

Major Announcements:

The CPA has published its Construction Industry Scenarios for Summer 2016. We would typically publish our main forecasts in mid-August; however, the post-Referendum period following the vote on 23 June has been marked by a considerable degree of political and economic uncertainty. The CPA has therefore developed a central scenario with higher and lower bound reflecting the extent of the uncertainty, rather than produce the standard point estimate forecasts. The CPA's construction industry scenarios go to the end of 2018, prior to the anticipated period in which the UK leaves the EU. At this stage there is not enough information regarding the timing and impacts of 'Brexit' on the UK economy in general, and the construction sector in particular, to factor this into our scenarios as this will be dependent upon the UK's relationship with the EU after 'Brexit' and how long that takes to establish.

The headline figures from the central scenario are:

- Total construction output to increase 0.4% in 2016, fall 0.6% in 2017 and rise 1.2% in 2018
- Private housing starts to rise 2.0% in 2016, fall 2.0% in 2017 and fall 1.0% in 2018
- Commercial sector output to increase 1.8% in 2016, fall 2.8% in 2017 and fall 1.8% in 2018
- Infrastructure output to rise 1.2% in 2016, 6.3% in 2017 and 10.2% in 2018

The full publication, which details central, upper and lower scenarios for each sector and sub-sector can be found [here](#).

In addition, we have produced a series of blogs to further explain the detail of the scenarios, which can be found [here](#).

Economy

Economy

- Annual CPI [inflation](#) was 0.6% in August, unchanged from July, according to the ONS. **Rises were reported in food prices and transport costs, but these upward pressures on the annual CPI inflation rate were partly offset by lower prices for hotel accommodation, clothing and footwear and alcohol.** Annual RPI inflation was 1.8% in August, down from 1.9% in July.
- According to the ONS, [output prices](#) of manufactured goods rose 0.8% year-on-year in August, up from 0.3% in the previous month, **due to an increase in the prices of transport equipment.** The input price index for manufactured goods rose 7.6% year-on-year in August, compared with an increase of 4.1% in July, **which has been attributed to the effect of recent Sterling depreciation on import prices for fuel and raw materials.**
- The [unemployment](#) rate was 4.9% in the three months to July, down from 5.0% in the three months to April and was lower than a rate of 5.5% recorded a year earlier, according to the ONS.
- [Average total weekly earnings](#) across the whole economy increased 2.2% year-on-year in July, according to the ONS. Earnings in manufacturing rose 2.5% year-on-year and in construction, earnings were 3.2% higher on an annual basis.
- According to the ONS, the volume of [retail sales](#) increased 6.2% year-on-year in August but was 0.2% lower than in July. The annual growth rate in retail sales volumes **was largely underpinned by higher food sales.** By value, retail sales rose 4.1% in annual terms, but were 0.5% lower over the month. **The ONS highlighted that its data show little evidence of a departure from recent trends since the referendum, which has been echoed in reports from the British Retail Consortium.**

Housing

- In July, according to the [ONS and Land Registry](#), UK house prices rose 8.3% in annual terms. By nation, house prices grew 9.1% in England, 4.0% in Wales and 3.4% in Scotland. According to region, annual house price increases in England were driven by rises in the East of England (13.2%), London (12.3%) and the South East (11.9%). Overall, the average UK house price in July was £216,750. The lowest was £129,750 in North East and the highest was £484,716 in London. **This data reflects property transactions that were completed in July, but the majority were likely to have been agreed in Q1 and Q2.**

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

Association Activities

Property Flood Resilience Action Plan published

The [plan](#) was commissioned by DEFRA as part of its [National Flood Review](#) and issued on the same day. CPA played a key role in the Task Group on Standards, Certifications and Skills. Find the Plan [here](#).

For further information contact peter.cablehorn@constructionproducts.org.uk

Charity Donations for Autumn Lunch

The CPA will once again be supporting the charity [CRASH](#) with a raffle at the Autumn Lunch. CRASH is the construction industry's charity for homeless people. They are a practical charity that focuses on improving the buildings used by homeless people. They do this by awarding cash grants, providing on-site professional expertise and supplying free building materials. We encourage our members to support this effort.

If you would like to donate a prize for the raffle 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. Included in the agenda will be a presentation from Travis Perkins on its new policy of requiring EPD for some products.

If you wish 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) – To Be Rescheduled

Owing to a request from TfL, we will postpone this meeting. A new date, likely in December, will be announced soon.

If you have any questions, please contact jeff.may@constructionproducts.org.uk or simon.frame@constructionproducts.org.uk.

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 (The Brewery, 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](#).

Construction Marketing Awards – 01 December (Radisson Blu Portman Hotel, London)

The CPA is pleased to once again support the Construction Marketing Awards, a showcase of the construction industry's creativity, innovation and effectiveness in marketing. The Awards raise the profile of marketing professionals and their achievements and are an invaluable opportunity for recognition. **The Construction Marketing Awards are FREE to enter and you may enter any number of categories.** Entries must be received before the closing date of the 23rd September 2016. The winners will be announced at the gala dinner on 1st December 2016 at the Radisson Blu Portman Hotel in London.

For more information, visit the [Construction Marketing Awards](#) website.

Other Areas of Interest

Apprenticeship Vacancies Survey

The National Apprenticeship Service (NAS) and the new Digital Apprenticeship Service (DAS) are trying to measure if employers would prefer to post and manage their own apprenticeship job vacancies directly on their [Find An Apprenticeship \(FAA\)](#) free website. The survey below is focused on those employers that have recruited an apprentice before. They are designing the functionality for Find An Apprenticeship, but if employers are happy to leave it to the training provider to post their advert and manage the application(s) then this functionality will not be built. This is in response to some employers requesting this functionality going forward.

The survey is specifically around what NAS can do on the digital service to support recruitment, with a particular emphasis on trying to understand the level of interest employers have in posting vacancies themselves, rather than getting their training provider to do it for them. NAS have been asked for this functionality by employers, but to build it they need to understand how many employers would need it, and what they need it to do. *To view the survey click [here](#).*

Indicators for the environmental performance of buildings' - Common EU framework

The European Commission is running a public consultation on the first draft proposals for indicators for the 'development of a common EU framework of indicators for the environmental performance of buildings'. This will close on 7th October. The consultation takes the form of an on-line questionnaire which can be accessed [here](#). The consultation focusses on a first draft set of indicators that has been identified by the Joint Research Centre (JRC) of the European Commission. These proposals are based on the findings from a broad initial scoping of experience in performance improvement and measurement across Europe. The background documents for the consultation can be found [here](#).

For further information contact jane.thornback@constructionproducts.org.uk

State of Nature Report issued, Contractors Big Biodiversity Challenge and Nature after Minerals

The latest major report on the status of wildlife and habitats in Britain shows major nature depletion across the UK. The [State of Nature report](#) was compiled by 53 wildlife organisations including the RSPB, National Trust and the Wildlife Trusts. Attempting to reverse this trend is the Construction Contractors [Big Biodiversity Challenge](#) managed by CIRIA which held its annual awards event this week. This is now well supported by a wide range of contractors both big and small. Within manufacturing, the Mineral Products Association runs a major awards scheme on [quarries and biodiversity restoration](#) and the [Nature after Minerals programme](#) is a collaborative initiative led by the [RSPB](#) and supported by [Natural England](#), the [Mineral Products Association](#) and the [British Aggregates Association](#).

For further information contact jane.thornback@constructionproducts.org.uk

The Assessment of Energy Performance of Non-domestic Buildings (Scotland) Regulations 2016

This came into effect on 1st September 2016 and was made in response to Section 63 of the Climate Change (Scotland) Act 2009. It forms part of Scotland's action to reduce greenhouse gas emissions from non-domestic buildings. The regulations apply to the sale or rental (to a new tenant) of non-domestic buildings of more than 1000m². In addition to providing a valid Display Energy Certificate, owners of such buildings are now required to assess their building and produce an action plan covering improvement work to meet the carbon, energy performance and emission targets identified in this plan as part of the sale or rental process. The owners must either undertake this improvement work or they may defer such work by reporting annual operational energy use. Buildings that meet energy standards equivalent to those introduced by the 2002 building regulations are exempt, as are those already improved under the Green Deal. Full details of this new regulation can be found [here](#).

If anyone has difficulty downloading this information please contact duncan.king@constructionproducts.org.uk.

Parliamentary and Government Update

Parliamentary update

Westminster weekly business

Due to the Party Conferences the House of Commons is in a period of recess until 10 October 2016.

Plans, Reports, Consultations and Statements

Autumn Statement date announced as Wednesday 23 November

The Chancellor of the Exchequer, Philip Hammond, has announced that he will present his first Autumn Statement to Parliament on 23 November 2016. The government has published its guidance on Autumn Statement submissions, which can be viewed [here](#). Submissions should be submitted by Friday 7 October 2016.

Neighbourhood Planning Bill

The new Neighbourhood Planning Bill has now been laid before Parliament. The Government has released two new consultations relating to the Bill:

- A technical consultation on the implementation of neighbourhood planning provisions. This can be found [here](#).
- A consultation on improving the use of planning conditions. This can be found [here](#).

Department for Business, Energy and Industrial Strategy Emails

Please note, we have had confirmation that BEIS is, from today, starting to change over its email addresses from @bis to @beis. Once completed they will reject any emails going to the old accounts.

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

Economics UK: May starts on the long and winding road to Brexit.

- *The majority of Britain has made a choice and now we begin the long process of leaving the European Union.*

Financial Times: Builders fear post-Brexit skills shortage

- *Big infrastructure and housebuilding projects will be at risk of skilled builders from the EU are not allowed to remain in the country after Brexit, groups from across the construction industry have warned.*

Financial Times: Government shelves independent plan for infrastructure body.

- *With the reshaping of the government, another plan has been put at risk.*

END