# UK construction industry poised for transformative year with major projects



The construction industry in the UK is set for a transformative year ahead, with several ambitious projects poised to make significant impacts. Among them, the King’s Cross Tribeca project, London's largest purpose-built life sciences campus, is a notable highlight. This development is shaping up to enhance both research capabilities and commercial opportunities in the life sciences sector, which has seen considerable growth lately. The first phase, featuring the 10,450 square metre Apex building, was completed by VolkerFitzpatrick for £29 million in 2024. Ardmore has commenced work on three additional buildings collectively known as the Reflector, Assembly, and Connector, which add up to a further 49,900 square metres. This second phase is estimated at £236 million and is expected to conclude in 2026.

In terms of infrastructure, the £10 billion Lower Thames Crossing project has been under scrutiny for 15 years, and anticipation is building regarding its approval. Plans submitted by National Highways have faced delays, with the latest extension on the application decision now pushed to May 2025. If approved, a joint venture by Bouygues Travaux Publics and Murphy will handle the tunnelling work, while Skanska and Balfour Beatty are expected to construct new access roads.

Additionally, HS2's Euston Station has finally received government approval. However, funding sources remain unclear. Chancellor Rachel Reeves has indicated that public funds will be directed towards tunnelling from Old Oak Common to Euston. The proposal for a dedicated housing delivery group for the local area aims to spur regeneration alongside the railway development.

Another significant project is the Havant Thicket Reservoir, which marks the first new reservoir in the UK in decades. This initiative aims to address the water supply demands of the densely populated South East of England, and upon its anticipated completion in 2029, it will hold approximately 8.7 billion litres of water and provide daily supplies of up to 21 million litres.

The £20 billion New Hospital Programme is also under a government review, with a shift in focus towards addressing hospitals deemed structurally unsafe due to reinforced autoclaved aerated concrete (RAAC). Chancellor Reeves mentioned in her Autumn Budget that prioritising seven affected hospitals will be a critical aspect of this initiative, amidst warnings from the National Audit Office that many facilities may need to close before proper funding and replacements are confirmed.

In the energy domain, Sizewell C shines as a pivotal project in the UK’s nuclear strategy, especially as the existing fleet of plants nears decommissioning. The project has been granted a legal reprieve regarding its environmental impact, but clarity on funding is still required. A strong push for private investment is anticipated to accompany government backing of £5.5 billion.

Amid these developments, Labour's ambitious target of delivering 1.5 million new homes is underway. The Planning and Infrastructure Bill is expected to streamline the approvals process, accompanied by a proposed update to the National Planning Policy Framework that mandates housing targets. However, industry insiders have expressed concerns regarding the availability of skilled construction workers and challenges posed by increased employer National Insurance contributions.

In the energy sector, the Eastern Greenlink 2 venture, undergoing preconstruction tasks, aims to create a new high voltage direct current (HVDC) cable link that will span from Aberdeenshire to North Yorkshire. Estimated to be completed by 2029, this £4.3 billion project is poised to be the most extensive electricity transmission scheme in UK history.

Additionally, the Eden Project in Dundee, an ambitious green tourism initiative, has gained planning approval. This project plans to blend horticulture, art, and community engagement in a unique setting, though a concrete timeline for construction has yet to be established.

Finally, as the HSBC tower at 8 Canada Square prepares for significant transformation following the banking giant's departure in 2027, plans are afoot to retrofit the 102,200 square metre site into a mixed-use project that prioritises sustainability and caters to evolving community needs.

These projects and initiatives signify a robust period of activity and investment in the UK construction and infrastructure landscape as it gears up for the challenges and opportunities presented in the coming year.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://reefgroup.co.uk/project/tribeca> - Corroborates the details about the King’s Cross Tribeca project, including its status as London's largest purpose-built life sciences campus and the phases of its development.
2. <https://reefgroup.co.uk/project/tribeca> - Provides information on the buildings and phases of the Tribeca project, including the work by VolkerFitzpatrick and Ardmore.
3. <https://itsconstruction.co.uk/what-is-the-construction-industry-growth-forecast-for-the-uk-in-2025/> - Supports the overall growth forecast for the UK construction industry in 2025, driven by infrastructure projects and other factors.
4. <https://www.beachmarketing.co.uk/uk-construction-challenges-2025/> - Discusses the challenges and opportunities in the UK construction sector in 2025, including infrastructure investments and technological advancements.
5. <https://itsconstruction.co.uk/what-is-the-construction-industry-growth-forecast-for-the-uk-in-2025/> - Mentions the government's commitment to large-scale infrastructure projects like HS2 and the impact on the construction sector.
6. <https://www.beachmarketing.co.uk/uk-construction-challenges-2025/> - Highlights the challenges related to skilled labour shortages and increased employer National Insurance contributions in the context of Labour's housing targets.
7. <https://itsconstruction.co.uk/what-is-the-construction-industry-growth-forecast-for-the-uk-in-2025/> - Emphasizes the focus on sustainability and green building practices in the UK construction industry, aligning with projects like the Eden Project in Dundee.
8. <https://www.beachmarketing.co.uk/uk-construction-challenges-2025/> - Discusses the impact of stricter regulations and the need for greater accountability in the construction sector, relevant to projects like the New Hospital Programme.
9. <https://itsconstruction.co.uk/what-is-the-construction-industry-growth-forecast-for-the-uk-in-2025/> - Mentions the role of government initiatives and funding in driving projects such as Sizewell C and the Lower Thames Crossing.
10. <https://reefgroup.co.uk/project/tribeca> - Details the location and amenities of the Tribeca project, including its integration into London's biotech cluster.
11. <https://www.constructionnews.co.uk/sections/long-reads/10-projects-to-watch-in-2025-06-01-2025/> - Please view link - unable to able to access data