

Economy

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- According to the preliminary estimate from the ONS, UK [GDP](#) increased 0.5% on a quarterly basis in Q3, compared with growth of 0.7% in Q2. Services increased 0.8%, but industrial production declined 0.4% and construction declined 1.4%, following a reported fall of 0.1% in Q2. In Q3, GDP was 2.3% higher compared with the same quarter a year ago and was estimated to have been 8.2% above the pre-recession peak in 2008 Q1. **Given that the preliminary estimate incorporates around 44% of the total data required for the final estimate, the figures are subject to revisions.**
- According to the CBI's [Industrial Trends Survey](#) for the three months to October, 9% of firms, on balance, reported an increase in output volumes. Looking to the next three months, a balance of 13% of firms expect output volumes to grow. In addition to a rise in manufacturing output, **the CBI's latest survey also reported an increase in export orders, which rose at their fastest pace in nearly three years, boosted by the Sterling depreciation. Looking ahead, although manufacturers anticipate further growth in orders (both domestic and exports), concerns over the availability of skilled labour and rising costs were reported.**
- The CBI's [Distributive Trades Survey](#) for October showed that retail sales rose at the strongest pace since September 2015. On balance, 21% of retailers reported an annual increase in sales volumes for the month, and 21% expected a rise in sales in November. **Overall, October's figures reflected a rise in sales of clothing, furniture & carpets and hardware & DIY.**

Housing

- According to the [British Bankers' Association](#), the number of mortgages approved for house purchase in September decreased 14.9% year-on-year but was 2.7% higher over the month. The value of these loans decreased 12.8% from a year earlier but rose 4.0% month-on-month. The number of loans for re-mortgaging fell 0.2% on an annual basis but increased 3.1% month-on-month. The value of these loans increased 2.3% year-on-year and was 5.1% higher over the month. **Although the latest figures showed a rise in mortgage lending activity over the month, they were still lower when compared to a year earlier, reflecting an underlying weakness in the housing market.**

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

Association Activities

CPA report: *The Future for Construction Product Manufacturing*

CPA last week published this report which analyses how through a combination of digitalisation, automation and optimised manufacturing-led supply chains, the sector can grow over £30 billion by 2025, assets can be delivered over 30% cheaper and 40% quicker, and the trade gap can be reduced to 50% by 2025 whilst supporting employment growth in the sector and wider economy. This report illustrates how the vision can be delivered by linking BIM (Building Information Modelling), Industry 4.0 (smart factories) and intelligent assets through optimised supply chains and a circular UK construction economy. To read either the executive summary or full report, please click [here](#).

Construction Products Europe (CPE)

CPA staff attended the CPE Sustainability Working Group where European trade associations discussed issues including the new work programme for Environmental Product Declarations (EPD) with an emphasis on end of life, reuse and recycling issues, as well as initiatives for building rating systems and the circular economy. For further information contact jane.thornback@constructionproducts.org.uk

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

Updated: Relevant Authorities Workshop #2 – 07 November (London)

Our second workshop on project data management and templates will take place on the 7th November from 13.00 - 17.00 and will be held at the Building Centre, 26 Store Street, London WC1E 7BT in the Vincent Suite C. **This is for those who could not make the first workshop or those who wish to reinforce their understanding from the first event. This will largely repeat the first workshop. We wish to ensure we have given everyone the widest opportunity to get involved before we move on to the more developed detail and allow attendees to take part in the data management initiative.**

Following the workshop held on 18th August, work on developing the LEXiCON system and website has been underway. The software being developed by [BRE](#) has undergone several iterations and will soon be ready for testing.

The new sections of the CPA website have been drafted and are being reviewed before handing to the web designers. While the initial standard set out the system and processes a substantial amount of work has been needed to ensure admin processes, governance, protocols and practical information handling, are addressed.

Additionally we have been discussing further collaboration with other bodies in the industry to make sure we have the widest possible support. We are very pleased to note that the [UK BIM Task Group](#) are lending their support uniquely to the LEXiCON process. In addition, meetings have been held recently with CPE and the CEN working groups who were both in support of the programme. Establishing this as a European, as well as a UK process, is very much a reality. A lot of work has yet to be done and necessarily this falls to a small group of expert volunteers but significant and positive progress is being made. In the mean time we would ask all of those who take part to have a little patience while we get things up and running. We will hope to gradually open up the web site through the Autumn period.

We know there are a keen band of followers who want to become Relevant Authorities and start using the system but we do want it to work to everyone's satisfaction when we launch it. *For more information, please contact julie.mills@constructionproducts.org.uk.*

Relevant Authorities Workshop #3 - 05 December (London)

Our third workshop on project data management and templates will take place on 5th December from 13.00 - 17.00. **The workshop will be held at the Building Centre, 26 Store Street, London WC1E 7BT in the Vincent Suite C.** Further events will be organised throughout 2017. *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 [shortlist](#) has just been published and includes a good number of CPA members. 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.*

New date for next SCC meeting – Friday 02 December

The SCC meeting prior to the end of the year will now be on Friday morning 2 December. This replaces the previously notified 30 November. *For further information please contact jane.thornback@constructionproducts.org.uk*

Flooding Review #2 – 12 December (London)

Our second workshop on resilience and flooding will take place on the 12th December from 13.00 - 17.00.

This workshop is intended to explore and showcase products that answer the key questions in response to flooding issues. We also hope to develop a little further the issues and themes raised at our initial discussion. We will also build on the recommendations of the [Bonfield review](#). *For more information, please contact julie.mills@constructionproducts.org.uk.*

Other Areas of Interest

Innovate 2016 – 02-03 November (Manchester)

Innovate 2016 is happening 2-3 November at Manchester Central. Jointly hosted by Innovate UK and UKTI, Innovate 2016 brings global spotlight on UK innovation. Innovate 2016 will be bringing together 3,000 of the UK's prominent innovators to connect with export opportunities, investors, collaborators and the research base. The key themes of the programme will include Manufacturing, Cities of the Future, Healthcare and Technology. This is an opportunity for stakeholders to connect with industry leaders at the forefront of innovation. *For more information and to register, please click [here](#).*

NEW RESEARCH: Construction Market Report: UK Healthcare Sector

Competitive Advantage, a CPA Associate, has published *Construction Market Report - UK Healthcare Sector* which provides an impartial overview of Healthcare opportunities for the construction industry, presents the structure of private and public Healthcare in the UK, identifies key decision makers and influencers in the sector, including Clients, Architects and Main Contractors and contributes to the marketing strategy of businesses wishing to supply the Healthcare construction sector.

The report is available to purchase online: <http://cadvantage-knowledge.co.uk/shop/construction-market-report-uk-healthcare/>.

Paris Climate Agreement – EU Ratification

The EU has now officially ratified the Paris Agreement on Climate Change with the EU Parliament approving the decision at its plenary session on 4 October, with 610 in favour, 38 against and 31 abstentions. The Agreement will come into force on 4 November because 72 countries representing close to 57% of global greenhouse gas emissions have now ratified the Agreement.

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

Recommended Reading: CLC Report on Innovation Workstream – Roadmapping to improve productivity, capacity and innovation in the housing sector

The Construction Leadership Council's Innovation in buildings workstream, led by Mike Chaldecott from CPA member Saint-Gobain, aims to embed new approaches to all phases of the construction process for buildings, utilising work already in progress such as the Digital Built Britain strategy and Modern Methods of Construction (MMC). The CLC has published a report following a one-day workshop in April. The aim of the workshop was to help develop a strategic roadmap of barriers to take-up and commercialisation of Modern Methods of Construction (MMC), and develop solutions to help increase the percentage of new buildings built using, substantially, MMC. The aim is to improve productivity, capacity and the use of innovation in the housing sector by removing barriers to progress and helping the industry to move the new methods from development through to actual commercial use and thereby increase housing supply. A summary of the findings can be found [here](#) and the full report [here](#).

BREEAM issue criteria for rating responsible sourcing schemes

BREEAM have now issued their revised approach and criteria for assessing responsible sourcing schemes in BREEAM. This can be found at [Breeam Responsible Sourcing Credits](#). For further information please contact jane.thornback@constructionproducts.org.uk

Grange Hotels: Winter wonderland in the Heart of London

With the commencement of the holiday season, the CPA's Hotel Partner, Grange Hotels, is offering a luxurious selection of event spaces. Our valued hotel partners, Grange Hotels, house a collection of venues which can be specially tailored to create your perfect winter wonderland right here in London.

For more information, contact events@grangehotels.com T: 0845 450 9900 www.grangehotels.com

Parliamentary and Government Update

Parliamentary update

Westminster weekly business

The finalised Westminster business document for the week commencing Monday, 31 October 2016 can be viewed [here](#)

Plans, Reports, Consultations and Statements

Apprenticeship Levy Update

The government has this week confirmed the details of the funding rates and rules that will apply from April next year when the Apprenticeship Levy comes into force. Key details in the announcements include:

- Firms will now have 24 months, rather than 18, to spend levy funds in their digital accounts,
- A clear commitment to work closely with business to design a system to enable firms to transfer funds to other companies – and pay for training in their supply chains,
- Confirmation of the ability to use funds to retrain staff with existing qualifications, and to provide additional funding for 16-18 year old apprentices,
- Further information on a new register for training providers, and new transitional measures to ensure they can adapt to the changes.

Full details can be viewed [here](#).

The Construction Leadership Council Website Goes Live

Andrew Wolstenholme OBE, Co-Chair of the Construction Leadership Council has launched the CLC's new website this week. The website outlines the role of the council in being the link between construction businesses and government. To view the website, click [here](#).

Mark Farmer's Review Published

The Construction Leadership Council published Mark Farmer's independent review of the sector's labour model this week. The review examines the shortcomings of the construction labour model and shows how it has given rise to underinvestment in training and development, innovation, and in raising productivity. It concludes that workforce attrition, exacerbated by an ageing workforce, means that there is now a fundamental imperative for change. The report challenges the sector to do things differently. The full report can be viewed [here](#).

Autumn Statement Submission

Chancellor of the Exchequer Philip Hammond announced he will present his first Autumn Statement to Parliament on 23 November 2016. The CPA have submitted representation on behalf of the sector to government. To view the CPA's submission please click [here](#).

National Infrastructure Commission - Call for ideas and update

The Chancellor of the Exchequer, together with the National Infrastructure Commission (NIC) has launched a call for ideas for the NIC's future specific studies. This call for ideas is open to everyone and the Chancellor would particularly welcome views from infrastructure experts, operators, business representative groups and investors. The call for ideas is open for three weeks and the Chancellor will announce the topic of the next study or studies later this year. *Further information can be viewed [here](#).*

CPA in the News

- **[Building.co.uk](#): Heathrow has many hurdles ahead**
Discussion and planning for the third runway at Heathrow, though delivery seems a long way off according to expert economists at the Construction Products Association.

- **[Construction Global](#): Launch of Digital Built Britain, the next phase of digitisation in construction**
The next phase of the UK's Internationally-recognised BIM (building information modeling) Task Group programme has been announced during the ICE (Institution of Civil Engineers) BIM 2016 conference by Mark Bew MBE, chair of the BIM Task Group and the newly formed Digital Built Britain programme.

- **[Building Construction Design](#): Industry flocks to UK Construction Week**
The final day of the UK's largest construction trade event UK Construction Week has been buzzing with high-level debate from some of the industry's biggest names, including key representatives for the Construction Products Association.

- **[Electrical Engineering](#): UK Construction Week lands in Birmingham**
Recalling the start of the UK Construction Week, with thousands flocking to the NEC in Birmingham to hear from the biggest names in the industry and see the latest innovations.

- **[DOI News](#): DOI System for the Building Industry**
A major research project looking at the feasibility and usefulness of the DOI System for products in the building industry has been launched in the UK. NBS (National Building Specification), BSI (British Standards Institution) and the CPA (Construction Products Association) will be inviting professionals from throughout the construction industry to participate in the project.

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