The Construction Centre.co.uk comments on UK cement shortages

The last quarter has seen widespread reporting on the UK’s cement supply chain, highlighting severe shortages which have been affecting projects around the country.

In reviewing the situation The Construction Centre.co.uk highlighted that currently there are three main standpoints of opinion. The main UK cement producers are confident of continued production to meet the demand, the British Cement Association (BCA) is defending this position and the British Aggregates Association (BAA) is claiming the industry is guilty of anti-competitive pricing as a result of the shortages.

Cement is, in practical terms fundamental to UK construction projects but also a sector which contributes over £770 million to the building industry. According to the BCA the cement shortages have arisen due to continued demand throughout the last quarter of 2006, a time when suppliers generally replenish their stock. With continued strong sales in 2007, it has been difficult for producers to maintain supply at the current rate of demand coupled with a decrease in the availability of slag.

The Construction Centre.co.uk highlighted the fact that construction trends are showing increased output on a continual basis and that perhaps the cement industry was not prepared for the ongoing boom. Despite this, the four main UK producers (Castle Cement, Cemex UK Operations, Tarmac Buxton Lime & Cement and Lafarge Cement UK) have responded to the crisis with announcements of plans to invest and implement increased cement production to support the demand. This, The Construction Centre stated is a positive step forward in order to avoid depleted stock in the future.

In order to continue to fulfil sustainability and CO2 emission targets, UK producers have also been very keen to play down any reliance on imported cement, with Castle’s Managing Director announcing this week "we are committed to manufacturing cement in the UK rather than relying on imports to meet market demand and we are fully committed to supplying our customers needs in the most sustainable way."

However the British Aggregates Association has also launched an investigation through agents, Cartel Damage Claims, asserting that the four main UK manufacturers (excluding Hanson) are protecting their own in house cement requirements and interests. It is alleged that the independent UK suppliers are suffering due to inflated prices which excludes them from purchasing cement and consequently leaves them vulnerable in the market.

The BCA is rejecting the claims as unsubstantiated and lacking in evidence and is supporting the stance that the UK cement market is operating ethically.

Richard Simmons, Managing Director at The Construction Centre stated “This is a time of change throughout the whole of the construction industry with sustainability targets and the continued boom adding to the pressure pot. I believe the industry and trade associations should be working together towards the same end not pulling apart. All contractors want to see at this stage is a solution to the cement shortage so that projects can move on towards completion.

He continued “The Construction Centre website has links to all the major UK cement manufacturers and also regional suppliers so it is very easy to find contacts. We also have
both the BCA and BAA listed in our Trade Associations section where more information and the latest updates about the current cement situation can be found."

Despite current cement shortages, it is clear that UK producers are working to resolve the situation in order to maintain the supply and meet the ongoing demand from contractors.

For more information go to:
http://www.theconstructioncentre.co.uk
http://www.theconstructioncentre.co.uk/products/cement/
http://www.theconstructioncentre.co.uk/trade-associations/

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Notes for Editors:

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Based in Warwickshire The Construction Centre is part of the UK250 Ltd group.

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