

Economy

Economy

- The Markit/CIPS PMI for [manufacturing](#) was 53.3 in August, up from 48.3 in July. The latest reading rose above the no-change mark of 50 and a 10-month high as manufacturing output and new orders (domestic and export) increased during the month. **Furthermore, it was reported that companies restarted work that had been postponed during July. However, although the recent Sterling depreciation supported export orders during the month, it also drove input prices up to a five-year high.**
- The Markit/CIPS PMI for [construction](#) was 49.2 in August, up from 45.9 in July. The latest reading remained below the no-change mark of 50, indicating that construction activity contracted for a third consecutive month. **The latest reading pointed towards a marginal decline in activity, as building activity in the housing and commercial sectors was reported to have fallen at a slower rate than reported in July. Reflecting the recent weakness in Sterling, the latest survey also reported that input cost inflation rose to its highest since July 2011.**

Housing

- According to [Nationwide](#), UK house prices in August increased 0.6% month-on-month and were 5.6% higher year-on-year. The average property price was £206,145. **The rise in house prices is in contrast to other housing market indicators, which have pointed towards a slowdown in activity in recent months. It was reported that any declines in demand are likely to have been matched by weakness in the supply of properties to the market, keeping house price growth at a similar rate to previous months.**
- According to the [Bank of England](#), in July, the number of mortgages approved for house purchase decreased 5.1% on a monthly basis to reach 60,912, the lowest number reported since January 2015. On an annual basis, a fall of 12.4% was registered. The value of these loans decreased 6.1% month-on-month and was 11.9% lower than a year ago. The number of loans for remortgaging in July decreased 0.1% compared to June but rose 11.7% year-on-year. The value of these loans was 0.4% lower over the month but registered a 15.8% increase in annual terms. **The fall in mortgage lending activity is consistent with the falls reported by other industry sources including the CML and BBA.**

For further information contact amandeep.bahra@constructionproducts.org.uk

Association Activities

CPA's External Affairs Committee (EAC) Meeting – 15 September (London)

The EAC discusses the Association's strategy and work related to marketing, communications and public affairs. It meets twice a year.

If you would like to attend or wish further information, please contact Simon.Frame@constructionproducts.org.uk.

CPA's Sustainability Policy Group (SCC) – 22 September

The SCC will next meet on the morning of 22 September in London.

If you would like to attend please rsvp to julie.mills@constructionproducts.org.uk.

Build4Quality - 28 September (BRE Watford)

The CPA is supporting [BRE's Build4Quality Conference](#), which seeks to define quality homes and developments, beyond what a recent Parliamentary committee called 'zero-defects construction', and how that relates to sustainability. Jane Thornback, the CPA's Sustainability Policy Adviser, will speak re the business case for choosing sustainable products & materials. CPA members are entitled to a 20% discount on the standard £120 ticket (quote **"CPA20"** when registering).

For further information and to register, click [here](#).

Supply Chain Meeting with Transport for London – 29 September (London)

Following the success of previous meetings, the CPA have organised another opportunity for members to meet with TfL executives and learn about its programme for development, procurement process and how to become a supplier for this major client. The meeting is scheduled for Thursday, 29 September from 2-4:30pm (registration beginning at 1:30pm) and will take place in the basement conference rooms of the Building Centre in London.

We strongly recommend that members avail themselves of this opportunity. Please register your interest with simon.frame@constructionproducts.org.uk or contact jeff.may@constructionproducts.org.uk with any questions.

UK Construction Week - 18-20 October 2016 (NEC, Birmingham)

The CPA is pleased to join many of its members and industry partners in supporting [UK Construction Week](#), the UK's largest construction trade event which unites over 650 exhibitors with an audience of over 24,000 trade visitors. UK Construction Week (UKCW) consists of nine shows: Timber Expo, Build Show, Civils Expo, Plant & Machinery Live, Energy 2016, Smart Buildings 2016, Surface & Materials Show and HVAC 2016 running from 18-20 October and Grand Designs Live which is open to the trade on 19-20 October.

The CPA's team will be participating in a several panel discussions, including the keynote, sustainability, innovation and Grand Designs Live. Registration for the event is free; please click [here](#).

CPA Parliamentary Reception -- Nearly Sold Out - 19 October (House of Lords)

We are delighted to announce The Earl of Lindsay will host the Construction Products Association's Parliamentary Reception on Wednesday, 19 October 2016, in the Cholmondeley Room & Terrace at the House of Lords. The Reception will **commence at 18.30pm and finish at 21.00pm. Attendance by our members has been over-subscribed; we would therefore encourage you to book as soon as possible to guarantee a place.** Trade associations should also purchase tickets for your members, ensuring we have a wide representation from across the products industry.

If you would like to attend, please complete the online booking form [here](#) by Friday, 09 September 2016. Less than 20 places remain.

CPA Autumn Lunch -- Sold Out - 03 November (London)

The CPA's annual Autumn Lunch has proven more popular than ever and has sold out. A waiting list is now available for members.

For more information, please contact julie.mills@constructionproducts.org.uk.

Highways UK - 16/17 November (NEC, Birmingham)

The CPA is supporting [Highways UK](#) a major event for the people and organisations involved in the planning, operation and future-proofing of the UK's road network. Sponsored and supported by [Highways England](#) together with several CPA members and numerous UK contractors, the event will provide the very latest update, insight and analysis on the emerging implications for the sector on Britain leaving the EU, including a presentation by CPA Economics Director Noble Francis. Opportunities for exhibition space and sponsorship remain.

CPA members will be given a 20% early booking discount on passes. For more information and to register please click [here](#).

Other Areas of Interest

HSE Launches new strategy and a call for information

The HSE have launched their new strategy under the title of 'Helping Great Britain Work Well' they describe this as Health and Safety for the 21st Century.

There are six themes acting together; Supporting Small Employers, Tackling ill Health, Keeping Pace with Change, Managing Risk Well, and Sharing Our Success.

See the [HSE website](#) for a full outline of the strategy.

The HSE is very keen that, as the programme is developed, they base their thinking on evidence and hope that a significant part of that can be supplied by industry. They have collected a range of information about current behaviours across the industry but feel that the best people to provide further detail are those dealing with issues on a daily basis. They have started with a list of activities that they would like to explore the risk profile based on real evidence. The hope to develop a better understanding of what causes accidents and develop responses that can help everyone avoid them in future. Their initial analysis shows that materials handling and delivery to sites is at the top of the list for injury across the industry. The HSE are interested in any information around this area, both negative and positive. Their main areas of interest are with regards to manual handling, mechanical handling, unloading and loading by an individual or a team.

Any information can be entirely anonymous as long as the HSE can be sure that the **information is factual and not anecdotal.**

For further information, please contact Peter Caplehorn at peter.caplehorn@constructionproducts.org.uk or you can contact the HSE directly by emailing Bethan Slater Bethan.slater@hse.gov.uk

Parliamentary and Government Update

Parliamentary update

Westminster weekly business

Parliament rose for recess on Friday, 22 July and returns on Monday, 5 September 2016.

Plans, Reports, Consultations and Statements

Apprenticeship Levy funding Announcement

The new skills minister Robert Halfon has published proposals for a new funding model for apprenticeships and further details on the apprenticeship levy. The new proposals are significant for **smaller employers** in that they suggest that employers that are too small to pay the levy will have 90 per cent of the costs of training paid for by the government. Additionally under the proposals, extra funding for young apprentices **aged 16-18 as well as young care leavers and those with an EHC plan** will be provided worth an additional £2,000. For full details of the Government's proposals, please click [here](#).

The Government is also inviting employers and training providers to have their say on the initial funding proposals.

For full details and to **complete the survey (by 5 September)** please see [here](#).

Business, Innovation and Skills Select Committee: BIS Committee launches inquiry into Government's Industrial Strategy

The Business, Innovation and Skills Committee (BIS) has launched an inquiry into the Government's industrial strategy. The inquiry launch follows the inclusion of the term "industrial strategy" into the Department for Business's name and an indication from the new Prime Minister, Theresa May, that her government will explicitly intervene to support certain parts of the economy. The Committee will consider what the Government means by industrial strategy and questions how interventionist in the free market it should be. It will also look at the industrial strategies of previous governments and of other countries to see if there are any lessons to be learnt. **The Committee is inviting written submissions**, sent via the Committee's [website](#) by Tuesday 27 September 2016, on the following:

CPA in the News

The CPA supported the Brick Development Association and Builders Merchants Federation in [rebutting misleading information](#) published last week regarding brick supply.

Express & Star: Associations hit out at out of date report:

- *The CPA and Brick Development Association have hit out at a report from the Centre for Economics & Business Research for the National Association of Estate Agents as 'out of date and unhelpful'.*

Plant & Civil Engineer: CPA Forecasts Slowdown in Construction Growth as Risks Continue to Rise:

- *The Construction Products Association forecasts 3.0% growth in construction output during 2016 and 3.6% in 2017, a downward revision from the 3.6% growth forecast three months ago.*

Housing Excellence: Brick Development Association blasts National Association of Estate Agents and CEBR report on brick shortage as "out of date" and "unhelpful".

- *The brick industry has hit back at a report from the National Association of Estate Agents & Centre for Economics & Business Research which claimed that the UK brick shortage has been a significant factor in rising house prices with 1.4bn bricks needed to meet demand.*

Builders Merchants Journal: MRA Marketing has joined the Construction Products Association (CPA) as an Associate.

- *MRA managing director, Lucia Di Stazio said: "We are extremely pleased to join the CPA. It is a highly focused and proactive association for its members and the wider construction industry."*

END