



# Market Report

A Snapshot of your Market Sector

## Bricklaying and Groundworks

### Cost of Doing Business Support

For information on **reducing the cost of running your business**, the [Find Business Support](#) website has links to advice, funding and regional support.

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](http://www.bgateway.com/businessplan)), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **August 2023**. 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:

- ◆ Over the five years through 2022-23, **revenue is forecast to contract at a compound annual rate of 1% to £14.8 billion**. Bricklaying and other specialised construction contractors' revenue is contingent on construction cycles and tends to follow economic and investment trends. Accordingly, economic uncertainty caused initially by Brexit restricted new investment, weighing on revenue. **Revenue is forecast to increase at a compound annual rate of 3.8% over the five years through 2027-28 to £17.9 billion**. In the short term, recessionary pressures are likely to persist, constraining a significant recovery as consumers and business sentiment remains depressed. Nonetheless, government backed policies aiming to bolster the UK's housing stock will create resilient opportunities for contractors to compete for. Government backed policy support will persist into the long term. (IBISWorld, *Bricklaying & Other Specialised Construction Services*, June 2023).
- ◆ **Foundation and subsurface work** runs in tandem with investment trends and public spending and **accounts for 19% of industry revenue**. The majority of work encompassed by this service segment is carried out on large-scale multi-storey construction projects, whereby demand is largely contingent on activity and investment trends in nonresidential construction markets. Since the EU referendum reduced business spending weighed on investment as economic uncertainty caused businesses to preserve cash. Resilient remand from government infrastructure projects supported tender opportunities in this segment. According to the ONS, **new infrastructure work has increase 29.5% in 2022** when compared to February 2020. (IBISWorld, *Bricklaying & Other Specialised Construction Services*, June 2023)
- ◆ Residential building contractors are contingent on the propensity of property developers to invest in new ventures; movements in property prices; government schemes intended to boost the housing supply; and underlying sentiment in the housing market. **Revenue expanded prior to the pandemic**, with the support of government programmes and new funding to induce land development and housebuilding activity mitigating the effects of market uncertainties stemming from the Brexit vote. **Revenue is forecast to decline at a compound annual rate of 2.9% to £80.6 billion over the five years through 2023-24**. (AHSP). (IBISWorld, *Residential Building Construction in the UK*, July 2023).
- ◆ 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](#).



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## 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](mailto:info@bgateway.com).

- ◆ **IBISWorld - Residential Building Construction in the UK (July 2023)**. Property developers account for 56.2% of industry revenue. Both housing starts and completions bounced back strongly following the pandemic, aided by a buoyant housing market. However, the number of planning permissions granted continued to decline during this period and the recent economic slowdown has raised concerns among property developers regarding the return on investment, particularly as costs have spiralled.
- ◆ **Mintel, Construction - UK (2023)**. According to a RICS report on decarbonising UK real estate, the built environment accounts for around 30% of total annual carbon emissions in the UK. In 2019, carbon emissions generated in the operation of buildings accounted for 23% of total UK emissions. An additional 7% of carbon emissions were 'embodied' into buildings during the manufacturing and construction stages as a result of the energy used in those processes. One key element of government policy directed towards the decarbonisation of the built environment is the Heat and Building Strategy, which was published by the government in October 2021.
- ◆ **Statista – Construction Industry in the UK (2023)**. This Dossier provides both an overview of the UK construction industry as well as a look into trends that occupy this industry. It contains figures on employment, new home construction and various other overviews, as well as topics that could define the industry for years to come like sustainability, BIM software use or modular construction.

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

- ◆ **The Scottish Government – Housing Statistics 2021** ([tinyurl.com/9trr72fn](https://tinyurl.com/9trr72fn)) Annual statistics on affordable housing, new housing supply, rents in the private sector, local authority housing, and social housing in Scotland.
- ◆ **Construction Scotland – The Construction Recovery Plan** ([tinyurl.com/2be95rse](https://tinyurl.com/2be95rse)) A shared view across government, industry and trade unions of the response to Covid-19, setting out the pathway to build a stronger, fairer and greener economic future for Scotland.
- ◆ **Construction Industrial Training Board – Building Skills for Net Zero in Scotland** ([tinyurl.com/azr2nr4c](https://tinyurl.com/azr2nr4c)) **Building Skills for Net Zero UK** report is also available to download ([tinyurl.com/badds4rd](https://tinyurl.com/badds4rd)) This report sets out to identify the skills and training requirements generated by the commitment by the governments of the United Kingdom and devolved administrations to achieve net-zero greenhouse gas emissions (by 2050 for the UK, 2045 for Scotland and 95% by 2050 for Wales).

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## 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](mailto:info@bgateway.com) or by calling **0300 013 4753**



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## 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](mailto: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 [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

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](#).

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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.

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**Updated by: Carla Bennett**

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