

Press release: 'Bytes and Mortar' construction revolution to build 50% quicker

- new joint government-industry Sector Deal worth £420 million to transform construction through innovative technologies to increase productivity and build new homes quicker with less disruption
- 'bytes and mortar' revolution to use digital design and offsite manufacturing to transform building construction
- landmark deal will boost the delivery of government's ambition to deliver 1.5 million new homes by 2022
- deal will support Clean Growth Grand Challenge mission to halve the energy use of new builds by 2030, helping families reduce their utility bills

An ambitious new partnership between the government and the construction industry, will be announced today (Thursday 5 July 2018) by the Business and Energy Secretary Greg Clark, in a speech to the Northern Powerhouse Summit in Newcastle.

With almost half of the economy reliant on the built environment and the services it enables, the government is bringing together the construction, manufacturing, energy and digital sectors to deliver innovative approaches that improve productivity in construction and accelerate a shift to building safer, healthier and more affordable places to live and learn that use less energy.

Business and Energy Secretary Greg Clark said:

The construction industry is fundamental to growing our economy as we build to invest in our future. Major infrastructure projects like HS2 and the commitment to deliver 1.5 million homes by 2022 mean that we need a construction sector that can drive innovation, delivering homes and infrastructure quicker.

As buildings account for around 30% of total emissions, we also want to ensure that we are at the global forefront in designing and building smart, energy efficient and affordable homes and buildings through the Clean Growth Grand Challenge, saving families money on their bills.

This Sector Deal is supported by the biggest government investment in construction for at least a decade and will drive economic growth and create well-paid highly-skilled jobs in every part of the UK.

Andrew Wolstenholme, Co-Chair of the Construction Leadership Council said:

Securing this deal sends out a statement about the vital contribution our sector makes to the country. Our industry builds the schools to educate the young, the hospitals to care for the sick, the police stations to keep us safe, the roads and railways that get us to work, the power stations that keep us warm and the homes we return to each day.

We are an industry that must be at the forefront of the UK's drive for future growth and prosperity – and I'm confident that this deal will help to achieve that.

International Trade Secretary Dr Liam Fox said:

British firms are at the forefront of innovation in the construction and infrastructure sector and the government's new Sector Deal will ensure that even more of our businesses have the confidence to do business in overseas countries.

With the global infrastructure market estimated to be worth \$57 trillion by 2030, the opportunities are clearly there for our companies. That is why DIT, through our network of HM Trade Commissioners, Officials and GREAT.gov.uk, will work to identify these opportunities and provide advice to overseas businesses who may want to invest in the UK.

The Construction Sector Deal will deliver:

- £420 million investment in 'bytes and mortar smart construction' – investment will transform construction through use of digital building design, new manufacturing technologies and offsite manufacturing helping cut the time taken to deliver new build by 50%
- cheaper energy bills for families and businesses – support Industrial Strategy mission to halve the energy use of new builds by 2030
- 25,000 construction apprenticeship starts and 1,000 Construction T Level placements by 2020 to help give young people the skills that industry needs – with £34m to scale up innovative training models across the country
- \$2.5 trillion of global exports – a globally-competitive sector targeting the growing international infrastructure market that is set to grow by 70% in the years ahead

Smart construction

The £420 million joint investment aims to transform construction productivity by driving the development of new innovative construction materials and techniques which will speed up building time, reduce disruption and ensure the homes, workplaces and public buildings of the future are more energy efficient. The deal will support the development of affordable, easy to construct homes, schools and other buildings which can be quickly and

sustainably manufactured offsite, then assembled where and when needed.

Helping families save money

As buildings account for around 30% of the UK's emissions, this Sector Deal will also help put the UK at the forefront of the global clean growth shift towards cleaner, more efficient construction. The government's Buildings Mission announced by the Prime Minister as part of the [Clean Growth Grand Challenge](#), set the objective of at least halving the energy use of new buildings by 2030, helping families to save money on their bills and making the UK a leader in the move to clean, green sustainable construction.

Future construction skills

As part of the deal, the government will work with the Construction Industry Training Board (CITB) to ensure a strategic focus on future skills needs and increase significantly the number of approved apprenticeships standards. With a third of the industry's 3 million workers aged over 50, the Construction Sector Deal includes £34 million for expanding innovative construction training programmes across the country to up-skill the existing workforce and a commitment to increase the number of apprenticeship starts to 25,000 by 2020. Government will work with industry to prepare for implementation of new construction T Levels by supporting the sector to offer high quality construction industry placements. There will also be a single industry portal to support construction careers based on Go Construct.

Industrial Strategy

The government's modern [Industrial Strategy](#) sets out how the government is building an economy fit for the future, and how we will help businesses create better, higher-paying jobs in every part of the UK with investment in skills, industries and infrastructure. Underpinning the strategy are four [Grand Challenges](#) reflecting global trends that will shape the future and represent industries where the UK has an edge: artificial intelligence and the data economy; clean growth; healthy ageing; and the future of mobility. Today's investment forms part of the Clean Growth Grand Challenge, with the Transforming Construction investment supporting low-carbon approaches to housing.

Notes to editors

The construction sector, including the supply chain and professional services, had a turnover of £370 billion in 2016 and employed around 3.1 million workers, or around 9% of the UK workforce. The sector also exported over £8 billion of products and services. Increasing construction productivity would have a significant economic impact. Industry will be contributing up to £250 million, catalysed by a £170 million injection from government through the [Industrial Strategy Challenge Fund](#).