



Market Report

A Snapshot of your Market Sector

Bricklaying and Groundworks

This pack has been designed to provide information on setting up a business in the **bricklaying and groundworks** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website (www.bgateway.com/businessplan), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **August 2020**. If you find the information contained in this document useful, tell us about it! Send us feedback [here](#); we will use your comments to help improve our service.

What do I need to know about the bricklaying and groundworks market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ In total, the expectation is for the market to be slightly stronger by 2024 than it would have been without COVID-19 – this only counters an element of the lost business in 2020 and 2021. In total, **it is expected that the market will see a £34.6 billion reduction in output over the 2020-24 period**. While many sectors will see a temporary disruption to the market, albeit a substantial one, most will react with subsequent stronger growth as the pent-up demand impacts and as labour and material availability issues ease. (Mintel, *Construction: Inc Impact of COVID-19 - UK* - April 2020).
- ◆ Over the five years through 2019-20, revenue is **forecast to grow at a compound annual rate of 7.4%, reaching £16 billion**. Demand from infrastructure markets has been stimulated by renewed public-sector spending commitments, while commercial construction activity flourished in line with improved sentiment amongst private investors, benefiting industry contractors. Initiatives such as the Help to Buy scheme have propelled residential demand and developers have responded by accelerating the housing supply, supporting demand for bricklayers thusly. **However, revenue is expected to grow by a relatively modest 0.2%** in the current year as, in particular, new commercial construction activity has slowed as a result of economic headwinds surrounding the UK's forthcoming exit from the European Union. (IBISWorld, *Bricklaying & Other Specialised Construction Services*, July 2019).
- ◆ **Scotland registered the largest increase in the housing market at 11.6%**. Between 2013 and 2018, construction output in England, Wales, Scotland and Northern Ireland grew by 99.1%, 51.6%, 64.9% and 44.5% respectively. Growth in public new house building output is being driven by **increased spending in Wales and Scotland, growing by 34.5% and 26.6% respectively in 2018**. Despite England being the largest region, new housing output in the public segment fell by 3.3% in 2018. Similarly, Northern Ireland public output fell by 6.1%. This picture is reversed in the private segment, with England and Northern Ireland leading growth at 10% and 6.1% respectively. Wales and Scotland also grew positively by 1.7% and 5.9%. Accordingly, the share of England and Northern Ireland's private segments increased in 2018. Conversely, Scotland and Wales increased their share of the public segment. (Mintel, *House Building in the UK*, October 2019).
- ◆ The national organisation for this industry is [Association of Brickwork Contractors](#). Other industry bodies include [Brick Development Association](#), [Steel Construction](#), [Scottish Building Federation](#), [Construction Scotland](#), [Chartered Institute of Building](#), [Federation of Master Builders](#), [Construction Industry Training Board](#) and [Construction Industry Council](#).

Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email info@bgateway.com.

- ◆ **Mintel - Construction: Inc Impact of COVID-19 - UK (April 2020).** One of the features of construction contracts tends to be financial penalties for late delivery. The inevitable disruption to timetables as a result of social distancing can be expected to be identified as an exceptional issue that will effectively extend existing time schedules. The Chancellor of the Exchequer's packages to assist SMEs and the self-employed in the light of the economic ramifications of the social distancing measures introduced are particularly pertinent to the construction industry, where sole traders and companies with just two or three employees (often a tradesperson and apprentice) and other micro-companies each employ similar levels to the enterprises.
- ◆ **Mintel - House Building in the UK (October 2019).** Existing government plans will extend Help to Buy to 2023, with a tapering process to phase out the scheme. This will be a significant change for private housebuilders for which Help to Buy has become a crucial source of demand, in some cases accounting for between 40- 50% of annual house sales. In part, this deadline may be a motivating factor in terms of increasing the amount of affordable housing provided by leading house builders such as Barratt Development and Taylor Wimpey.
- ◆ **IBISWorld - Bricklaying & Other Specialised Construction Services in the UK (July 2019).** The residential building market is the largest market for industry operators. The level of investment in the housing market and the number of housing starts directly influence demand for bricklaying and other related services. Irrespective of EU referendum-related uncertainties in the UK housing market, the number of housing starts is expected to marginally increase in 2019-20. Against a supportive policy backdrop, robust housebuilding activity and relatively resilient demand for residential property should continue to drive housing starts, creating an opportunity for bricklayers and other specialised construction contractors.

There are also a number of online resources you may find helpful:

- ◆ **The Scottish Government – Housing Statistics 2019: Key Trends Summary** (tinyurl.com/yyks7ohf) Annual statistics on the new housing supply in Scotland across all sectors.
- ◆ **Construction Scotland – The Scottish Construction Industry Strategy 2019-2022** (tinyurl.com). A report on the performance of the construction industry in 2018 and the industry strategy for the next 3 years.
- ◆ **Construction Industrial Training Board – Industry Insight Construction Skills Network Forecast 2017-2021 Scotland** (tinyurl.com). “Construction output in Scotland is projected to contract by 0.4% a year on average in the five years to 2021, one of only two regions/devolved nations in which it is expected to fall. The decline in output will lead to a drop in construction employment, put at 0.8% a year on average over the forecast period.”

Disclaimer: please note that this research may contain copyrighted material. Copyright belongs to the holders credited above and, as such, recipients of this research reproduce and repurpose this information at their own risk.

Connect with us



How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#) ,[Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing info@bgateway.com or by calling **0300 013 4753**



Connect with us

What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please info@bgateway.com or by calling **0300 013 4753**.

Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Retaining and Grow Your Customer Base](#) will help you to identify who your customers are, how to use this information to sell more effectively and how to actively compete in your marketplace.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these website, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.

How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Accountant](#)" tool

Funding

[Practical information](#) on finance and funding for starting and growing your business

Insurance

[Business insurance guide](#)

Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

Pricing

Business Companion [Pricing & payment guide](#).

Please note: the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

Promotion

[BG guides to Marketing](#)

Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

We hope you find this Market Report useful and we'd love to hear your feedback [here](#).

Although every effort has been made to ensure the accuracy of the information provided, Business Gateway will not be held liable for any inaccuracies or omissions in the data supplied, or for the content of any website that the document above may contain links to. By using this information, you accept this disclaimer in full. Also, please note that Business Gateway does not endorse any business or individual that may be referred to above.

You must not rely on the information in the report as an alternative to advice from an appropriately qualified professional. If you have any specific questions speak to your Business Gateway Advisor or consult an appropriately qualified professional.

Last updated: August 2020

Updated by: Carla Bennett

Connect with us