

Issue No. 699

FOR MEMBERS ONLY

05 February 2016

1. Economy

All the latest economic and housing data are available via the Association's online interactive database for members. Click [here](#).

Economy

- The Markit/CIPS PMI indices for January all remained above 50, the threshold for expansion. [Construction](#) was at 55.0, down from 57.8 in December, [manufacturing](#) was at 52.9, up from 52.1 in December and the [services](#) index was at 55.6 from 55.5 in the previous month.
- According to the [World Bank](#), the average barrel price of Brent crude oil in January averaged \$30.8 per barrel, a decrease of 35.9% on a yearly basis and 18.3% on a monthly basis.
- The Sterling/Dollar exchange rate averaged 1.44 in January, depreciating 4.0% month-on-month and 5.0% lower on an annual basis, according to the [Bank of England](#). Against the Euro, the Sterling averaged 1.33, a 3.7% decrease compared to December but 1.6% higher than a year earlier.

Housing

- In December, the number of mortgages approved for house purchase increased 17.5% on an annual basis and was 0.6% higher than in November, according to the [Bank of England](#). The value of these loans was 25.3% higher than a year ago and increased 0.6% month-on-month. The number of loans for remortgaging in December increased 27.0% year-on-year and rose 5.9% compared to November. The value of these loans increased 38.8% in annual terms and was 4.7% higher over the month.
- According to [Halifax](#), UK house prices rose by 1.7% in monthly terms in January. On an annual basis, prices were reported to be 9.7% higher. The average house price was £212,430.

Construction

- According to [BIS](#), the construction material price index for all work fell 3.4% in the year to December and by 0.7% on a monthly basis. Construction materials prices for new housing, other new work and repair and maintenance fell 2.0%, 3.9% and 3.4% respectively, in the year to December.

CPA Forecast

- The CPA's Winter Forecast will be published Monday, 08 Feb. This authoritative, in-depth study of the construction industry is frequently cited by members as a key reference for business planning. These quarterly publications, together with our Construction Trade Surveys and State of Trade Surveys, are available free to members or via subscription to non-members. Read more [here](#).

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

2. Major Announcements

SOLD OUT: Association's Spring Lunch, 19 April 2015, London

The Spring Lunch, which will be held on Tuesday 19 April at the Dorchester Hotel in London, has now sold out. To be placed on a waiting list please click [here](#) or contact andrina.dhillon@constructionproducts.org.uk.

Official London Hotel Partner for CPA

The CPA is delighted to introduce our official hotel partner, [Grange Hotels](#), for the Spring Lunch 2016.

As London's leading independent hotels, Grange Hotels prides itself on providing exquisite accommodation, hospitality and events services, with seventeen 4 and 5-Star properties located across the heart of the capital. Featuring beautifully-styled bedrooms, sumptuous bars and restaurants, flexible meetings and events space and state-of-the-art spa and fitness facilities, Grange Hotels skilfully combines contemporary luxury with a wealth of history and local tradition.

For guests that require overnight accommodation for the Lunch, please click [here](#) to take advantage of specially discounted rates

across 17 Hotels in London. As an additional member benefit, CPA members can use these discounted rates throughout the year and also take advantage of discounted meeting room rates. For further information please contact matthew.hawkins@grangehotels.com.

3. Association Activities

Sponsorship Opportunity: CPA Loft Conversion Guide

The Association plans to revise its popular '[Loft Conversion Project Guide](#)', last published in 2010. The Guide is meant as an easy-to-use reference for architects, SME builders and homeowners. Its purpose is to simplify the Building Regulations process, assist in compliance and, where applicable, offer solutions to achieve minimum, good and best standards for construction.

The previous Guide was published in partnership with RIBA Enterprises, in collaboration with the Association of Consultant Approved Inspectors (ACAI), Local Authority Building Control (LABC), National House Building Council (NHBC), Federation of Master Builders (FMB) and the Energy Saving Trust (EST). It included extensive consultations with CPA members and other external stakeholders, many of whom contributed to the content.

At this stage we are offering our members the first opportunity to support the next edition as sponsors, affording a chance to demonstrate expertise, promote your brand and potentially increase sales. To learn more, please contact jeff.may@constructionproducts.org.uk.

4. Export

UKTI webinar for UK construction product manufacturers wishing to export to France – 11 February, 10-11am.

UK Trade & Investment France will be joined by successful UK (French based) building and construction experts to share their experiences and expertise in an overview intended for UK businesses operating in or interested in entering the French building and construction market. The discussion will include opportunities and advice on what you need to know to be successful while working in France. The webinar is free. To register, please click [here](#). Note: the webinar will be recorded; register for access to the replay.

Proposed Trade Mission at Ecobuild with UKTI British Deputy High Commission

The British Deputy High Commission is leading a trade mission for Indian companies to Ecobuild (08-10 March in London), and would like to organise a meeting with interested CPA company members, consisting of a roundtable discussion on a number of themes including:

- Green Buildings & Retrofitting
- Building Information Management
- Offsite/ Modular Construction
- Building Materials, systems and structures
- Building services & management

For further information on how to take part please contact Pravalika Inala from UKTI at pravalika.inala@fco.gov.uk.

5. Other Areas of Interest

Engage with your Customers Seminar

[CIMCIG](#) are running an afternoon seminar, open to CPA members, entitled **Engage with your Customers** which considers the recent development of communications used in the construction sector. It reviews the use of Digital and how this interacts with the traditional - but still important - activities of PR and Advertising. Speakers include winners at the recent Construction Marketing Awards which were supported by the CPA. It is being held at the Building Centre on 3rd March. For full programme details or to book click [here](#).

Podcast: What does the easing of sanctions on Iran mean for British business?

The [CBI](#) have launched a podcast which offers an insight into what the developments over the past two weeks in Iran mean for British companies. The podcast includes the following speakers:

- Simon Moore, International Director, CBI, who offers his reflections on the opportunities following his visit to Tehran with Foreign Secretary Philip Hammond in September 2015
- Alpesh Paleja, Principal Economist, CBI, on what an influx of Iranian oil on to world markets means for global growth
- Roger Matthews, Senior Director, Dechert LLP on which sanctions have been lifted, which have been eased, and which remain in force

To hear the podcast, click [here](#).

Performance Gap Hackathon

[Innovate UK](#) has engaged the UK's centre of excellence for digital technology the [Digital Catapult](#). The Digital Catapult will bring their knowledge of data and IoT to the [Building Performance Evaluation \(BPE\) programme](#) to unlock the opportunities for growth for both digital and construction SME's. It is intended that the project acts as a catalyst to allow forward thinking construction firms access to the best of the UK's digital SME's to collaborate, learn and develop new products and services.

Starting over the weekend of 5th to 7th February the Digital Catapult will host the first ever [Building Performance Hackathon](#). Teams of digital and built environment developers and professionals will compete to create the best tech solution to the challenges set by the judges. This will be the first time the BPE project data has been opened up to the public via the brand new Building Data Exchange platform. For further information please contact simon.hart@innovateuk.gov.uk.

6. Parliamentary and Government Update

Week Commencing 01/02/16

Parliamentary update:

Westminster weekly business

The finalised Westminster business document for the week commencing Monday 08 February 2016 can be viewed [here](#)

Parliamentary Questions

Business, Innovation and Skills

David Simpson (Upper Bann): Does the Minister agree that the practice of cash retention, especially within the construction industry, should cease? Energy and Climate Change. To view the ministerial response, click [here](#).

Plans, Reports, Consultations and Statements

The Construction Leadership Council: A Study On Labour Models In The Construction Industry

The Construction Leadership Council (CLC) has commissioned Mark Farmer to undertake a study on labour models in the construction industry and the impact on skills and restraints for housebuilding and infrastructure. The review looks to encourage participation from as wide a group as possible in including capturing the views of Home developers, higher tier contractors, and companies working in housing and construction supply chains. The Association would like to respond to this consultation and would therefore welcome members' views on the consultations key asks. To view the consultation, click [here](#). Could members please submit any thoughts, opinions or evidence to Jonathan Bloom (jonathan.bloom@constructionproducts.org.uk) by 19th February to allow us to collate and submit a response by 29th February closing date.

Guidance for compensation for RO /FiT

The Department for Business, Innovation and Skills have indicated to the CPA this week that they have been in discussion with the European Commission in regards to the second state aid case for Ro / FiT compensation. The Commission have outlined a number of questions to BIS to seek clarification of their approach with regard to providing compensation to competitors of eligible businesses that pass the 20% business level test. It is clear that the Commission are still considering the case but from the questions put to BIS they are finding it difficult to assess the likelihood of approval. Once BIS have submitted their response, the Commission have up to two months to respond with further questions. We will aim to keep you updated on this matter.

Proposal for a new settlement for the United Kingdom within the European Union

European Council President Donald Tusk has published a letter to the European Council on his proposal for a new settlement for the United Kingdom within the European Union. The full text of the letter and associated documents can be read [here](#).

HM Revenue and Customs published Apprenticeship Levy Policy Paper

The Levy will affect employers in all sectors. The Levy will only be paid on annual pay bills in excess of £3 million. The legislation provides for the charging of the Apprenticeship Levy from April 2017, as announced at the Chancellor's Autumn Statement on 25 November 2015. For further information, click [here](#).

HM Treasury: Consultation on National Infrastructure Commission launched

The governance, structure and operation of the [National Infrastructure Commission](#) has been set out in a consultation document that was launched on Thursday, 07 January 2016. The commission will advise on the country's most complex infrastructure challenges by adopting a more long-term approach on infrastructure needs and provide robust, impartial analysis. The new consultation on the governance, structure and operation of the commission opens for 10 weeks to Thursday 17 March 2016. To view the consultation, click [here](#). The CPA will be responding to the consultation. CPA members are invited to contribute, by contacting Public Affairs Manager Jonathan Bloom at jonathan.bloom@constructionproducts.org.uk.

Public Affairs Activities

Jonathan Bloom, Public Affairs Manager, attended the [APMG](#) Industrial Evolution roundtable with Jonathan Reynolds MP on Tuesday 02 February 2016.

Diana Montgomery, Chief Executive and Jonathan Bloom, Public Affairs Manager, attended an Enterprise Forum meeting with Stephen Dance, Head of Infrastructure Delivery, Infrastructure UK on Wednesday 03 February 2016.

ENDS