



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 **July 2021**. 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 **2021-22**, revenue is forecast to **fall at a compound annual rate of 3.1% to £11.4 billion**. In the short term, recessionary pressures arising from the coronavirus pandemic, low private-investor sentiment and the loss of EU funding for infrastructure projects will limit the scope of construction markets, curbing demand for specialist contractors. However, policy support for the housebuilding market and government funding commitments should create several opportunities for bricklayers and subsurface contractors in the medium term. Over the five years through **2026-27**, revenue is forecast to **grow at a compound annual rate of 5.7% to reach £15.1 billion**. (IBISWorld, *Bricklaying & Other Specialised Construction Services*, July 2021).
- ◆ Overall construction activity regularly exaggerates the change in the wider economic activity, in terms of both growth and decline. With an unprecedented 9.9% decline in GDP in 2020, it is no surprise that overall **new construction work declined by 17.9%**, though repair and maintenance work (which includes property improvement) fell by a more modest 8.8%. New construction development will now be increasingly sector-dependent, so in total, the recovery will break the traditional growth exaggeration. (Mintel, *Construction: Inc Impact of COVID-19 - UK* – May 2021).
- ◆ **Scotland recorded the highest growth of the four UK nations in 2019, posting growth of 19.2% to £3.9 billion**. The next fastest growing nation was Wales, where output increased in the year by 15.2% to £1.4 billion; followed by England, up by 8% to £42 billion; and Northern Ireland, up 5.6% to £0.8 billion. **Growth in Scotland** and Wales benefitted from substantial increases in new housing output for public tenures, **up 29.3%** and **65.6%** respectively from 25.5% and 32.7% the year prior. Comparing 2015 and 2019, output for **public tenures rose by 157% in Scotland** and 189% in Wales. Scotland continues to lead on the share of output attributed to the **public sector, at 32.9% in 2019, up 2.6 percentage points** on the previous year. (Mintel, *House Building: Inc Impact of COVID-19 - UK* - October 2020).
- ◆ 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.

- ◆ **Mintel - House Building in the UK (October 2020).** Help to Buy has helped first-time buyers enter the housing market but has also driven a divergence in the popularity of property types, reflected in growing new home registrations. From 2010 to 2019, NHBC new home registrations data shows detached and semi-detached properties have far outpaced other property types, up 128% and 98% respectively. The popularity of detached and semi-detached Help to Buy completions provides further evidence of a generational shifts in preferences due to affordability, with increasingly older first-time buyers favouring property that can accommodate future milestones, such as marriage and children
- ◆ **IBISWorld - Bricklaying & Other Specialised Construction Services in the UK (July 2021).** The largest distribution of establishments in Scotland is concentrated in Highland. This location accounts for 11.9% of the establishments in the region. Scotland has a relatively a large number of districts when compared with other regions. Moreover, this large number of districts has fairly even distribution of businesses. Despite this, Highland accounts for a significant enough share of the establishment distribution to maintain sway over industry trends in the region. While this location has influence over the region, the broad distribution across the region suggests that businesses can effectively establish themselves throughout Scotland.
- ◆ **Statista – Construction Industry in the UK (2021).** 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) Annual statistics on affordable housing, new housing supply, rents in the private sector, local authority housing, and social housing in Scotland.
- ◆ **Construction Scotland – The Scottish Construction Industry Strategy 2019-2022** (tinyurl.com/2yk89nca). A report on the performance of the construction industry in 2018 and the strategy for the next 3 years.
- ◆ **Construction Industrial Training Board – Building Skills for Net Zero in Scotland** (tinyurl.com/azr2nr4c) **Building Skills for Net Zero UK** report is also available to download (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 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 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.

Last updated: July 2021

Updated by: Carla B

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