

# Huge boost to turnover and profit at Durham construction firm MGL Group

Growth is in the works for Durham construction and demolition specialist MGL Group after it reported a significant jump in turnover and profits.

The 53-year-old firm, which provides services such as civil engineering, asbestos remove and asphalt production, recorded a 62% boost to turnover of £169.9m in the year to the end of March 2024. Newly filed accounts show operating profit leapt more than 300% to £20.8m.

Plans are now afoot to build a new 13,500 sqft head office for the group on its existing Dragonville Industrial Estate site, with proposals already submitted to Durham County Council. On Tyneside, the firm is upgrading its Newburn asphalt plant and depot with a new soil-washing facility at the site will bring further opportunities for waste disposal and recycling.

That comes after substantial, £3.6m investment in plant and machinery as well as a further £2.1m into its fleet, including electric vehicles. And in May, MGL acquired the Glenfin and Fulfordlees quarries in the Scottish borders, boosting its supply of high PSV stone, sand and gravel.

Bosses said strong profit margins had come through efficient operations, "strategic pricing" and attention given to cost control. An increasing amount of the group's work is said to be directly for end-user clients, which the firm says has helped it secure a number of high profile projects in the region. Earlier this year, MGL partnered with Durham County Council and Seaham-based construction materials innovator Low Carbon Materials to deliver net zero asphalt, which was used on a scheme in Durham city.

Dave Elliott, joint chief executive, said: “We are delighted to have formed this important partnership and continue to collaborate on sustainable projects across the county. It was an honour to discuss innovative solutions for decarbonising the built environment with Prince William during his visit to the North East.”

Headcount increased across the period from 408 to 441 as MGL said investing in talent continued to be a key priority.

The staff’s work has received recognition internationally, with MGL’s delivery of demolition work on the Newcastle city centre Pilgrim’s Quarter scheme scooping ‘Best Project of the Year’ for a new entrant category at the World Demolition Awards in Stockholm, Sweden – the firm’s first entry to an international programme. And the business won the People and Culture category and first ESG award at the Constructing Excellence North East Awards, before being shortlisted in the national awards.

Writing in the accounts, Mr Elliott and co-chief executive Mark Davison, said: “Looking ahead, MGL Group is well-positioned for continued growth and success. The company’s strategic focus, strong financial performance, and talented workforce provide a solid foundation for future expansion and development. By investing in innovation, talent development, and community engagement, MGL Group can further enhance its position as a leading player in the North East construction industry. We do however, envisage next year will be one of consolidation for the business following the large increases in both turnover and margins this year.

“One of the key areas of focus for MGL Group is sustainable growth. The company is committed to exploring new service offerings, markets, and technologies that align with its sustainability goals. This includes investing in renewable energy solutions, adopting environmentally friendly construction practices, and promoting energy efficiency. By

focusing on sustainable growth, MGL Group can contribute to a more sustainable future for the North East region.”