



Welcome to UK News 7<sup>th</sup> November 2018  
Your weekly update from around CEMEX UK

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## BEING THE BEST FOR FAMILIES

### Zero Harm In The UK



Well done to everyone in the UK for an injury free week. Everyone went home safely to their families. Unfortunately, there was an injury to a colleague in Spain when a cover of a feeding hopper was blown down onto him in high winds. He then lost his balance and fell to the ground. He suffered injuries to his arm and shoulder.

This highlights the need to STOP and THINK in every weather condition – including windy days! As winter approaches please be extra vigilant and STEP IN and SAY SOMETHING if you see anything unsafe.

### The Drive To Survive



The drive to survive continues on the road to seizing each day. Ronnie Simpson held another fantastic Safety Savvy session in the NE at Stockton offices, with great participation and interaction from a diversity of departments. The next step of many on the journey of ZERO HARM.

Our Safety Savvy sessions have now hit the half way mark with over 1,500 colleagues trained in just over three months. Awesome work from our Trainer Team – Ronnie Simpson, Steven Taylor, Paul Cheeseman, Nigel Smith, Callum McPhillips, Sonny Netto, Lee Needham, Stewart Macrae, Jason Aked and Sam Shepherd.



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## Step In And Say Something!



There were two really good examples of people taking time to “Step In” and Say Something in our Asphalt Operations over the last few days.

In the first, a Plant Manager noted that a Tyre Fitter had incorrectly chocked the vehicle he was working on and also had a cable tie around the pressure relief valve on the compressor in his van, rendering it inoperable. The Plant Manager ensured the vehicle was correctly chocked and advised the Fitter he must not use the defective compressor.

In the second example, an Operator stopped a Driver from working beneath the unpropped body of his tipper vehicle while attempting a repair, ensuring a formal alternative safe method of work could be employed instead.

Thanks go to those involved for looking after each other..... We can all help minimise the potential for injury if we take it on ourselves to STEP IN and Say Something if we see anything that might be unsafe.

## Building Products Contract, SRH, Pick Up Recognition Award



Congratulations to SRH Ltd, an electrical contractor working for Building Products at our Northfleet and Rochester Plants, for winning the latest Building Products Quarterly Recognition Award. They were selected due to their outstanding commitment to site safety and for working in partnership with CEMEX to keep everyone safe. SRH were commended for the quality of their pre-job planning and for participating fully on site in terms of working with our teams and raising NMHA cards.

Jason Thorne, the Northfleet Works Manager, is pictured presenting the certificate to one of their Directors, Robert Kinnear, during the recent Contractor Health & Safety Forum held on site.

## Look Out And Look Up!



We have seen an increase in the number of overhead cable strikes recently. Only last week we had a high potential incident on a joint venture Quarry where an excavator being used by Archaeology Contractors came in contact with and brought down two live overhead powerlines while tracking through a field; no physical height restrictions were in place.

Fortunately there were no injuries, however, there was significant potential for injury and potentially a danger of death. Where we have overhead powerlines it is essential they are protected in accordance with the HSE Guidance Note GS6 “Avoiding danger from overhead power lines”: <http://www.hse.gov.uk/pubns/gs6.pdf>



## Fit For Life....



Another great morning was spent running last weekend as the CEMEX Technical Team, to remain 'fit for life'. They completed another Wolf Run.

Mike Higgins commented: "Well done everyone, the cutting wind made it challenging at times after an early swim in open water. This was the last event of the year for Team Technical who have collectively overcome 200km+ of swamps, wild running, lakes and obstacles over four events. Here's to next year."

The epic team are: David Webb, Matthew Saunders, Ian Phillips, Karen Fowkes, John Shrimpton, Sean O'Donnell and David Elston.

## Promoting Safe Walking



William Johnson spotted one of our posters at his son's school!

Good to see the word getting out.

## BEING THE BEST FOR CUSTOMERS

### >20,000 Customers Now Using CEMEX Go Worldwide!



A message from our CEO Fernando Gonzalez.... A year ago we started a challenging road on our digital transformation with the launch of CEMEX Go. And today we celebrate some great accomplishments.

We are now transforming the way we do business in 18 countries, helping more than 20,000 customers to increase their productivity, make better business decisions, and take more control of their businesses. What a difference a year makes!

We listened to our customers. Based on their valuable feedback, we are constantly improving CEMEX Go by adding new functionalities and providing tailor-made solutions that address our customers'



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needs and exceed their expectations so we can enhance their experience, while ensuring their satisfaction and lasting loyalty to CEMEX.

Our progress on CEMEX Go exemplifies what we can achieve by working as One CEMEX. We are at the forefront of the digital transformation in our industry, and the potential is enormous.

We must always remember that the key to making the very best of this transformation is to stay fully focused on creating a superior customer experience.

Also, due to the success of CEMEX Go during its first year, we can create more value for our company by offering our innovative digital commerce platform to other industry participants around the world, with the help of Neoris and IBM.

I want to congratulate everyone for making CEMEX Go a symbol of everything that we stand for: customer centricity, results-oriented innovation, teamwork, and a deeply rooted commitment to excellence.

Thanks to your hard work, we've enjoyed a very successful year. However, compared to the potential of our digital transformation, we've just begun to scratch the surface. We can, and we will do even better - because at CEMEX we're building a better future. Congratulations to you all and keep up the good work!

Best regards,  
Fernando

## Keep Go-ing!



One of our Cement Tankers has been liveried in CEMEX Go info. to advertise our new service. We are also proud to announce that in just over six months the Go team has 'on boarded' (signed up and trained) 1,700 UK customers onto CEMEX Go.



Well done to the team led by Stuart Keighley for this great achievement – keep on Go-ing!!!

## CEMEX Go CRM Goes Live



After extensive User Acceptance Testing supported by our colleagues in Process and IT, Project Leader, Terri Charles, says we are now prepared for our CEMEX Go CRM (customer relationship management) Go-live.



There are 20 sales and service users running the new CRM system in our pilot in Readymix East Midlands and Aggregates South East who will become Ambassadors and Power Users for a broader CRM roll out in early 2019.





They have been completing online training via NovoEd, and onsite face to face training (see picture). CEMEX Go CRM has been trialled in some other countries but our business is the first in Europe to start using the system.

Stuart Keighley commented: "We had great progress in the UK as CEMEX Go CRM Pilot went live. There was exciting participation in the room as our Pilot Group Sales Execs worked with PowerUsers and the CRM Team to create contacts, opportunities and quotes. This is a great platform to work with!"

### Why Are Moving To CEMEX Go CRM?



Our CEO Fernando Gonzalez says CEMEX Go CRM is "one of the most important elements of our Digital Solutions portfolio." Running on Microsoft Dynamics, it enables a fresh and more professional approach to our Commercial Activities and Customer

Interactions. It is a big cultural change for us and includes working mobility, pricing, the Sales Tactical Agenda, Customer Touch, complaint and case management and powerful Business Intelligence in reporting and analytics of all our sales activities. The benefits to our sales people and our managers are shown here.... and it's available on the Cloud, 24/7, from any mobile device.



### Area 24 CEMEX Go Day



On Tuesday 6<sup>th</sup> November Area 24 conducted a CEMEX Go Day with Sales Executives and Managers from our Operations, Shipping and Technical departments spending the day out with our drivers and customers to promote our new digital system.

The feedback received from our customers was very positive; Lewis from Hope & Clay at Wokingham (pictured) described it as 'the future!', Tony at Mildren Construction on their Eastbourne site was keen to use Track, and Ant from Neil Foundations (pictured), who are already one of our adopted customers, was

going to seek access for himself later in the day. There are too many stories to mention, including our Sales Execs bumping into Technicians who were already on site giving out Track business cards! The team also showed great leadership in helping our drivers with any tablet issues they were facing. Overall a very productive day – thank you to all who got involved.

### Persistence Pays Off.....



Here's a great example of encouraging customers to use CEMEX Go from Martyn Pearce:

"After weeks of asking North Midland Construction to use CEMEX Go the customer rang one morning and said it was only showing one loaded. He was trying to place orders by phone, so I politely reminded the customer that as he was using Track to



follow his orders, please could he also place orders via CEMEX Go. Then immediately six orders came through within 30 minutes – persistence pays off!”

Lex Russell commented: “Thanks Martyn - your last comment is spot on. Adoption will not happen on its own. It takes commitment and persistence.” And Mark Owen added: “Great result - one of the biggest orders we have in Birmingham now converted after numerous objections. Let’s keep building on this.”

### Adding Some Sparkle To Paris Pavements....



UK Technical Manager, Mike Higgins, worked with the Paris Team to provide a great solution as a pilot for “Grand Paris” extension.

They are adding some sparkle to the pervious Concrete by including precast pieces with embedded photo-luminescent Aggregates. They are in the shape of leaves and will gleam at night time as lights catch them. An interesting approach optimising the quantity of

luminescent Aggregates whilst still providing decorative effect!

Well done to the pan-country team working as ONE CEMEX for customers.

You may remember we did something similar for Blackpool City Council a few years back to make the promenade sparkle too!!

### Delivering To Customers Whatever The Day!



Remember, Remember the 5<sup>th</sup> of November! Or were the customers just really pleased to see our delivery?

The Durham Team were working out of hours, working on Monday accommodating to customer needs and took this great shot of the truck with fireworks in the background!

Well done and thanks to Arthur (Plant Manager) and Wayne (IHC), for keeping Tony Coleman and each other safe!

## BEING THE BEST FOR SHAREHOLDERS

### CEMEX Global Q3 Update



Go to our Sharepoint page in Our Global Voice for a good summary of the Q3 performance of CEMEX globally.

Follow this link using your CEMEX user name and password:

<https://cemex.sharepoint.com/sites/OurGlobalVoice/SitePages/How-We%27re-Doin%27-.aspx?web=1>



## State Of The UK Market

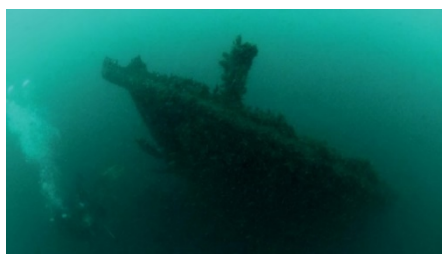


The MPA produce a quarterly sales volumes statistics report for our industry in the UK. We have included some highlights for you below. For a more detailed summary please see the MPA Economic Market Briefing in the download section of UK News ([www.cemexuknews.co.uk/downloads/](http://www.cemexuknews.co.uk/downloads/))

- Following a comparatively strong catch-up in market demand for mineral products during the spring, seasonally adjusted sales volumes weakened in 2018Q3 for aggregates, RMC, asphalt and mortar.
- Asphalt sales volumes saw the sharpest decline, down 4.6% in 2018Q3 compared to the previous quarter, followed by mortar (-4%), aggregates (-2%) and RMC (-1.5%).
- Despite quarterly falls across all materials covered, the volumes of sales in 2018Q3 remained above historical averages (since 2004Q1) for asphalt, aggregates and mortar, but not for RMC.
- In the first nine months of 2018:
  - Broadly flat markets for asphalt and aggregates compared to the same period in 2017 contrasted with a fall in RMC sales, and an increase in mortar sales.
  - The volume of asphalt sales in GB declined by 0.2% compared to the same period in 2017, driven primarily by falls in the northern parts of the country.
  - Growth in crushed rock sales (1.5%) was offset by a fall in sand & gravel (-1%).
- The RMC market has continued to weaken since early 2017, with increases in the North West and the South West more than offset by falls particularly in London.
- The latest ONS data for construction shows that output in the sector grew by 0.4% in the year to Aug-18 compared to the same period in 2017, with growth in new housing, infrastructure, industrial new work and non-housing repair and maintenance (R&M) offset primarily by declines in commercial and public new work. On a 12-month rolling basis, construction output increased by 2%, driven by 7.4% growth in new housing. [Link](#)
- In their latest forecast, the CPA expects construction output to remain flat this year, followed by slow growth in 2019 (0.6%) and 2020 (1.9%). [Link](#)

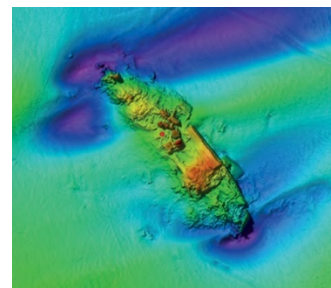
## BEING THE BEST FOR COMMUNITIES

### Forgotten Wrecks Of WW1



Our colleagues in CEMEX Marine have been helping with a WW1 project to log WW1 shipwrecks off our shores. The wrecks lie largely forgotten, in and around our sea's rivers and estuaries.

To coincide with the 100th anniversary of the end of WW1 the Marine Archaeology



Trust based in Southampton, launched a research project to raise the profile of an aspect of the conflict many think is under-represented.

'Forgotten Wrecks of the First World War' is a Heritage Lottery Funded four-year (2014-2018) project to explore wreck sites along the south coast of England, from merchant and naval ships to passenger, troop and hospital vessels, alongside ports, wharfs, structures and foreshore hulks.

Alongside Volker Dredging and Tarmac Marine, CEMEX Marine provided the project with important geophysical survey data to map and image the wrecks - one of which was the SS Camberwell (see photos), sunk in 1917 after she struck a mine.

The final result of the project can be found at: [www.forgottenwrecks.org](http://www.forgottenwrecks.org) There is a wealth of pictures and information there about the fascinating aspect to this conflict. There is also an information pdf available in the download section of UK News: [www.cemexuknews.co.uk](http://www.cemexuknews.co.uk)

### WBCSD Highlights CEMEX's Net Value To Society Statement



CEMEX announced that the World Business Council for Sustainable Development (WBCSD) recognised CEMEX's best reporting practices in its 2018 "Reporting Matters," highlighting the company's Net Value to Society Statement. According to the WBCSD, the Net Value to Society methodology is a tool that "consolidates positive and negative impacts proving its suitability for managing sustainability in a holistic way while also providing key information for decision-making and risk management."

CEMEX developed its Net Value to Society Statement to enhance understanding of the materiality, relevance, and interdependency of the company's positive and negative impacts, including those considered as externalities. To determine this value, several economic, social, and environmental impacts are added or subtracted from CEMEX's retained benefit. The result is an essential step to informed management and decision-making to improve the value that CEMEX contributes to the company, society, and the planet.

Read the complete press release: <https://cmx.to/2RtvOwf>

### BEING THE BEST FOR EMPLOYEES

#### Thanks For Your Effort Dave Bedford



Many congratulations to the fantastic Dave Bedford, Driver for Logistics in Rugeley, for winning September's Thanks For Your Effort.



Dave wins a £100 voucher of his choice for going above and beyond at work. Dave provided excellent service during a customer trial with the National Trust at Shugborough Hall, which helped secure a further 500t order. The customer felt valued throughout the trial.





and went out of their way to point out how good Dave was – in fact they said that they would gladly accept five clones of him!!

Thank you, Dave, for giving the customer a superior experience and being a great ambassador for CEMEX UK. Enjoy your well-deserved reward!

### Thanks For Your Effort Too!



Some other awesome colleagues have been nominated for going the extra mile at work. Thank you to them all for making our lives better at work and for being so dedicated.



**Celaine Cave**, Trading Co-Ordinator at Rugby, for taking ownership of factoring and trading process, and helping to increase the area by 91% and bringing in over £200k to the business by supplying

customers with materials we don't stock in our Quarries.



**Team Wickwar**, SW and Wales Asphalt. A special mention to the Wickwar Asphalt Team where we have experienced several quality issues. All members of the team have worked extra hours with enthusiasm when required; notably Pete Horner who helped cover the weekend work in the absence of the contractor who was relocated to Forest Wood to cover another important job. They have also ventured outside of their normal duties to help rectify the potential causes to the quality issue we have recently experiencing.



**Ricky Daunton**, Multi Skilled Operative, Aggs SW and Wales. Through the course of 2018 and before there have been issues on site with making sure that maintenance and repairs are carried out properly – we were lacking a full-time fitter for a long time and problem equipment was eating in to what resources we did have. During this period and continuing even now, Ricky (who is not employed as a Fitter) has consistently demonstrated a willingness to use his skills developed outside of work in the scrap and banger racing fields to assist in diagnosing and remedying problems with machinery on site. He has shown his commitment to getting equipment working whilst ensuring that he and his colleagues remain safe at work at all times.



**Kevin "Reggie" Barber**, Supervisor, Freemans Quarry. Over the last eight weeks Freemans Quarry has been without its AQM, Dave Evans, as he has been recovering from knee replacement surgery. This absence coincided with the Safety Savvy roll out which the QM, Sam Shepherd, has been involved in. Given these challenging circumstances, it has fallen to Reggie, who is an appointed 8.1.D, to take the helm on site one or two (occasionally more) days per week. He has demonstrated his ability to maintain a safe and efficient working environment, ensuring that he does the right thing even when the pressure is on.



## New Faces In Security Team



Following the recent partnership with GMS Group Security, CEMEX (UK) HQ are delighted to welcome Andy Wisdom the permanent CCTV Operator and Night Guard.

Andy, who joins us after a lengthy spell with Jaguar Land Rover, will monitor the UK Tele-Eye CCTV system which covers over 60 of our UK based sites. He will work in support of and in partnership with our other partners Corps Security and in particular with the established evening guard Ian Witcher.

Andy and colleagues from GMS will be responsible for Key Holder maintenance and response to alarms across the connected sites. He will operate from 6.00pm to 6.00am, six nights a week, with the extra night and weekends monitored by other GMS Guards. He and his colleagues will also cover building security at Rugby HQ after 9.00pm weekdays and throughout the weekend.

Colleagues working out of normal office hours at both Rugby HQ and Tele-Eye monitored sites are encouraged to contact Andy and his colleagues to let them know they're on site and equally as important when they're leaving. The CCTV Control Room is contactable in operating hours on: Tel: 01788 517377 or 378.

Also, relatively new to the security effort is John Sweeting who has taken up a full-time role as the CEMEX Security Investigator. John joins us after an interesting and varied career in policing, spanning over 35 years. He served in South Yorkshire, Bermuda and Warwickshire Police including roles in the Regional Organised Crime Unit, Special Branch and Intelligence. His wealth of experience will be an asset to the organisation.

Andy (right) and John (centre) are pictured with long serving Corps Security Officer, Steve Blay (left).

## 15 Years For Thomas Alade



Congratulations and thank you to Thomas Alade, a Technician with our Readymix Technical Team for reaching his 15 years service award recently. Based at our Stepney Plant he is a vital link in the chain to the Technical Team due to the important jobs we have in the area. Well done Thomas!

## Simon Coyne 15 Years In Marine



Congratulations to Simon Coyne (pic left) who has reached his 15 years milestone with the company. Simon has worked on the majority of our ships during the 15 years since he joined the Company, most recently sailing as a 3rd Engineer on board the Sand Falcon.

Earlier this year CEMEX funded Simon to attend college to pursue his 2nd Engineer Unlimited Certificate of Competency, which he successfully



passed. He is now being promoted to 2nd Engineer on board the Sand Fulmar.

The photo shows Master Simon Tindall giving Simon Coynes his vouchers. Thank you Simon for all your hard work over the years, here's to 15 more!

### 15 Years For Martin Barnaby



Many congratulations to Martin Barnaby for 15 years service with Lincoln Asphalt Plant.

Here is Martin receiving his vouchers from Plant Manager, Gary Hayhurst. Many thanks for all your hard work, commitment and loyalty over the years Martin.

### Christmas 2018



UK Compensation, Benefits & Pensions Manager, Sonam Sharma, has confirmed that each CEMEX UK employee will receive a £20 Marks and Spencer gift card which will be mailed to home address before Christmas, and that the company contribution towards a Christmas celebration with your colleagues is £25 per head.

So, dust off your crimbo jumpers and get planning the team party!

### Internal Vacancies

IVC Ref	Position	Company	Location	Closing date
374-11-2018	Plant Manager	Readymix	Huddersfield	09/11/2018
375-11-2018	Mechanical Maintenance Fitter x 3	Cement	South Ferriby Cement Plant	23/11/2018
376-11-2018	Operator Maintainer x 2, 1 x Packing Plant, 1 x Cement Mills	Cement	Rugby Cement Plant	16/11/2018
377-11-2018	Production/Logistics Co-Ordinator	Building Products - Rail	Somercoates	16/11/2018
378-11-2018	Multi Skilled Operative	Aggregates South West & Wales	Wickwar Quarry/Landfill	21/11/2018
379-11-2018	Shipper/Transport Planner	Readymix Southern	Wick Office	20/11/2018



For further details on other roles and a full listing of other vacancies, together with information on how to apply, please log on to CEMEX Shift > My Services > Internal Vacancies>New IVCs.

## **We would love to hear from you for the next edition**

To send us a story: either click on 'submit a story' on the UK News website or email [gb-communicationsandpublicaffairs@cemex.com](mailto:gb-communicationsandpublicaffairs@cemex.com)

If you can, please include a photo too (taken in super fine landscape setting and saved as a jpeg.) Thank you.





# Members' Briefing



No: 16/2018

30 October 2018

## Economic & Market Briefing

### Economic & Market Outlook (p. 1-11)

- **NEW! 2018Q3 MPA Market Sales.** Following a strong catch-up in construction market demand for mineral products during the spring, seasonally adjusted material sales volumes weakened in 2018Q3 across all markets. Asphalt sales volumes saw the sharpest decline, down 4.6% in 2018Q3 compared to the previous quarter, followed by mortar (-4%), aggregates (-2%) and RMC (-1.5%). This broad-based weakening hides mixed fortunes between markets in the longer term: resilient housebuilding activity has continued to support strong growth in mortar sales in 2018 so far, whilst RMC sales volumes are declining, mainly reflecting a slowdown in commercial and other public work.
- **ECONOMIC OUTLOOK.** The UK economy looks set for its strongest quarterly growth rate in 2018Q3 since the end of 2016, estimated by NIESR at 0.7%. Unfortunately, the strong performance of the economy over the summer is just noise, and the reality is that the UK economy remains on track for annual growth of just 1.3% this year. In their latest forecast, the Office for Budget Responsibility predicts further muted growth of 1.5% pa on average over the next five years, based on the clear assumption of an 'orderly Brexit'.
- **CONSTRUCTION.** Latest ONS data for construction show that output in the sector grew by 2% in the year to August 2018, driven by 7.4% growth in new housing. Indications from Barbour ABI on new contracts awarded in the sector point to a further weakening of activity in the near term. In their latest forecast, the CPA expects construction output to remain flat this year, followed by slow growth in 2019 (0.6%) and 2020 (1.9%). Activity in 2019/20 is forecast to be driven by infrastructure and housebuilding, whilst commercial work remains weak. This outlook assumed that the Brexit negotiations progress as the year ends, with a transitional period to December 2020 agreed as part of the Withdrawal Agreement.

### *In Focus:* Round-up of the 2018 Party Conferences (p. 12-16)

MPA has followed the political party conference season and summarises the relevant information for the industry, covering topics including Brexit, housing, the economy, infrastructure, transport and planning. This *In Focus* summarises the main messages of interest to MPA members.

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## MPA Products & Markets Update

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*Links to quoted data sources are available throughout this briefing. To access, please click on the underlined blue text (hyperlinks).*

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The latest MPA data cover sales volumes up to 2018Q3, seasonally and non-seasonally adjusted.

**Following a strong catch-up in construction market demand for mineral products during the spring, seasonally adjusted sales volumes weakened in 2018Q3** across all markets, including aggregates, asphalt, ready-mixed concrete (RMC) and mortar. Asphalt sales volumes saw the sharpest decline, down 4.6% in 2018Q3 compared to the previous quarter, followed by mortar (-4%), aggregates (-2%) and RMC (-1.5%).

**This broad-based weakening and heightened quarterly volatility since the beginning of the year hide mixed fortunes between markets in the longer term.** In the first nine months of 2018, broadly flat markets for asphalt (-0.2%) and aggregates (0.7%) compared to the same period in 2017 contrasted with a 3.5% fall in RMC sales, and 15.2% increase in mortar sales. In addition, despite quarterly falls across all materials covered, the volumes of sales in 2018Q3 remained above historical averages (since 2004Q1) for asphalt, aggregates and mortar, but not for RMC.

**Mixed fortunes across mineral products markets reflect the nature of work currently driving construction activity** and are broadly in line with the ONS data. Evidence from MPA members suggests that about 40% of RMC sales volumes are used in the commercial, industrial and other public sectors, whilst mortar is mainly used in housing. According to ONS, [construction output](#) so far this year has been primarily driven by new housebuilding, with further, more muted, growth in non-housing related repair and maintenance work, new infrastructure and industrial buildings. By contrast, ONS recorded sharp drops in activity in public new work (e.g. hospitals and schools) and commercial buildings. Looking forward, in their latest forecast ([Autumn 2018](#), published 15<sup>th</sup> October), the Construction Products Association expects construction output to remain flat this year, followed by slow growth in 2019 (0.6%) and 2020 (1.9%). The profile of growth has been revised down compared to their previous forecasts, reflecting heightening concerns regarding the delivery of major infrastructure projects such as HS2. Activity in 2019/20 is forecast to be driven by infrastructure and housebuilding, whilst commercial work remains weak. This outlook assumed that the Brexit negotiations progress as the year ends, with a transitional period to December 2020 agreed as part of the Withdrawal Agreement.

**Table 1. CPA construction output forecast (Autumn 2018)**

		2017 (outturn)	2018 (e)	2019 (f)	2020(f)
All New Work		7.3%	0.0%	0.5%	2.2%
Incl.	Housing	11.6%	4.5%	1.9%	0.9%
	Infrastructure	5.4%	0.8%	8.7%	7.7%
	Industrial	2.7%	10.1%	0.4%	5.1%
	Commercial	7.5%	-5.4%	-7.1%	-0.3%
	Public non-housing	-2.3%	-7.4%	1.2%	1.3%
Repair & Maintenance		6.6%	0.4%	0.8%	1.2%
All Work		7.1%	0.1%	0.6%	1.9%

Source: ONS, CPA.

**The regional pattern of MPA market sales provides some useful insights.** In the first nine months of the year, the volume of asphalt sales in GB declined by 0.2% compared to the same period in 2017, driven primarily by falls in the northern parts of the country. Scotland had been a particularly weak spot since the second half of 2016, as some major road projects ended last year, including work on the M8-M73-M74 Motorway Improvements Project, the A9 Kincaig to Dalraddy and the Forth Replacement Crossing. Sales in the region have now picked

up for two consecutive quarters, but levels remain 16% below their recent peak in 2016Q2. Meanwhile, asphalt sales in 2018 so far have been particularly weak in the West Midlands and Yorkshire and the Humber, offsetting growth particularly in the South East and the South West.

The RMC market has continued to weaken since early 2017, with increases in the North West and the South West more than offset by falls particularly in London. RMC sales in London fell by 5.4% (141,000 cubic metres) in the first nine months of the year compared to the same period last year, with quarterly sales volumes down 14% compared to their recent peak in 2016Q3. Assuming demand from infrastructure construction in London is currently being supported by projects such as Thames Tideway (although there might also be some phasing issues), it would suggest the decline in RMC sales in London reflects a slowdown in new housing and commercial office building. For housing, NHBC data show that private starts in Greater London fell by 32% between 2015 and 2017, although a pick-up was recorded in 2018Q1. Meanwhile, the number of residential units associated with new orders (from Barbour ABI) in London was 14% lower in the 12 months to Sep-18 compared to the previous 12-month period. The average monthly value of new orders for commercial office buildings in London in 2018 to date is 50% lower than in 2015, although there has been a pick-up in recent months. This indicates that commercial projects in the capital are not being replaced with new equivalent contracts. Meanwhile, RMC sales growth in 2018 to date has been recorded in the North West and the South West. In the South West, latest ONS data indicate growth in construction activity in the first half of 2018 was mainly driven by commercial and other public work, although RMC sales are likely to include some tonnages related to Hinkley Point C.

Mortar sales increased by 15.2% in the first nine months of the year, despite a decline in 2018Q3 from exceptionally high Q2 volumes. Even if sales volumes in the last quarter of the year dropped to levels seen in 2018Q1 when construction work had been impacted by the snow, this would still mean annual growth of 11.5% for the year, an acceleration compared to 2017.

The trend in aggregate sales in the first nine months of the year remains mixed. Total aggregates sales were broadly flat (0.7%) in the first nine months of the year compared to the same period last year, with growth in crushed rock sales (1.5%) offset by falls in sand & gravel (-1%). The divergence is mainly explained by the performance in manufactured mineral products, with weaker RMC markets affecting particularly sand & gravel sales, which represent the dominant end-use for sand & gravel. Declines in sand & gravel were most significant in the Midlands and the South West, whilst there has been some growth in the North West, Yorkshire and the Humber and the South East. By contrast, crushed rock sales volumes have remained resilient this year so far, with growth observed across most regions except for the East Midlands and Scotland. The trend in crushed rock sales is more positive than broadly flat asphalt sales, and hence growth is more likely to be explained by unbound end-uses.

**Table 2. Regional performance:**  
Percentage change, year to 2018Q3 compared to the same period last year.

Regions	Asphalt	RMC <sup>(1)</sup>	CR	SG
NE	-6.4%	-10.3%	10.0%	(2)
NW	-3.0%	2.1%	13.4%	12.1%
YH	-6.0%	0.0%	4.6%	12.4%
EM	0.5%	0.9%	-1.5%	-5.3%
WM	-6.7%	-4.5%	3.4%	-2.9%
EE	0.6%	-1.4%	(2)	2.3%
LN	-2.3%	-5.4%	(2)	(2)
SE	8.7%	-1.0%	(2)	5.4%
SW	12.7%	4.3%	2.7%	-11.7%
WA	4.5%	-13.1%	3.7%	-12.2%
SC	-4.1%	-9.0%	-7.1%	-6.1%
<b>GB total</b>	<b>-0.2%</b>	<b>-2.9%</b>	<b>1.5%</b>	<b>-1.0%</b>

Notes:

<sup>(1)</sup> Fixed plants only. Regional information for site plants is excluded for confidentiality reasons.

<sup>(2)</sup> Data cannot be disclosed for confidentiality reasons.

## MPA sales volumes: Data tables

**Important notice for readers:** Following the addition of a new respondent to the survey sample in 2018Q2, revisions were applied to the RMC sales volumes back to 2004 to ensure the historical consistency of the dataset. Additional, small, corrections were also applied to asphalt and crushed rock sales in 2018Q1 following the restatement of volumes by a company.

### MPA sales volumes in GB, summary table

2018Q3	Asphalt	RMC <sup>(2)</sup>	Crushed rock	Sand & Gravel	Mortar
Q on same Q prev. Year	2.5%	1.2%	4.0%	5.3%	17.4%
Year to date	-0.2%	-3.5%	1.5%	-1.0%	15.2%
Annual rolling average	-1.6%	-3.9%	1.0%	-1.6%	14.7%
Q on prev. Q (seasonally adjusted)	-4.6%	-1.5%	-4.6%	3.9%	-4.0%

### MPA sales volumes, '000 tonnes or cubic metres (non-seasonally adjusted)

	Asphalt	RMC <sup>(2)</sup>	Crushed Rock	Sand & Gravel	Mortar	Construction output (£m)
2016	<sup>(1)</sup> 22,671	17,831	87,128	43,807	2,069	151,772
2017	22,727	17,372	87,566	43,012	2,289	162,703
2017Q4	5,557	4,052	20,604	10,032	560	41,558
2018Q1	5,037	3,687	20,542	9,271	562	38,220
2018Q2	5,950	4,546	24,253	11,401	726	40,953
2018Q3	6,146	4,616	23,179	11,963	703	na

### % Change on the same period of the previous year (non-seasonally adjusted)

	Asphalt	RMC <sup>(2)</sup>	Crushed Rock	Sand & Gravel	Mortar	Construction Output
2016	<sup>(1)</sup> 3.5%	4.0%	5.3%	2.0%	4.6%	4.1%
2017	0.2%	-2.6%	0.5%	-1.8%	10.6%	7.2%
2017Q4	-5.5%	-4.9%	-0.7%	-3.4%	13.1%	5.3%
2018Q1	-8.2%	-13.4%	-7.5%	-9.6%	3.2%	-1.2%
2018Q2	4.6%	1.0%	7.9%	0.3%	24.0%	1.0%
2018Q3	2.5%	1.2%	4.0%	5.3%	17.4%	na

### % Change on previous period (seasonally adjusted)

	Asphalt	RMC <sup>(2)</sup>	Crushed Rock	Sand & Gravel	Mortar	Construction Output
2016	<sup>(1)</sup> 3.5%	4.0%	5.3%	1.9%	4.6%	4.1%
2017	0.2%	-2.6%	0.5%	-1.8%	10.6%	7.2%
2017Q4	1.2%	1.4%	1.0%	5.8%	5.8%	0.6%
2018Q1	-4.1%	-7.2%	-3.2%	-6.3%	-3.2%	-1.6%
2018Q2	10.9%	9.3%	11.8%	2.8%	20.3%	0.8%
2018Q3	-4.6%	-1.5%	-4.6%	3.9%	-4.0%	na

#### Notes:

(1) Asphalt sales include a new MPA member to the sample survey starting from 2016Q1. Both 2016 and 2017 volumes have been restated to account for this new addition. This means that the annual change in asphalt sales between 2015 and 2016 (+3.5%) may be overstated. This does not affect comparisons between 2016 and 2017.

(2) RMC is the sum of sales from both fixed & site plants.

Source: ONS, MPA.



## Macroeconomic & Key Markets Update

The UK economy looks set for its strongest quarterly growth rate in 2018Q3 since the end of 2016, estimated by [NIESR](#) at 0.7%. Unfortunately, the strong performance of the economy over the summer is just noise, adding to the “weapon of mass distraction” that Brexit has become. The crude reality is that, despite the strong summer, the UK economy remains on track for annual growth of 1.3% this year (in line with current [forecasts](#)), which, excluding the two recession years in 2008-09, would be the weakest rate of growth since 1992. In their latest forecast, the Office for Budget Responsibility predicts further muted growth of 1.5% pa on average over the next five years, based on the clear assumption of an ‘orderly Brexit’.

The reasons behind the recent softening of the UK economy are two-fold: weak growth in the domestic economy and a boost from international trade that is slowly waning.

Domestically, business surveys such as the Purchasing Manager Indices (PMI) show that activity remains generally positive but slowing. The [service sector](#) was still expanding at a healthy rate in Sep-18, but respondents reported that political uncertainty is weighing down business confidence, and is a contributing factor to tighter budgets among clients. PMI surveys for [manufacturing](#) and [construction](#) indicated that overall business conditions remain lacklustre despite renewed growth in new orders and employment in both sectors. More generally, all three sectors of the economy reported inflationary pressures, quoting higher wages, fuels and raw material prices as sources of rising costs.

For households, news on the labour market is positive. Alongside strong employment and unemployment at its lowest since 1975, [average weekly earnings](#) (excluding bonuses) crossed a milestone, up 3.1% in the 3 months to Aug-18 compared with the same period in 2017. This pickup, coupled with consumer price [inflation](#) slowing to 2.4% in Sep-18, implies that real earnings increased by 0.7%. This should somewhat help consumer spending, although the impact may be limited by higher interest rates, Government welfare reforms and low saving ratios. Retail sales fell back in Sep-18 compared to the spending spree seen over the summer. On an annual basis, retail sales increased by 2.2% in Sep-18, compared to 4% on average per annum over 2014-16.

UK trade is also being impacted by a softening in global manufacturing growth and general Brexit uncertainty. Net trade contributed to about a third of overall economic growth last year, but exports have slowed down since the beginning of 2018. Growth in [UK exports](#) of goods slowed from 7.2% annually in Jan-18 to 3.1% in Aug-18, in line with softening in global manufacturing activity and a general context of slowing emerging markets and global trade tensions.

The latest ONS data for construction show that [output](#) in the sector grew by 0.4% in the year to Aug-18 compared to the same period in 2017, with growth in new housing, infrastructure, industrial new work and non-housing repair and maintenance (R&M) offset primarily by declines in commercial and public new work. On a 12-month rolling basis, construction output increased by 2%, driven by 7.4% growth in new housing.

Indications from Barbour ABI on new contracts awarded in the construction sector point to a further weakening in activity in the near term. The total value of contracts awarded across all sectors in Sep-18 was 19% (£1.3bn) lower than in Sep-17, and 6.6% lower annually. The number of residential units associated with these new contracts declined for the second consecutive month in Sep-18, although it follows very high levels awarded in the first half of the year. By contrast, momentum has re-emerged for industrial buildings (e.g. warehouses, factories), with the value of contracts up 9% (£48m) in Sep-18 compared to Sep-17, and 19% up in the first 9 months of 2018 compared to the same period last year. Contract values also picked up in the commercial sector over the summer, driven by an acceleration in contracts related to office building in London.

# MPA ECONOMIC OUTLOOK - DATA ROUND-UP



- Notes:**
- Greener shadings indicate stronger or improving performance relative to the recent past.
  - Red shadings indicate weaker or worsening performance relative to the recent past.
  - Inflation: a green shade indicates that the rate is at or around the official Bank of England's 2% target.
  - Due to third-party data restrictions, some estimates have been removed, but we maintain the shading indicator.

			Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18
			17Q3			17Q4			18Q1			18Q2			18Q3
<b>MACROECONOMY</b>															
GDP (ONS)	12M to [...] vs. prev. 12M		1.8%			1.7%			1.6%			1.4%			
	Q ending [...] vs. prev Q		0.4%			0.4%			0.1%			0.4%			
NIESR GDP Tracker	Q ending [...] vs. prev Q		0.5%	0.6%	0.6%	0.4%	0.3%	0.0%	0.2%	0.0%	0.2%	0.4%	0.7%	0.7%	0.7%
UK PMI: Business Activity	Monthly index													54.2	54.1
UK PMI: New Business	Monthly index													53.7	53.7
Unemployment (≥16y)	Rate, 3M to [...]		4.3%	4.3%	4.3%	4.4%	4.3%	4.2%	4.2%	4.2%	4.2%	4.0%	4.0%	4.0%	
Inflation (CPI)	12M to [...]		3.0%	3.0%	3.1%	3.0%	3.0%	2.7%	2.5%	2.4%	2.4%	2.4%	2.5%	2.7%	2.4%
<b>CONSTRUCTION</b>															
Volume of Output	12M to [...] vs. prev. 12M		7.6%	7.6%	7.4%	7.2%	6.5%	5.8%	4.7%	4.0%	3.5%	2.9%	2.6%	2.0%	
	Q ending [...] vs. prev Q		0.5%	0.6%	0.0%	0.6%	1.0%	0.6%	-1.6%	-2.7%	-1.9%	0.8%	3.1%	2.9%	
PMI: Activity	Monthly index													52.9	52.1
PMI: New Orders	Monthly index													53.4	54.9
Volume of New Orders	Q ending [...] vs. prev Q		36.5%			-24.6%			-3.8%			-6.5%			
Number of Jobs (Construction)	Q ending [...] vs. prev Q		0.6%			-0.4%			-0.2%			0.7%			
<b>HOUSING</b>															
Volume of output	12M to [...] vs. prev. 12M		12.7%	12.2%	11.8%	11.7%	10.7%	10.7%	9.8%	9.3%	8.7%	7.9%	8.0%	7.4%	
	Q ending [...] vs. prev Q		1.9%	2.4%	2.3%	5.1%	4.1%	2.8%	-2.6%	-2.9%	-3.9%	-0.5%	2.8%	5.6%	
Volume of New Orders	Q ending [...] vs. prev Q		8.0%			-5.2%			17.2%			-17.6%			
Mortgage Approvals	12M to [...] vs. prev. 12M		-1.1%	-1.1%	-1.2%	-1.6%	-1.4%	-1.5%	-1.7%	-2.1%	-2.0%	-2.0%	-3.3%	-4.0%	
	Q ending [...] vs. prev Q		1.4%	-2.1%	-3.6%	-5.6%	-1.9%	-1.0%	2.3%	-1.4%	-0.8%	-0.6%	2.7%	3.3%	
Housing Starts (ENG)	All Dwellings, 12M to [...]		164,470			164,500			160,210			160,020			
	12M to [...] vs. prev. 12M		7.7%			10.2%			5.6%			1.7%			
House Prices (UK)	12M to [...]		4.8%	4.6%	4.5%	4.4%	4.3%	4.2%	4.1%	3.9%	3.8%	3.6%	3.4%	3.2%	
<b>INFRASTRUCTURE</b>															
Volume of output	12M to [...] vs. prev. 12M		4.6%	5.5%	5.0%	6.1%	5.6%	6.0%	5.8%	5.0%	4.6%	4.5%	4.4%	4.1%	
	Q ending [...] vs. prev Q		0.9%	1.1%	0.0%	0.2%	3.2%	5.5%	1.9%	-3.8%	-5.1%	0.5%	4.3%	4.7%	
Volume of New Orders	Q ending [...] vs. prev Q		164.6%			-49.1%			-42.3%			28.3%			
<b>MANUFACTURING</b>															
Index of production	12M to [...] vs. prev. 12M		2.3%	2.8%	2.9%	2.6%	2.6%	2.6%	2.5%	2.6%	2.5%	2.4%	2.3%	2.2%	
	Q ending [...] vs. prev Q		0.9%	1.1%	1.5%	1.3%	0.9%	0.4%	-0.1%	-0.8%	-1.1%	-0.7%	0.2%	0.8%	
PMI - Activity	Monthly index													53.0	53.8

24 October 2018

Contact: usamah.bhatti@mineralproducts.org

Source: ONS, NIESR, Markit, Bank of England, DCLG.

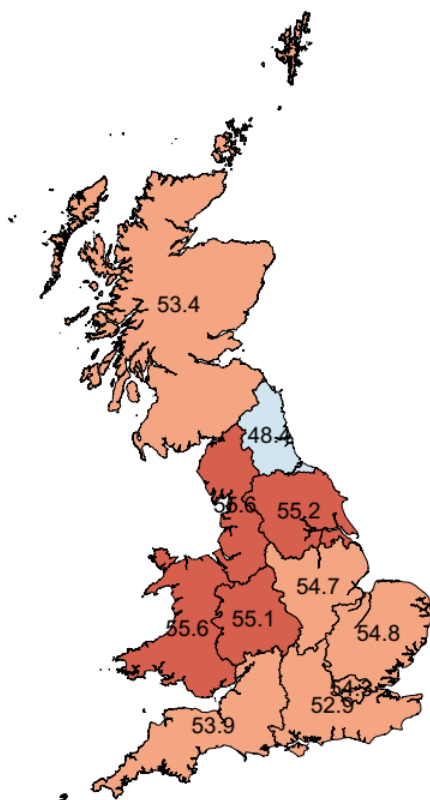
Download the table from: [http://members.mineralproducts.org/user/web/res\\_stat01.php](http://members.mineralproducts.org/user/web/res_stat01.php)

## Summary of recent construction indicators, by sector and region

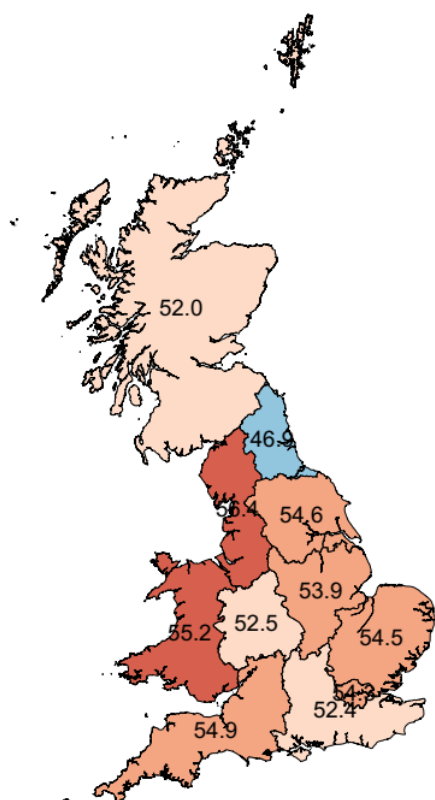
### 1. Purchasing Manager Index (PMI), Sep-18. Source: Markit.

Note: An index <50 indicates contraction, 50 indicates no change, >50 indicates growth.

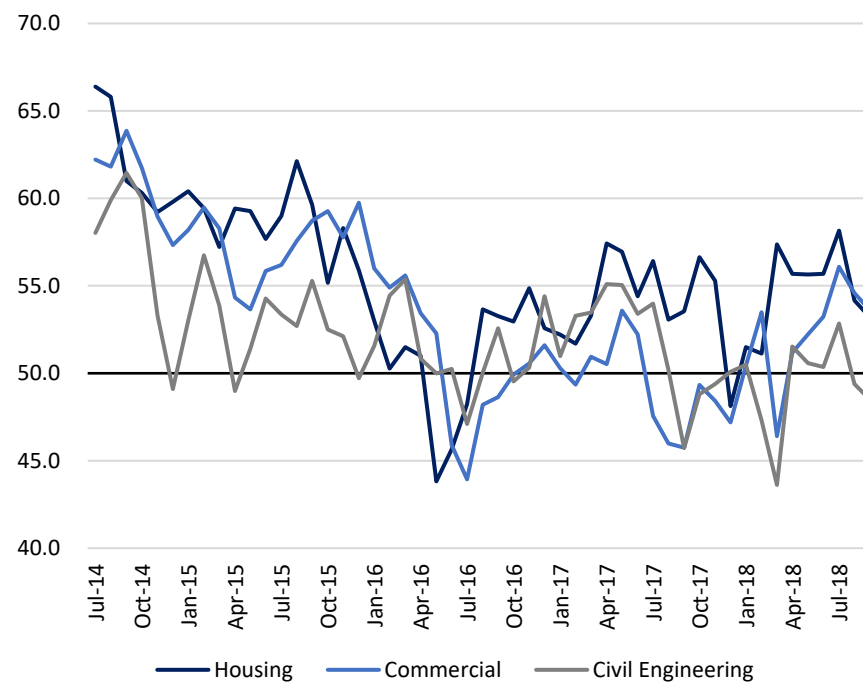
**All sectors: Business Activity**  
UK: 54.1 (↓)



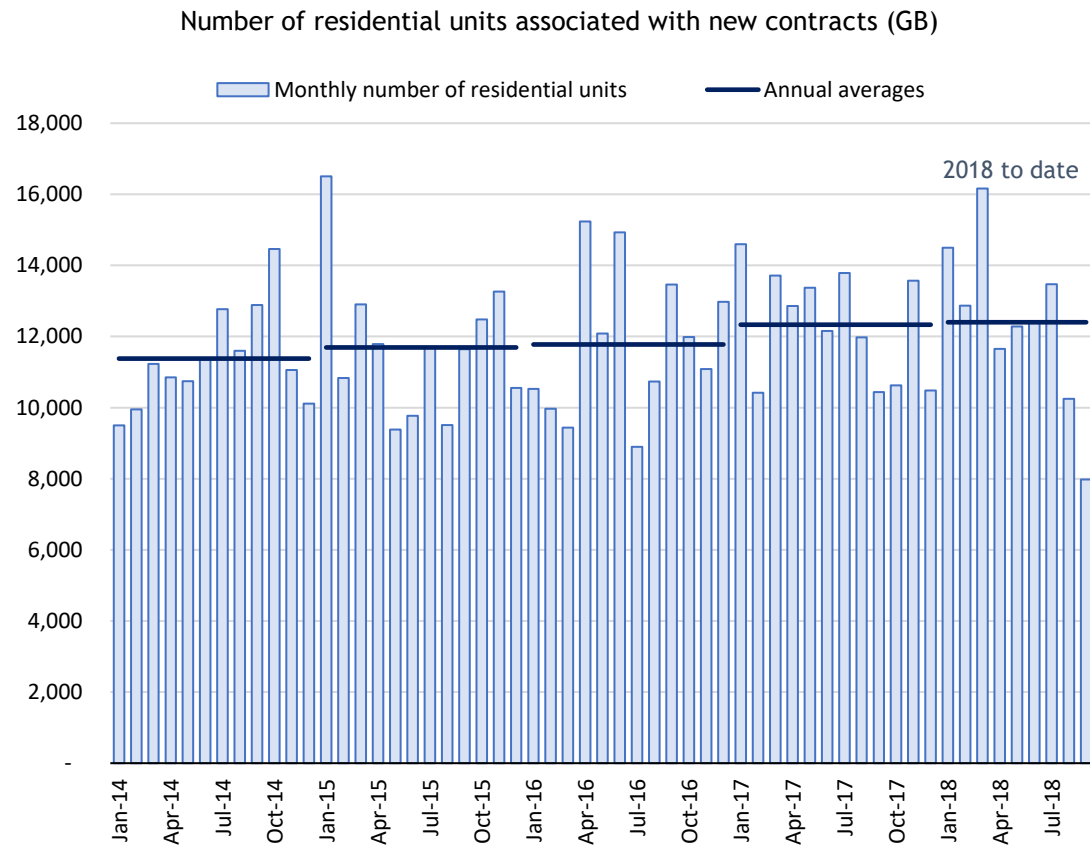
**All sectors: New Business**  
UK: 53.7 (↔)



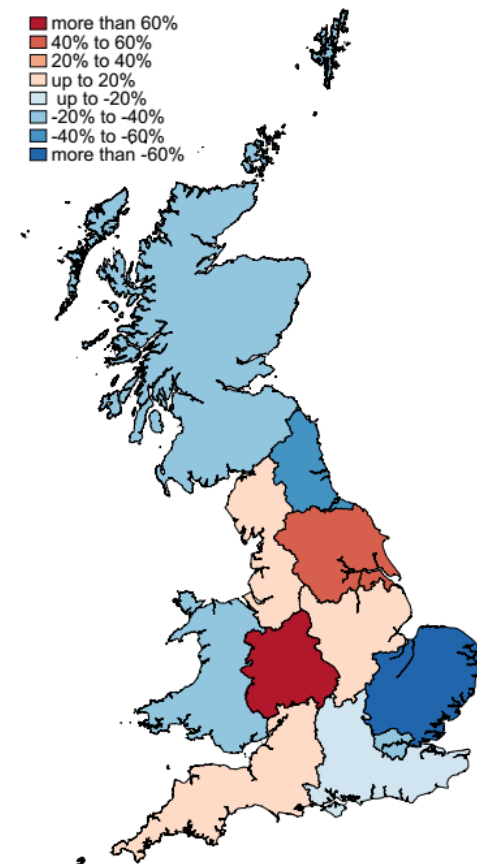
**UK Construction only: All activity: 52.1 (↓)**



## 2. New orders for construction: Residential Units. *Source: Barbour ABI.*

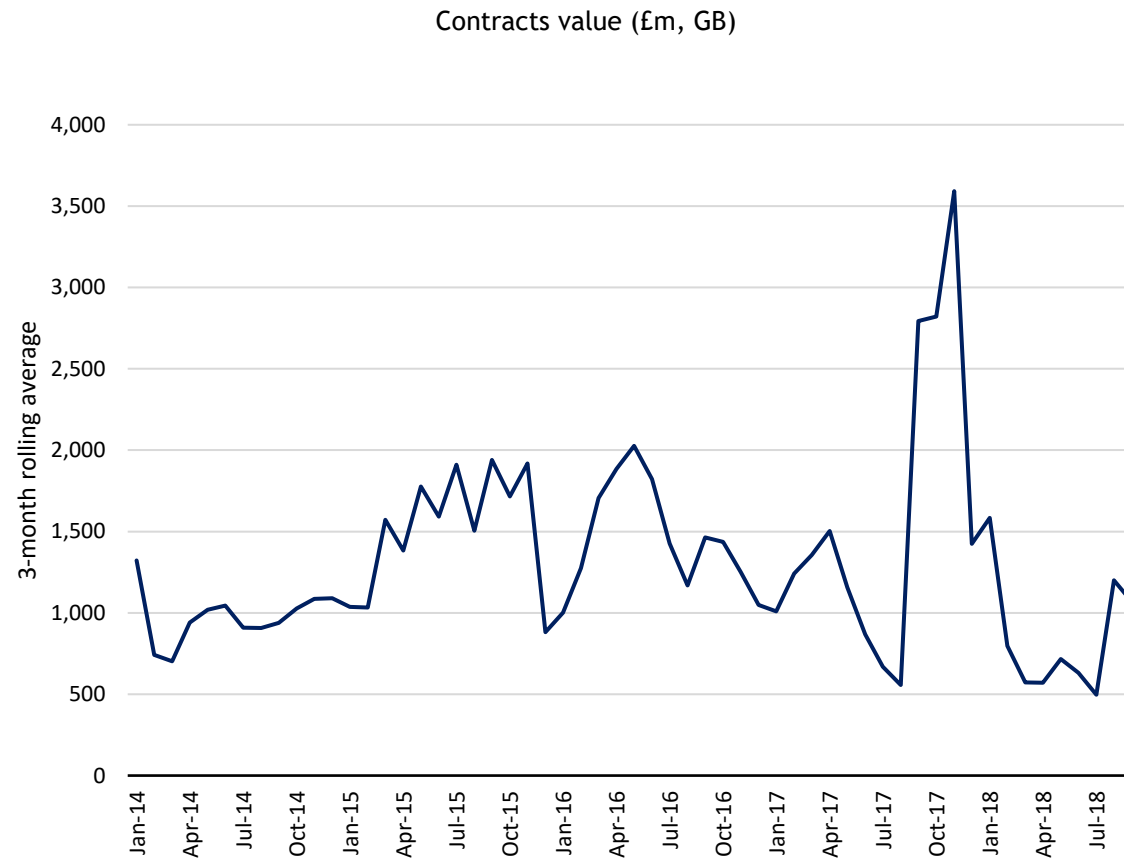


Regional % chg in units, GB: -12%  
(3m ave to Sep-18 vs. prev year)



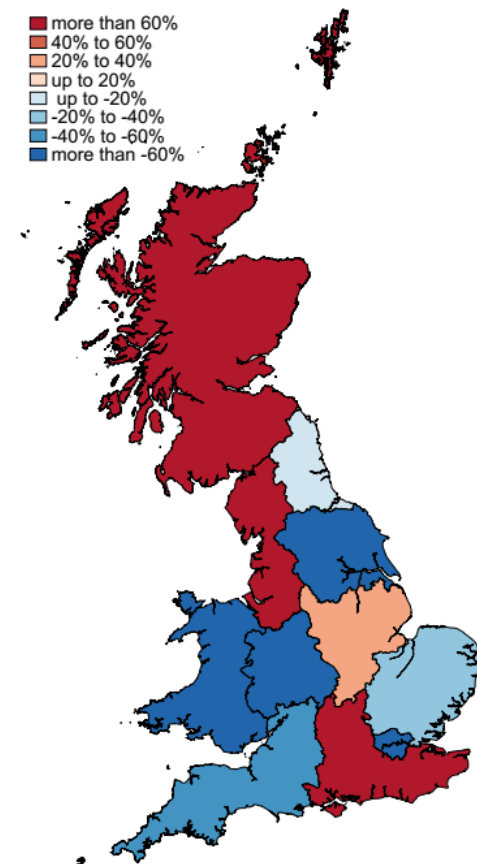


### 3. Value of new orders for construction: Infrastructure\*. *Source: Barbour ABI.*

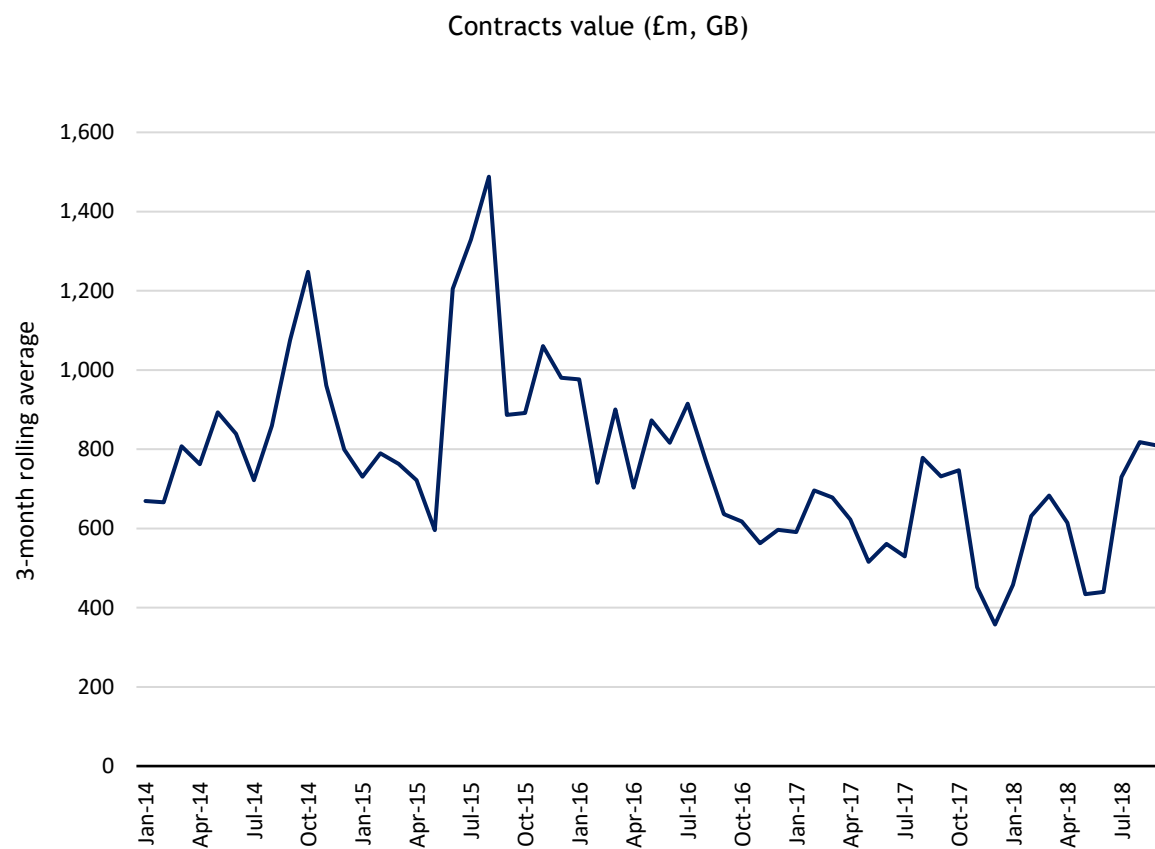


\*Sum of utilities, transport and other miscellaneous infrastructure.

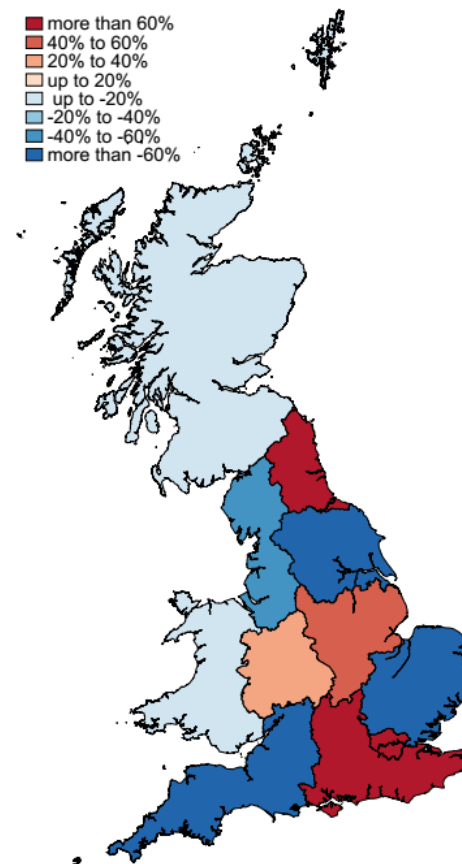
Regional % chg in value, GB: -62%  
(3m ave to Sep-18 vs. prev year)



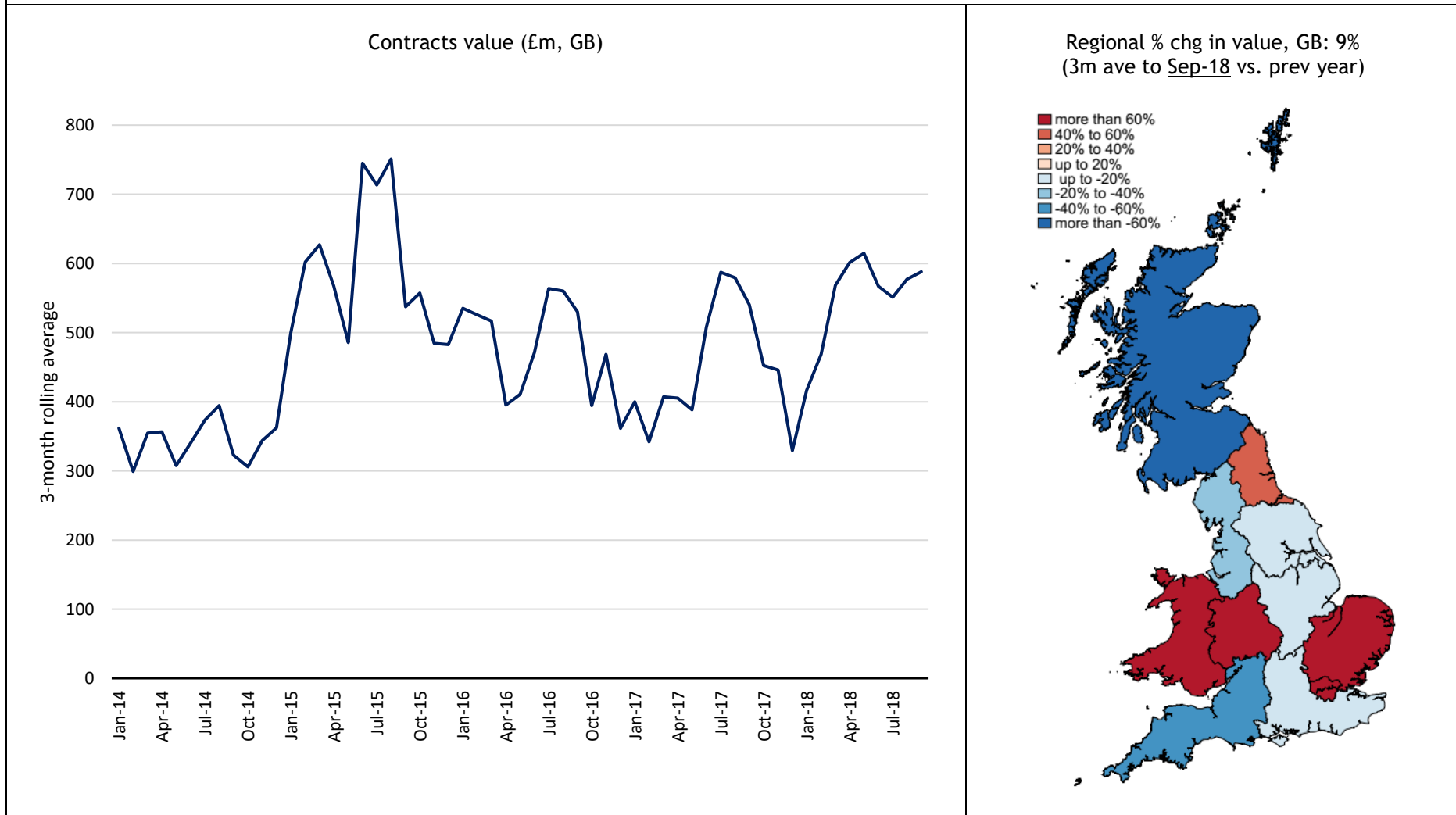
**4. Value of new orders for construction: Commercial offices & retail.** *Source: Barbour ABI.*



Regional % chg in value, GB: 11%  
(3m ave to Sep-18 vs. prev year)



**5. Value of new orders for construction: Industrial.** *Source: Barbour ABI.*



## Key Assumptions

### Economic growth forecast:

UK (annual percentage change)		2018	2019	2020	Next update?
IMF	World Economic Outlook Update, Oct-18	1.4	1.5	1.5	Apr-19
OECD	Economic Outlook No. 103, May-18	1.4	1.3	-	Nov-18
OBR	Economic & Fiscal Outlook, Mar-18	1.3	1.6	1.4	Mar-18
NIESR	National Inst. Economic Review, Aug-18	1.4	1.7	1.7	Nov-18
HMT	Average independent forecasts, Oct-18	1.3	1.5	-	Nov-18

### Interest rates:

- The Bank of England raised interest rates from 0.50% to 0.75% in Aug-2018. Explaining the decision, the Monetary Policy Committee (MPC) said that although modest by historical standards, projected GDP growth for the UK economy over the forecast period remains higher than the rate of productivity growth, eroding the economy's potential to grow without stoking inflation. With unemployment very low, the MPC continues to judge that the UK economy has a very limited degree of slack.

### Government policy:

- Housing:** Improvements were initially supported by initiatives such as the BoE's Funding for Lending Scheme and, since April 2013, by the Help-to-Buy scheme. The Help-to-Buy equity loan scheme has now been extended to 2021 and Government has also created a London-specific scheme. In its 2017 Budget Statement, Government committed to further new funding in order to increase the supply of new homes to 300,000 pa by the mid-2020s. This included a flagship announcement on the elimination of stamp duty for first-time buyers of properties up to £300k. The funding is complemented by further changes to the planning system.
- Transport:** Highways England (HE) plans indicate spending on road construction in England will more than double between 2015 and the end of the decade. Based on policy statements to date, we can expect substantial increases in road spending from 2019/20.
- National Productivity Investment Fund (NPIF):** The 2017 Budget Statement announced that the NPIF, initially set up in 2016, would be extended to 2022/23 and funding would be increased from £23bn to £31bn. This includes £1.7bn to be used to support intra-city transport. There was no update on roads-specific funding above and beyond the 2016 plans, which included £1.1bn for local roads and public transport networks, £220m to relieve pinch points on strategic roads, and the allocation of the revenues from the Vehicle Excise Duty to a National Roads Fund used for strategic road network investment and major local roads.

### Construction forecasts:

GB (annual percentage changes)		2018	2019	2020
CPA (Autumn 2018)	New work	0.0	0.5	2.2
	Repair & maintenance	0.4	0.8	1.2
	All work	0.1	0.6	1.9
Experian (Autumn 2018)	New work	-1.1	1.4	3.1
	Repair & maintenance	0.1	2.0	2.4
	All work	-0.7	1.6	2.9



## In Focus: Round-up of the 2018 Party Conferences

For further information please contact Robina Longworth, Communications and Public Affairs Executive: [robina.longworth@mineralproducts.org](mailto:robina.longworth@mineralproducts.org)

### Introduction.

For three weeks each September and October, the House of Commons breaks for recess and political conferences start. This year party conferences were held as follows:

- Conservatives: 30<sup>th</sup> September - 3<sup>rd</sup> October - Birmingham
- Labour: 23<sup>rd</sup> - 26<sup>th</sup> September - Liverpool
- Liberal Democrats: 15<sup>th</sup> -18<sup>th</sup> September 2018 - Brighton
- UKIP: 21<sup>st</sup> - 22<sup>nd</sup> September 2018 - Birmingham
- Green Party: 5<sup>th</sup> - 7<sup>th</sup> October 2018 - Bristol

This year MPA attended the Conservative Party conference, meeting delegates, listening to panel debates and interviews covering topics including Brexit, infrastructure, transport, housing, energy, industrial strategy and the Northern Powerhouse.

### Labour Party Conference.

On Brexit, many party activists were pushing for a people's vote on Brexit, although 1/3 of Labour voted for leave in the referendum. Jeremy Corbyn pledged to support holding another referendum on Brexit if [Labour members voted for it](#) at the party's conference. The Rt Hon Sir Keir Starmer MP reiterated this, saying: *"If [a general election] is not possible, we must have other options. And, conference, that must include campaigning for a public vote. Conference, it's right that parliament has the first say. But if we need to break the impasse, our options must include campaigning for a public vote and nobody is ruling out Remain as an option."*

In his [speech](#), the Shadow Secretary for Housing, the Rt Hon John Healey MP stated that *"the next Labour Government will be the most radical Government on housing since that great post-war Labour Government, and we will do whatever it takes to end this Tory housing crisis"* announcing:

- Labour will set up a fully-fledged housing department to lead the drive to fix the housing crisis;
- Labour will end rough sleeping within a parliament;
- Labour will control rents, end no-fault evictions and put a stop to the tyranny of rogue landlords;
- Labour will give first-time buyers on ordinary incomes the opportunities only the rich get under the Tories;
- Labour will get councils building council housing again and build a million new truly affordable council and housing association homes.

The Shadow Chancellor, Rt Hon John McDonnell MP said:

*"We are extending economic democracy even further by bringing water, energy, Royal Mail and rail into public ownership. Some press said the voters would be horrified. They couldn't have been more wrong."*



*“We will legislate for large companies to transfer shares into an “Inclusive Ownership Fund.” The shares will be held and managed collectively by the workers. The shareholding will give workers the same rights as other shareholders to have a say over the direction of their company. And dividend payments will be made directly to the workers from the fund. Payments could be up to £500 a year. That’s 11 million workers each with a greater say, and a greater stake, in the rewards of their labour. But we all know it’s not just the employees of a company that create the profits it generates. It’s the collective investment in infrastructure, education and research and development that we as a society make that enables entrepreneurs to build and grow their businesses.”*

In the Rail interview, Shadow Transport Minister Andy McDonald MP talked about European examples, most notably Germany, and said his focus was on passenger transport at the present time. Rail freight operators would likely be viewed at a later point, as it was not the immediate priority for Labour. However, he emphasised its importance and said he would need to make sure it was sustainable - but noted that the freight industry faced different challenges to the passenger system. He also said that the [Build it in Britain](#) campaign would not set a quota on how much would-be built-in Britain from national contracts like Network Rail but said that on a case-by-case basis domestic capacity would need to be examined.

The Labour leader, the Rt Hon Jeremy Corbyn MP’s full speech can be viewed [here](#). In it, he used the word ‘build’ 19 times, in line with the [Build it in Britain](#) campaign he launched in July:

- *“Let every constituency, every community know Labour is ready. Confident in our ideas, clear in our plans, committed to rebuild Britain.”*
- *“A Labour Party that’s ready to take charge and start the work of rebuilding our divided country.  
rebuild and transform our country and its relationship with the rest of the world are having to be made against the backdrop of huge uncertainty about Brexit.”*
- *“Conference, to rebuild our public services and our communities we are going to have to rebuild and transform our economy for the 21st century.”*

### **Conservative Party Conference.**

The Conservative Party Conference felt as though there were two conferences happening at the same time: the main hall was quite flat, whereas the fringe events were lively by comparison, this is where people were putting forward new ideas. Against a backdrop of eight weeks until Brexit, many journalists were highlighting the lack of a domestic agenda. Brexit dominated everything.

Policy announcements included:

- The Chancellor announcing [reforms](#) to introduce greater flexibility for businesses and expand apprenticeship courses in science and other STEM subjects.
- Fuel duty will be frozen for the ninth year in a row - this policy announcement will be repeated in the Autumn Budget and announced in the Prime Minister’s speech on 29<sup>th</sup> October.
- The Home Secretary proposed a series of [reforms to British citizenship](#). The reforms include tougher English language requirements for people applying for British citizenship and proposals to reform the Life in the UK test to give greater prominence to the British values and principles expected of those wishing to call the UK their permanent home.

- Reform to the [Housing Sector](#), including building safety. The announcement states: *“Following the Grenfell Tower tragedy the government established a comprehensive building safety programme that included an [independent review on fire safety and building regulations](#). In the summer the government published its response to this review and said it would ban the use of combustible materials on external walls of high-rise buildings subject to consultation. Following this consultation, the government has today (1 October 2018) confirmed that it will take forward this ban on all high-rise buildings that contains flats, as well as hospitals, residential care premises and student accommodation above 18 metres. This ban will be delivered through changes to building regulations and will limit materials available to products achieving a European classification of Class A1 or A2.”*

[The Prime Minister’s speech](#) was perceived as positive. The bar was low after last’s years speech. She has a good sense of humour - using Dancing Queen enabled her to dominate the headlines rather than Boris, who had given [his speech](#) to a packed hall of 1000 delegates the day before. The Prime Minister was also quick to reference the mishaps from the previous year first.

With regards to Brexit, the Prime Minister didn’t mention Chequers by name, but referred to “my plan”. Her line *“Closed markets and command economies were not overthrown by powerful elites, but by ordinary people. By the shipyard workers of Gdańsk, who led the resistance in Poland. By people of all backgrounds who took part in the Velvet Revolution in Czechoslovakia. By the people of East Berlin, who tore down that wall. These were the many, not the few”* was a nod to Donald Tusk, who was born in was born in [Gdańsk](#), and to try and smooth over Hunt’s earlier remarks comparing the EU to the Soviet Union. However, Tusk’s later public statement was in response to Hunt not May.

For further insight, James Cleverly MP interviewed Rt Hon Theresa May MP for the week’s [House Magazine](#).

Jacob Rees Mogg MP was interviewed by Christopher Hope of The Telegraph for the [Choppers Brexit Podcast](#). Mogg has been a Brexiteer since Maastricht because of his perception that Europe was heading towards a single state. He thinks that people are excited about Brexit.

The Secretary of State for Exiting the European Union, the Rt Hon Dominic Rabb MP started his conference speech by appealing for tolerance, then went on to say:

*“Do I think the deal we are pursuing is perfect? Of course not. Is it everything I wanted? No it isn’t. This is a negotiation. There have been compromises. We’re not decoupling as quickly or as completely as some would like. And we have been prepared to accept certain EU requirements, in order to secure our own interests. I’ve been back and forth to Brussels, negotiating the details of our Withdrawal Agreement and the framework for our Future Relationship. The vast majority of the Withdrawal Agreement has been settled, although we still have some tricky issues outstanding, and we’re making good progress on the Future Relationship. We have been reasonable. Some say too reasonable. But our proposals would deliver a historic agreement that provides a roadmap out of the EU and a final deal that will be good for the whole country. A deal that delivers on the referendum, because that is our democratic duty. A deal that manages the risks of Brexit, because that is our responsibility. A deal that grasps the opportunities of Brexit, because we’re at our best when we’re optimistic about the future. And a deal that protects our precious Union, because we are the Conservative and Unionist Party.”*

There were a number of fringe events of note:

The think tank Policy Exchange ran a number of events looking at Energy policy and housing. Films of these events are [here](#). The Rt Hon Claire Perry MP, Minister for Energy and Clean Growth; Andy Koss from Drax, Charlotte Morgan, former Chair of the Cost Challenge, Phil Macdonald from Sandbag and Josh Burke from the Policy Exchange spoke on What is the role of carbon capture, usage and storage (CCUS) in delivering clean growth?

*“CCUS is seen as a pivotal climate solution, essential to the success of the Paris Agreement and the UK’s commitment to clean growth. 90% of the IPCC’s 2% scenario is predicated of a high level of CCUS. The cost side has been looked at CCUS can be deployed in a number of sectors. Regional opportunities for the north and Scotland. Discussion around what regulatory framework is needed. There are many interlinkages between the generation and industrial decarbonisation challenges. We know that CCUS is essential but we can’t find a cost-effective way of doing it. We are not alone in that - there are 21 at scale CCS plants globally. 16 of them rely from the revenue stream of enhanced or recovery, suggesting that 5 or 6 reliant on heavy taxpayer subsidy. We think there is a better way of doing it. A couple of setting points - it is the view of BEIS that CCUS is not optional for decarbonisation. The biggest pools of emissions in the UK are transport and industrial emissions. There are electric solutions for things like steel, cement, aluminium and chemicals. There aren’t enough of them. We know we are going to need CCUS to drive down those particular sectors. The argument is that it is cheaper to act now than later. The ICC have done some numbers suggesting that doing decarbonisation for 2% without CCUS would cost an extra \$3.5 trillion and be 40% more expensive.”*

In a seminar hosted by Prospect Magazine: ‘How can investment in national infrastructure rebalance the UK economy’ Transport Minister Jesse Norman MP, alongside Steve Double MP and Jack Bereton MP, both of whom sit on the Transport Committee, and Professor Sadie Morgan, Design Chair for HS2, covered many topics including the importance of rail freight, the importance of rural economies and road investment. They also highlighted the need to support industries across the UK, including the manufacturing sector. The need for proper planning, proper briefs and proper leadership with coordinated approach to ensure the delivery of infrastructure projects was also stressed.

An event hosted by the British Property Federation and the Royal Town Planning Institute (RTPI) highlighted that planning is regarded by the Government as a solution not a problem now. The stripping away of strategic planning under the Coalition Government was a mistake. The RTPI is encouraging strategic city deals across the regions.

The Parliamentary Advisory Council for Transport Safety launched a report entitled [Developing safe system road safety indicators for the UK - a report by PACTS in association with Ageas.](#)

PACTS, in association with Ageas, has called on the government to adopt a new approach to managing road safety. The report recommends that the UK monitors a set of eight key indicators to show changes in the underlying safety of the road system. These would support a casualty reduction target:

1. Percentage of traffic complying with speed limits on national roads.
2. Percentage of traffic complying with speed limits on local roads.
3. Percentage of drivers who do not drive after consuming alcohol or drugs.
4. Percentage of car occupants using a seat belt / child seat.
5. Proportion of drivers not using an in-car phone (hand held or hands free).
6. Percentage of new passenger cars with highest Euro NCAP safety rating.

7. Percentage of roads with appropriate iRAP safety rating.
8. Percentage of emergency medical services arriving at accident scene within 18 minutes.

#### **Party Policy round-ups.**

Summaries of the relevant policy announcements from parties are here:

- [Business, Employment and Financial Services](#)
- [Environment, Food and Rural Affairs](#)
- [Energy and Utilities](#)
- [Health](#)
- [Housing](#)
- [Transport and Infrastructure](#)

#### **Further Conferences.**

Nicola Sturgeon said Scottish National Party (SNP) MPs would [vote for a second referendum](#) on Brexit if the issue came before the House of Commons.

Other political parties have also held their conferences across the UK. Resources and access to their speeches are available online, via the following links:

- **Liberal Democrats** - [Autumn Conference website](#)
- **UKIP** - [main website](#) and [Conference speeches](#)
- **Green Party** - [Autumn Conference website](#)



# Forgotten Wrecks of WW1

Photo: Mike Pitts / Maritime Archaeology Trust



Photo: Maritime Archaeology Trust

Left: A diver explores one of the Camberwell's boilers. Above: The bow of the Camberwell emerges

One hundred years after the end of the First World War a major project to research, record and raise the profile of the war effort at sea has come to fruition with the support of UK marine aggregates companies.

HISTORIC remains from the First World War lie, largely forgotten, in and around our seas, rivers and estuaries. So to coincide with the centenary of the Great War, the Maritime Archaeology Trust, based at the National Oceanographic Centre in Southampton, launched a research project to raise the profile of an aspect of the conflict many believe is under-represented.

'Forgotten Wrecks of the First World War' is a Heritage Lottery Funded four-year (2014-2018) project to explore wreck sites along the south coast of England, from merchant and naval ships to passenger, troop and hospital vessels, alongside ports, wharfs, structures and foreshore hulks.

These remains are often unrecognised and unprotected and have been degrading and deteriorating for the past century. As a result they have become extremely fragile and the project is seen as a final opportunity to record what's left on the seabed and foreshore before it is lost forever.

With over 1,000 wartime wrecks along England's south coast alone, the conflict at sea left a rich – albeit poignant – legacy and many associated stories of bravery and sacrifice. These underwater memorials represent the vestiges of a vital, yet little known, struggle that took place just off our shores.

## But how do you set about gathering data from the sea bed?

As a limited number of wrecks can be dived, the Maritime Archaeology Trust turned to industries working in the marine zone, including members of BMAPA, the British Marine Aggregate Producers Association, which is part of the MPA.

Existing geophysical survey data from Cemex UK Marine, Tarmac Marine and Volker Dredging, has been used to gain detailed information on some of the surviving remains on the seabed.

Julie Satchell, head of research at the Maritime Archaeology Trust said: "The Forgotten Wrecks of the First World War project has benefited from the generous support of BMAPA members who have provided geophysical survey data of wrecks lying within aggregate extraction areas."

The data has been bolstered with support from the Heritage Lottery Fund and has assisted in the planning of diving investigations and extended research on a number of case study sites.

Geophysical surveys are invaluable in confirming wreck positions and identities, as well as interpreting archaeological features and assessing condition.

*The striking images derived from survey data are one of the most important ways of visualising these otherwise inaccessible sites.*

Mark Russell, executive director for BMAPA said: "I am delighted that the marine aggregate sector has been able to play such an important role in this research project. Geophysical surveys are an important tool of the industry. The data that has identified the precise location of wrecks to allow licence areas to be sustainably managed has now become an invaluable resource for this project."

With the dedicated work of volunteers who have researched, recorded and reported findings, the Maritime Archaeology Trust has been able to transform raw data into educational resources, exhibits, videos, talks and presentations.

The final result of the project is an accessible database of information regarding the shipwrecks, associated finds and additional relative information to provide a lasting legacy of information and learning resources relating to the First World War wrecks for future generations.

For further details visit [www.forgottenwrecks.org](http://www.forgottenwrecks.org)

## The SS Camberwell

Above: Framing of the vessel visible in the mid ships area behind the boilers

**THE wreck of the SS Camberwell lies five miles off the east coast of the Isle of Wight, within marine aggregate licence area 340. The site was surveyed as part of the assessment and monitoring work associated with the regulation and management of marine aggregate operations. Geophysical survey data was provided for study by Volker Dredging Ltd and Cemex UK Marine Ltd.**

Built in Sunderland in 1903, the Camberwell was a 'steam screw' vessel with a crew of 65. It was sunk on a journey from London to India, carrying a diverse range of cargo – from asbestos, billiard table accessories and cement, to wine, x-ray apparatus and zinc sheets.

The ship hit a mine at 7.15am on the 18 May 1917 and, after a massive explosion, took a very heavy list to starboard and began to sink quickly.

The Camberwell now lies at a depth of 31 metres on a seabed of sand and shingle, the mast extending to within 21m of the sea surface. The vessel is well broken up but the bow and stern are intact and the 4.7 inch gun is still in situ on the stern. The ship's remains, including the cargo, are relatively well preserved.

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Close up image of the Camberwell wreck from geophysical survey data

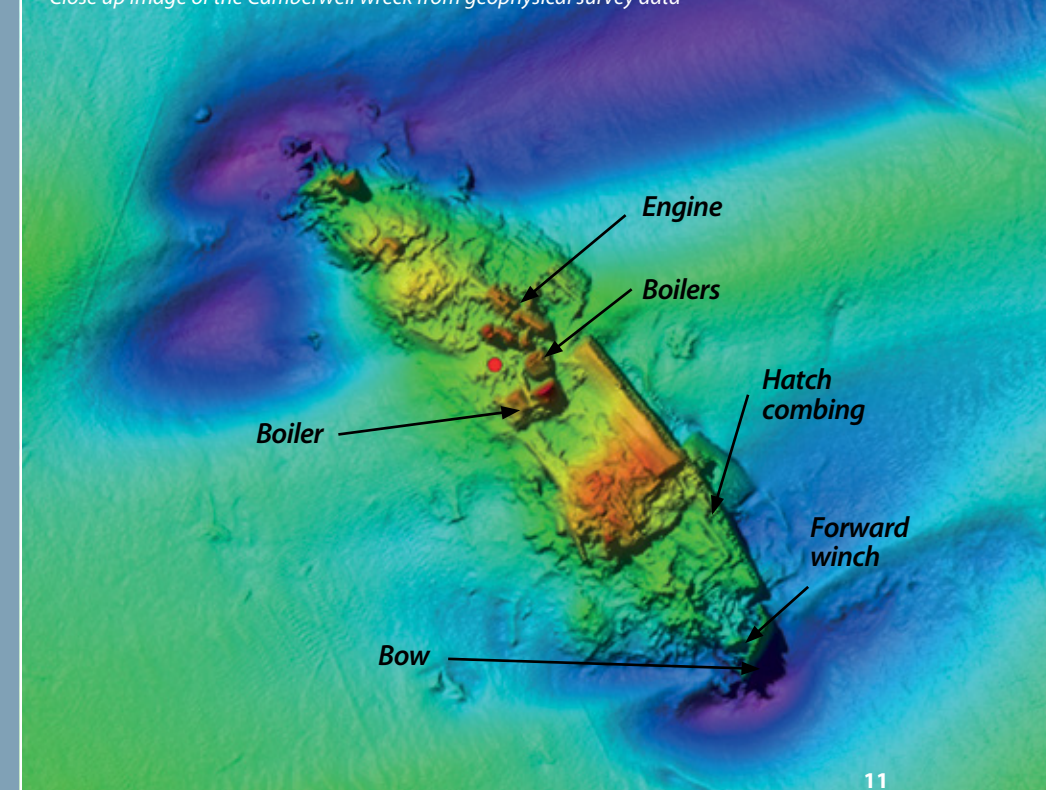


Photo: Mike Pitts / Maritime Archaeology Trust