



# 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 **May 2022**. 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 1.9% to £12.1 billion**. Throughout the period, growth has been curbed by uncertainties surrounding the UK's future relationship with the European Union, though a supportive policy backdrop has stemmed the overall fall in revenue. 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. Over the five years through **2026-27**, revenue is forecast to **grow at a compound annual rate of 5.6% to reach £15.9 billion**. The UK's new points-based immigration is forecast to exacerbate an extant skills gap. (IBISWorld, *Bricklaying & Other Specialised Construction Services*, April 2022).
- ◆ 2020 witnessed a total decline of a highly significant 17.2%. This was followed by **growth of 13.7% in 2021**. Despite the strong growth in 2021, this only returned the market to a value of £135.6 billion, which is below the levels achieved in either 2018 or 2019. While new housing will continue to be a strong market, encouraged by government actions to facilitate growth, RMI activity will be impacted by the surge in inflation already evident in 2022 and expected to continue into 2023. (Mintel, *Construction - UK - May 2022*).
- ◆ **Output declined in all four UK nations** with the largest proportional decline seen in England - which fell by 22.2% to £33.4 billion for 2020. **Output in Scotland fell by 13.8% to £3.4 billion**, whilst Northern Ireland saw output decline by 8% to £0.76 billion. All regions saw the public share of output decline, with the largest fall recorded in Scotland (down nine points) to 23.9%. For the parliamentary term beginning 2020/21, the Scottish government has committed £3.5 billion towards the Affordable Housing Supply Programme (AHSP). (Mintel, *House Building - UK - October 2021*).
- ◆ 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).

- ◆ **Mintel - House Building in the UK (October 2021).** The value of new housing output is forecast to **rise by 17%** between 2021 and 2026, bringing output to a total of **£55.6 billion**. The recovery of activity and the resuming of projects disrupted by the pandemic will drive the bulk of the increase, aiding the recovery of new starts and completions in 2022 and into 2023. A shortage of HGV drivers, in conjunction with rapidly rising global demand for goods in Western countries as economies reopen, has resulted in significant rises in the cost of building materials. Zoopla's July 2021 Index noted that supply constraints were most evident for properties priced below £350,000, suggesting that the lack of materials is pushing building activity towards more expensive properties where additional costs are more likely to be recouped
- ◆ **IBISWorld - Bricklaying & Other Specialised Construction Services in the UK (April 2022).** The £1.2 billion Starter Homes Land Fund dedicates funding to local authorities for the regeneration of brownfield sites, while the £4.5 billion Home Building Fund provides homebuilders with grant funding or debt finance to accelerate the housing supply. Combined, these initiatives are indicative of efforts to achieve and sustain the government's target of an additional 300,000 dwellings per year by the mid-2020s. Growth in the construction sector is likely to generate substantial demand for industry contractors, particularly those specialising in bricklaying and foundations work.
- ◆ **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](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 Scottish Construction Industry Strategy 2019-2022** ([tinyurl.com/2yk89nca](https://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](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: Andy D**

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