Tender Workload

Average change: +1.96%

- Windows: +13.33%
- Groundworks: +7.50%
- Brickwork: -2.29%
- Concrete Frame: -3.97%

Building Cost

Average change: +2.53%

- Windows: +6.2%
- Brickwork Package: +3.9%

Employment

Average change: +0.12%

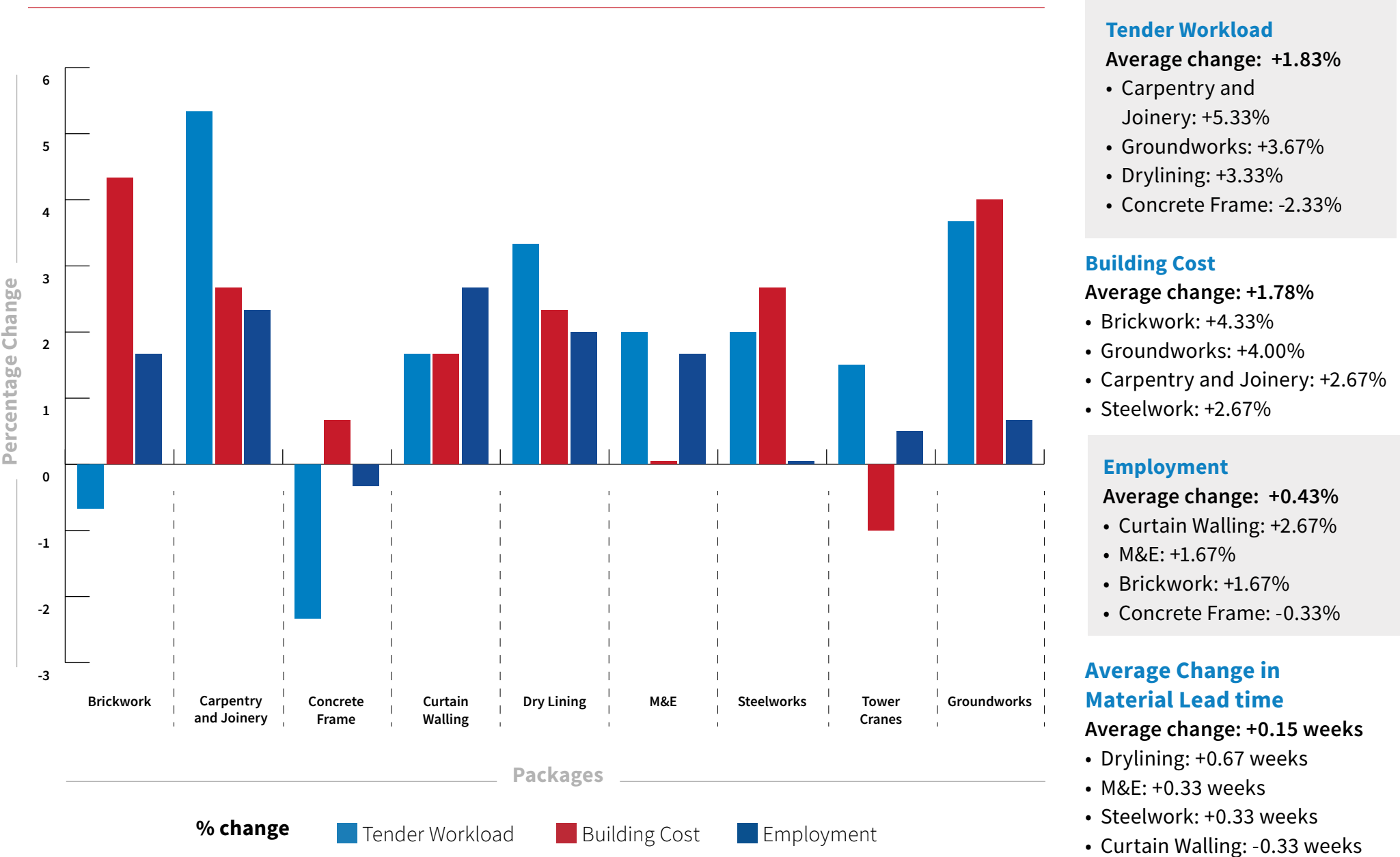
- Windows: +4.00%
- M&E: +1.67%
- Drylining: -2.33%
- Carpentry & Joinery: -2.89%

Average Change in Material Lead time

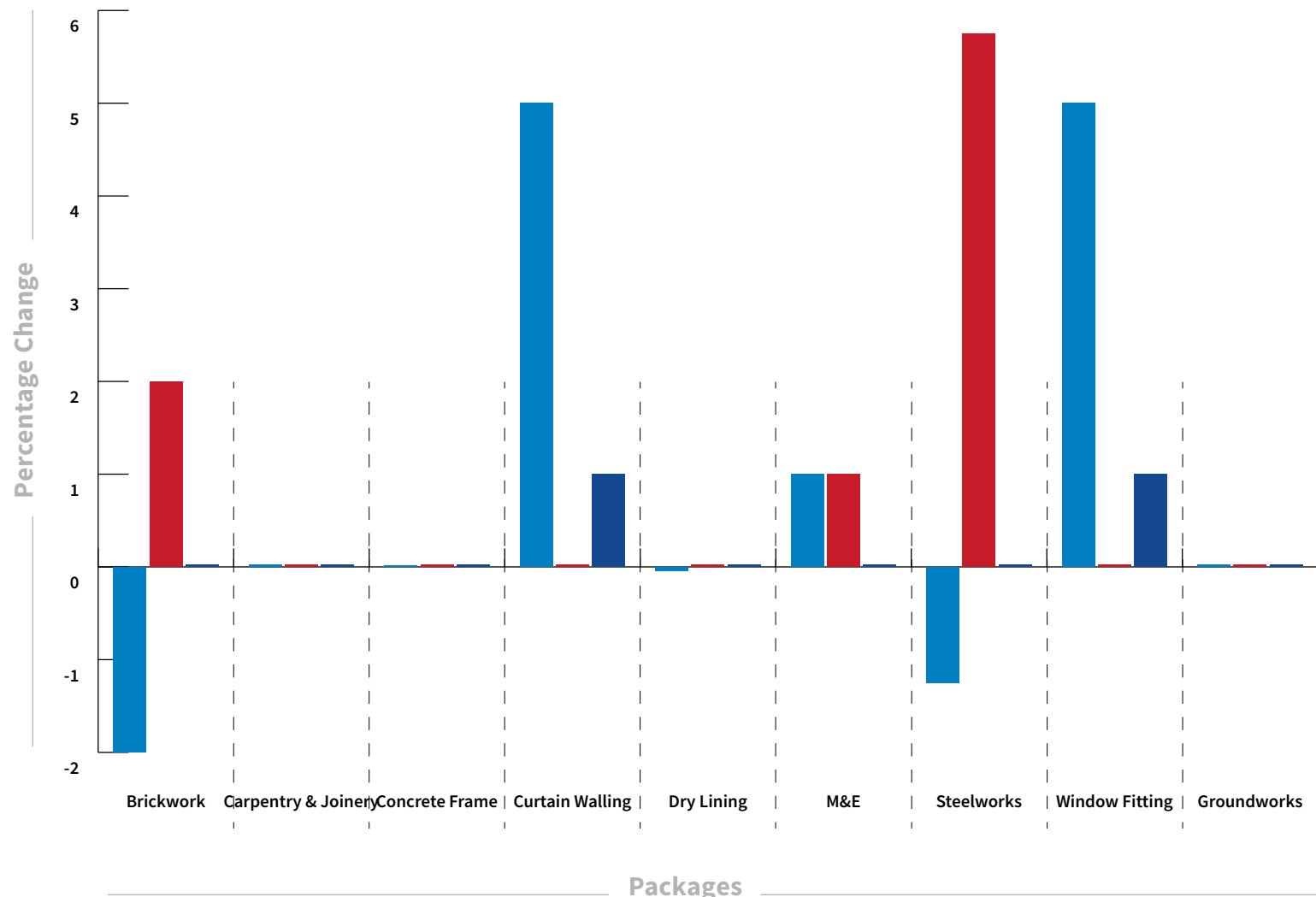
Average change: +0.54 weeks

- M&E: +2.78 weeks
- Windows: +2.00 weeks

Comparison to Q3 2025: Midlands



Comparison to Q3 2025: Wales



Tender Workload
Average change: +0.86%

- Windows: +5%
- Curtain Walling: +5%
- Steelwork: -1.25%
- Brickwork: -2.00%

Building Cost
Average change: +0.97%

- Steelwork: +5.75%
- Brickwork: +2.00%
- M&E Package: +1.00%

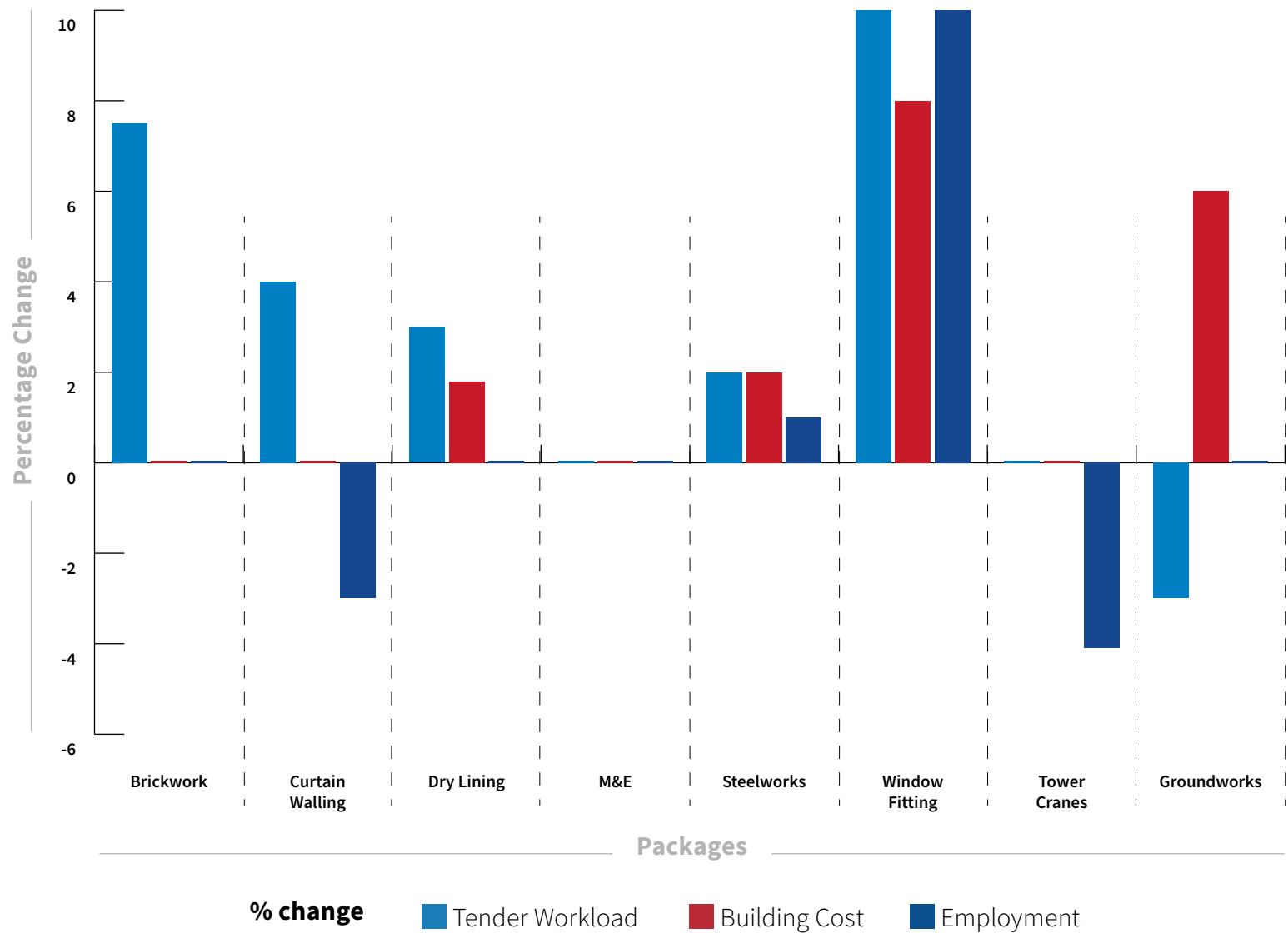
Employment
Average change: +0.22%

- Curtain Walling: +1.00%
- Windows: +1.00%

Average Change in Material Lead time
No change

% change ■ Tender Workload ■ Building Cost ■ Employment

Comparison to Q3 2025: London



Tender Workload
Average change: +2.94%

- Windows: +10.00%
- Brickwork: +7.50%
- Curtain Walling: +4.00%
- Groundwork: -3.00%

Building Cost
Average change: +2.25%

- Windows: +8.00%
- Groundwork: +6.00%
- Drylining: +2.00%
- Steelwork: +2.00%

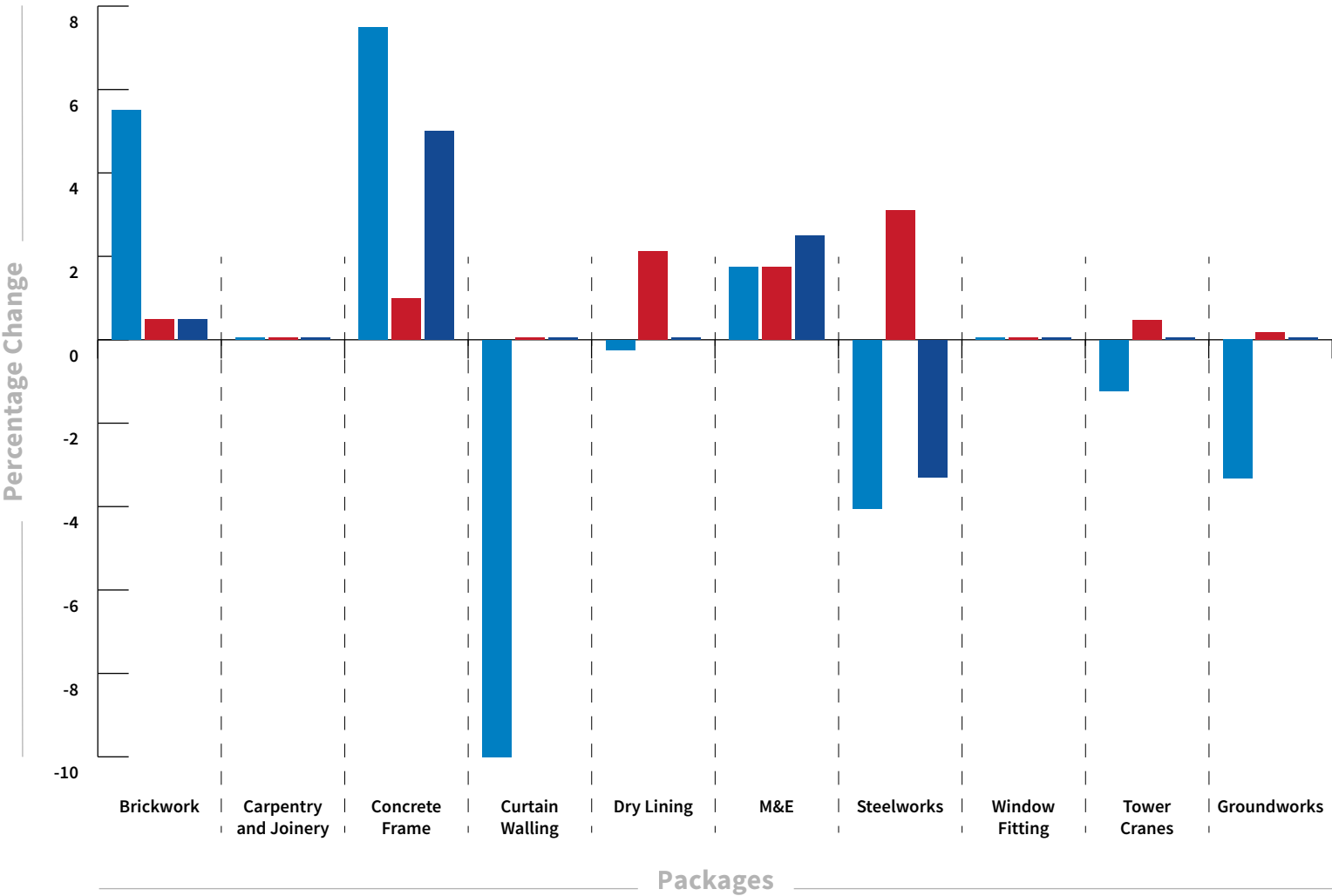
Employment
Average change: +0.49%

- Windows: +10.00%
- Steelwork: +1.00%
- Curtain Walling: -3.00%
- Tower Crane: -4.10%

Average Change in Material Lead time
Average change: +0.25 weeks

- Windows: +2.00 weeks

Comparison to Q3 2025: South



% change ■ Tender Workload ■ Building Cost ■ Employment

Tender Workload

Average change: -1.95%

- Tower Crane: -1.23%
- Groundworks: -3.33%
- Curtain Walling: -10.00%
- Steelwork: -4.05%

Building Cost

Average change: +0.91%

- Steelwork: +3.10%
- Drylining: +2.13%
- M&E: +1.75%
- Concrete Frame: +1.00%

Employment

Average change: +0.58%

- Concrete Frame: +5.00%
- M&E: +2.50%
- Brickwork: +0.50%
- Steelwork: -3.30%

Average Change in Material Lead time

Average change: +0.09 weeks

- Brickwork: +0.50 weeks
- Groundworks: +0.17 weeks
- Tower Crane: +0.13 weeks



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National Forecast Q4 2026 Overview

Forecast to Q4 2026: Overview

- Tender Workload: +4.60%
- Employment: +3.18%
- Building Cost: +4.10%
- Material Availability: +0.52 weeks

Although the government's Budget setting offered limited opportunity for new construction, an uplift in tender workload is consistent across all trades as further recovery of the sector is expected throughout 2026. However, trade supply chain remains cautious as challenging conditions and complex regulatory environments are expected to continue to pressure projects.

The trades with the largest expected increase in tender workload are:

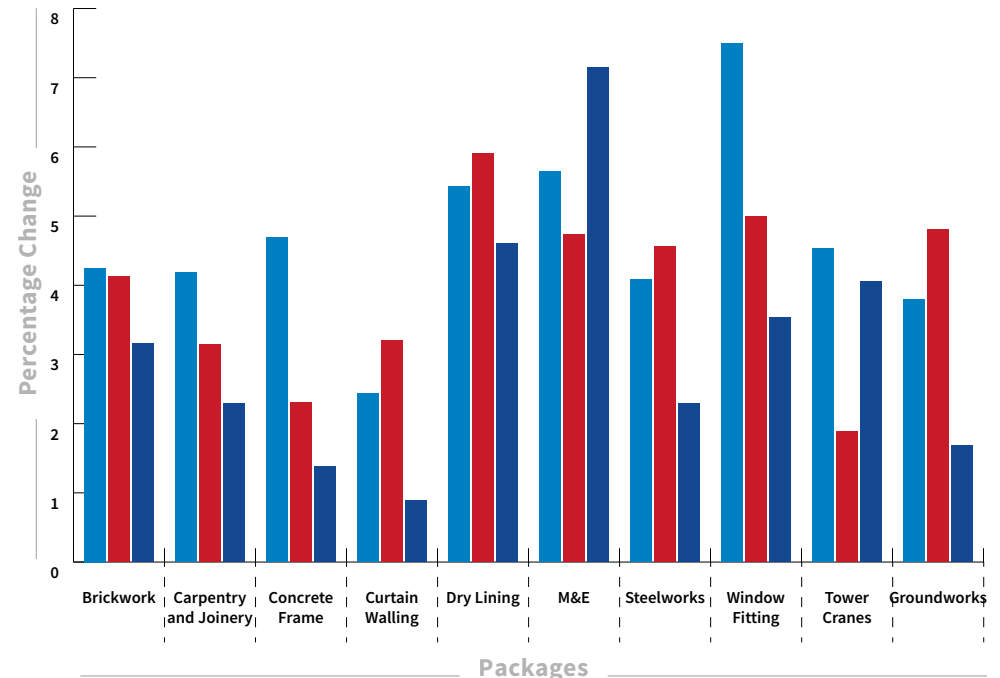
- Windows +7.50%
- Concrete Frame 4.69%
- Drylining 5.43%
- Tower Crane 4.53%

As growth in the sector increases, Building Cost is too anticipated to rise. The trades with the largest forecasted increase are:

- Drylining +5.90%
- Groundworks +4.81%
- Windows +5.00%
- M&E +4.74%

As opportunities increase, trade suppliers forecast a need to employ additional workforce, with employment expected to increase by an average of 3.18%. This is particularly noticeable amongst the following trades:

- M&E +7.15%
- Tower Crane +4.05%
- Drylining +4.60%
- Windows +3.53%



% change ■ Tender Workload ■ Building Cost ■ Employment

This demand for skilled workers may test the capacity of the construction sector. The need for strategic procurement and proactive risk management will be critical in engaging the interest of the best suited supply chain.

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