

<p>Editors AECOM Aldgate Tower 2 Leman Street London E1 8FA Tel: +44 (0) 20 7061 7000 e-mail: spons.europe@aecom.com www.aecom.com</p>	<h1>SPON'S 2018 PRICE BOOKS UPDATE</h1> <h2>ONE</h2>
<p>Publishers Taylor & Francis 2 Park Square Milton Park, Abingdon Oxon OX14 4RN Tel: +44 (0) 207 017 6000 www.taylorandfrancis.com</p>	
<p>INCORPORATING CHANGES UP TO 30 NOVEMBER 2017</p>	

This *Update* covers the 2018 editions of the *Architects' and Builders' Price Book*, the *Civil Engineering and Highway Works Price Book*, the *External Works and Landscape Price Book* and the *Mechanical and Electrical Services Price Book*. Details of changes in material prices, wage rates etc., are given and the various indices and adjustment factors presented in the books are brought up to date.

Each of the Price Books is dealt with separately in its own section of the *Update*. Information on changes to the *Architects' and Builders' Price Book* appears on pages 4 and 5, the *Civil Engineering and Highway Works Price Book* on pages 6 and 7, the *External Works and Landscape Price Book* on page 8, and the *Mechanical and Electrical Services Price Book* on page 9.

Corrections are headed 'Erratum' and boxed to distinguish them from updated information.

Spon's 2019 Price Books are planned to be published in September 2018.

The Construction Climate

Construction activity trends

While “deal or no deal” for Brexit dominates the news, technically, construction entered a recession in Q2 2017 – though it doesn’t feel like it, given the high utilisation or stretched capacity at which most firms are still operating. Last Market Forecast described inconsistency between hard (official statistics and published data) and soft (surveys) industry data series. Mixed stories and messages are still around, but there is now increasing alignment between the respective trends of the soft and hard data.

In contrast to economic news globally and across Europe, UK gross domestic product figures for Q3 2017 are lacklustre. It is unfortunate that this news for the UK comes at a time when global economic activity is expected to pick up. Worryingly, construction contributed -0.7% to the overall GDP figure for the quarter and was the only UK industrial sector to contribute negative growth. As this was the second successive quarterly contraction for the construction industry, it is this that marks a technical recession.

Tender price index

Tender prices increased by 3.1% over the year at Q3 2017. Although slower, the rate of yearly change is still positive but against a backdrop of falling industry output.

Building cost index

A composite measure of building costs increased over the past 12 months by 3.9% at Q3 2017. Materials cost inflation continues to increase, as do labour rates. Inflation arising from higher imported materials costs due to the sterling valuation against the Euro will continue to be a focus for projects with currency linked packages such as curtain walling.

Materials

Construction material prices rose on a yearly basis. The ‘All Work’ construction material price index increased by 5.8% in October 2017 compared to a year ago.

Since the book prices were compiled in May 2016 the materials experiencing the largest price increases and decreases are:

	Percentage change May 2017–October 2017
Increases	
<i>Concrete reinforcing bars (steel)</i>	+11%
<i>Imported plywood</i>	+6%
<i>Particle board</i>	+5%
<i>Sawn wood</i>	+4%
<i>Imported sawn or planed wood</i>	+3%
<i>Fabricated structural steel</i>	+2%
Decreases	
<i>Plastic pipes and fittings</i>	-1%
<i>Paint (non-aqueous)</i>	-1%
<i>Metal doors and windows</i>	-1%
<i>Metal sanitaryware</i>	-2%

Source: BEIS

Labour

Average weekly earnings (total pay including bonuses) in construction fell slightly to a provisional figure of £608 in October 2017, from £614 a month earlier. Annually, total earnings increased just 0.5% to October on a single-month basis.

Real average weekly earnings for the whole economy rose by just 0.05% (regular pay) for July-September 2017 when compared to July-September 2016.

SPON'S ARCHITECTS' AND BUILDERS' PRICE BOOK 2018

Costs and Tender Prices Indices

Building Costs Indices

p 39

The table of building cost indices may be updated as follows:

Year	
2015	110
2016	112
2017	116 (F)
2018	120

(F) = Forecast thereafter

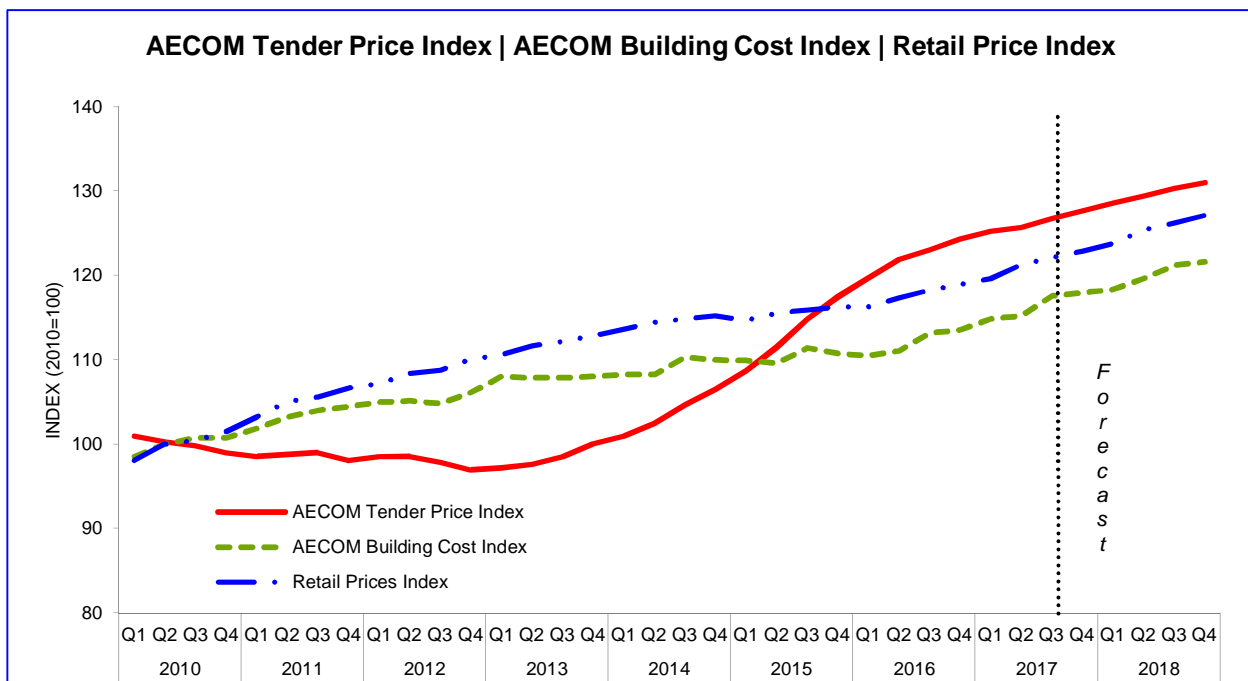
Tender Prices Indices

p 40

The table of tender price indices may be updated as follows:

Year	First quarter	Second quarter	Third quarter	Fourth quarter	Annual average
2015	492	505	520	432	512
2016	542	552	557	563	
2017	567	569	574 (P)	578 (F)	
2018	582	586	590	593	

(P) = Provisional; (F) = Forecast thereafter



Prices for Measured Works

Materials Prices

Reference should be made to the material prices changes notified on page 2 of this *Update*.

Rates of Wages

Reference should be made to the material prices changes notified on page 3 of this *Update*

Erratum

Page 143 (Residential fit-out)

Ventilation Installations Total (£) should be 455,000 and Cost (£/m²) should be 29.61

Electrical Installations Total (£) should be 1,192,000 and Cost (£/m²) should be 77.58

Preliminaries and Contingencies Total should be 3,561,300 and Cost (£/m²) should be 231.78

The Totals are actually correct. The label should be fit-out

Page 182 (Composite aluminium/timber entrance screens and doors ...) glazed single personnel door Range £ should be 1,875 to 2,275

Page 308 (Sundries) Weep holes; perpend units, Total rate £ should be 1.07 (labour 0.40 and materials = 0.67)

Page 462 (Rolling shutters with collapsible gates; galvanised
2400 mm x 2750 mm should be 2170.00

Cost and Tender Price Indices

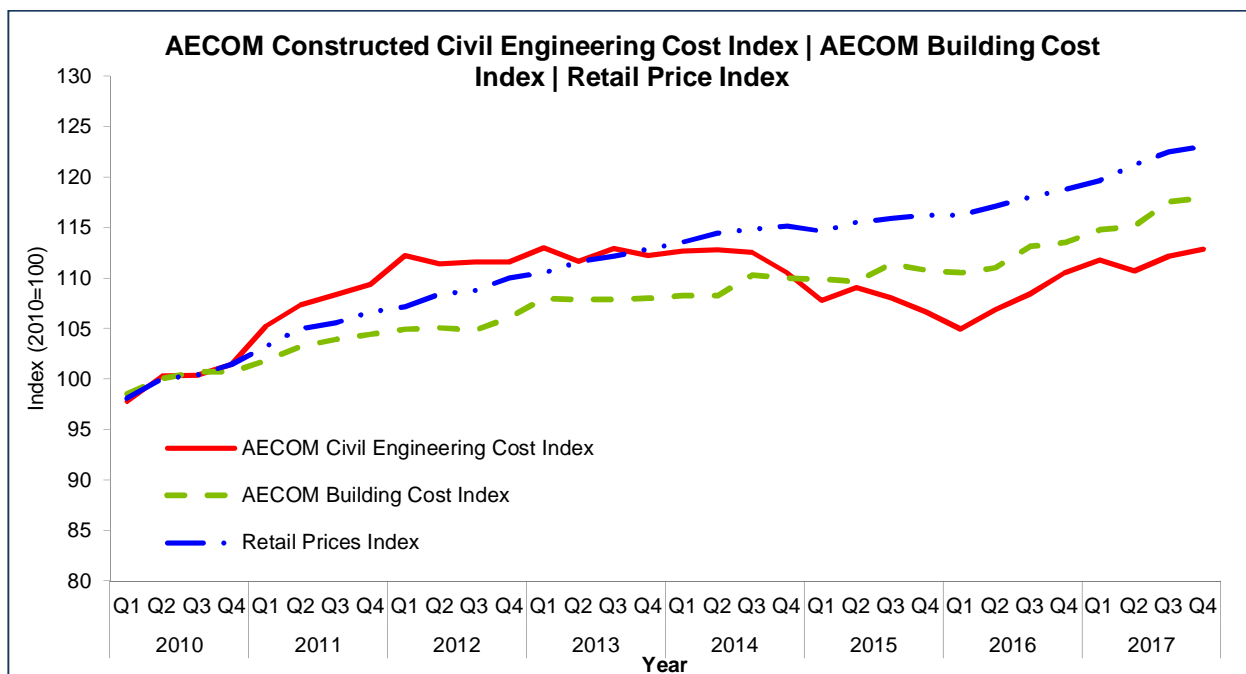
A Constructed Cost Index based on the Price Adjustment Formula Indices

p 57

The table and chart for the Constructed Civil Engineering Cost Index may be supplemented as follows:

Year	First quarter	Second quarter	Third quarter	Fourth quarter	Annual average
2014	113	113	113	111	112
2015	108	109	108	107	108
2016	105	107	108	111	108
2017	112	111	112	113 (P)	112 (P)

(P) = Provisional



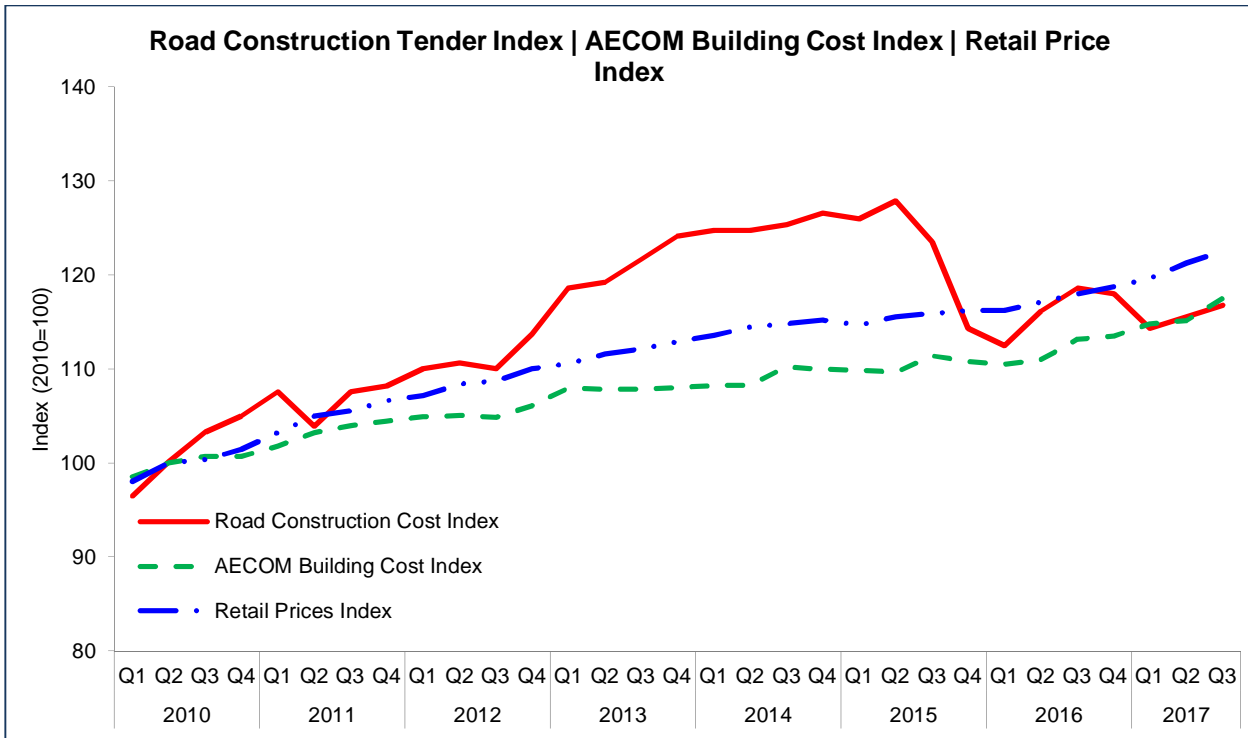
The Road Construction Tender Price Index

p 58

The table and chart may be supplemented as follows: *NOTE revised figures from 2015*

Year	First quarter	Second quarter	Third quarter	Fourth quarter	Annual average
2015	126	128	124	114	123
2016	113	116	119	118	116
2017	114	116	117		116

(P) = Provisional



Prices for Measured Works

Materials Prices

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Rates of Wages

Reference should be made to the material prices changes notified on page 3 of this *Update*.

Erratum

Page 245 to 250; Manholes.

The following manhole sizes TOTAL price are incorrect

- 750 x 700 chamber 500 depth to invert should be 995.23 (*not 965.70*)
- 750 x 700 chamber 1000 depth to invert should be 1189.32 (*not 115.79*)
- 750 x 700 chamber 1500 depth to invert should be 1398.51 (*not 1368.98*)
- 900 x 700 chamber 1000 depth to invert should be 1235.61 (*not 1206.08*)
- 900 x 700 chamber 1500 depth to invert should be 1466.66 (*not 1437.13*)
- 1050 x 700 chamber 2500 depth to invert should be 2713.30 (*not 2493.49*)
- 1050 x 700 chamber 3500 depth to invert should be 3346.35 (*not 3077.01*)
- 1350 x 700 chamber 2500 depth to invert should be 3103.00 (*not 2817.97*)
- 1350 x 700 chamber 3500 depth to invert should be 3846.88 (*not 3781.66*)
- 1350 x 700 chamber 4500 depth to invert should be 4484.87 (*not 4419.65*)
- 1800 diameter x 3500 depth to invert should be 3921.00 (*not 3919.030*)

SPON'S EXTERNAL WORKS AND LANDSCAPE PRICE BOOK 2018

Cost Indices

The Constructed Landscaping Cost Index

p 24

The Constructed Landscaping (Hard Surfacing and Planting) Cost Index may be updated as follows:

Year	First quarter	Second quarter	Third quarter	Fourth quarter	Annual Average
2015	881	889	897	894	890
2016	891	898	911	920	905
2017	927	927	943	946	936

(P) = Provisional

Prices for Measured Works

Materials Prices

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Rates of Wages

Reference should be made to the material prices changes notified on page 3 of this *Update*.

SPON'S MECHANICAL AND ELECTRICAL SERVICES PRICE BOOK 2018

Cost Indices

p 108

The tables of cost indices for Mechanical Services and Electrical Services should be revised as follows:

Mechanical Services

Year	First quarter	Second quarter	Third quarter	Fourth quarter
2015	629	628	625	636
2016	636	642	646	658
2017	665	666	671 (P)	682 (F)
2018	685	687	690	703

(P) = Provisional; (F) = Forecast thereafter

Electrical Services

Year	First quarter	Second quarter	Third quarter	Fourth quarter
2015	812	811	809	808
2016	828	830	830	833
2017	850	850	850 (P)	852 (F)
2018	871	872	873	874

(P) = Provisional; (F) = Forecast thereafter

Prices for Measured Works

Materials Prices

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Rates of Wages

Reference should be made to the material prices changes notified on page 3 of this *Update*.