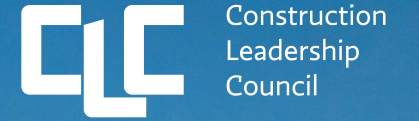


Construct Zero Performance Framework

8th Quarterly Report



Department for
Business & Trade

CLC 8th Performance Assessment Q3 2024

Background

The Construction Leadership Council (CLC) is leading the sector's response to the Net Zero challenge, through the Construct Zero change programme.

Building on the success of the sector's collaborations during COVID, the CLC has engaged the industry to develop the Performance Framework, which sets out how the sector will commit to, and measure its progress towards, Net Zero.

What is the Performance Framework?

The Performance Framework has been developed to provide the CLC with a sector level dashboard on our progress towards Net Zero aimed at motivating businesses to action and to help those outside the sector understand our progress.

We collate data for the dashboard on a quarterly basis albeit not every metric will be available quarterly. The data itself will be drawn from sources which already aggregate it, known as data point owners.

The Performance Framework draws on emerging thinking on carbon measurement and assessment, enabling us to regularly update and improve the metrics.



Executive Summary

This quarterly update is the first since the appointment of the new Government, which has already set out the importance of achieving net zero and how this will help drive economic growth. This report sets out how the sector is continuing to accelerate its transition to net zero.

Low carbon transport and commuting

In September 2023, DfT launched their plan for all vehicles sold to be EVs by 2035, with the relevant headline target for us being that 70% of new vans will need to be EVs by 2030, a target on the vehicle manufacturers.

Today's report highlights the challenges with, given our current data shows only 5.2% of the vans sold are EVs in the year to date, down from 5.5% in our previous report. Our concern on this is reflected in our RAG rating.

We will be providing further analysis on the barriers to accelerating this take-up, including issues around installation of charging points, together with a series of actions in our separate sprint project report on Electric Vehicles, due to be launched at London Build on 20th November. Please do watch out for that.

Buildings

How we scale up and deliver low carbon heat solutions for buildings continues to prove a challenge. For instance, our current data shows we have trained only 865 retrofit co-ordinators. We will work with industry on this.

Enhancing the energy performance of new and existing buildings is fundamental to this, driving better building energy performance. The role of the Future Homes Standards will be a key aspect in driving this forward and we await the Government's response to its consultation and look forward to engaging on next steps.

Construction

Whilst we have seen a growth in those businesses (with over 250 staff) achieving PAS 2080 accreditation, we will continue to monitor this.

The good news is that we can now measure the percentage of product portfolios that will have EPDs by 2025, with annual updates due from 2025. Our current data highlights the excellent progress of suppliers, whilst recognising the encouraging momentum from merchants and distributors. This is good progress.

Work continues apace to support delivery of innovative low carbon materials. We were pleased to see Government's continued progress on Carbon Capture Usage and Storage, together with the recent £3m funding awarded to Low Carbon Materials, one of our Business Champions. Many congratulations to Natasha and the team.

In closing, we would like to thank our array of around 250 Business Champions and Partners for their continued support of, and engagement with, the Programme which continues to grow. We will issue, later this month, our bi-annual recruitment for Business Champions so thank you to those who have already registered an interest in joining. For those of you reading and wanting to join, please do reach out to us.

It's evident from today's data and our engagement with industry that whilst we continue to make progress, we need to keep the foot on the floor.



Matt Palmer

Industry Sponsor Net Zero
& Biodiversity




Hannah Vickers

Programme Director Construct
Zero Programme

The RAG rating indicates whether industry is on track to meet the headline commitment and whether we have government policy in place to support industry in reaching it. The RAG ultimately shows where we need intervention, if a commitment is in red it means there is no government policy intervention and industry is not hitting it.

TRANSPORT			BUILDINGS			CONSTRUCTION ACTIVITY		
1. Accelerating the shift of the construction workforce to zero emission vehicles and on-site plant.	2. Optimise the use of Modern Methods of Construction and improved on-site logistics, in doing so reducing waste and transport to sites	3. Championing developments and infrastructure investments that enable low carbon modes of transport	4. Work with Government to deliver retrofitting to improve energy efficiency of the existing housing stock	5. Scale up industry capability to deliver low carbon heat solutions in buildings, supporting heat pump deployment, trials of hydrogen heating systems and heat networks	6. Enhancing the energy performance of new and existing buildings through higher operational energy efficiency standards and better building energy performance	7. Implementing carbon measurement, to support our construction projects in making quantifiable decisions to remove carbon	8. Designing out carbon, developing the capability of our designers and construction professionals to design in line with circular economy - shifting commercial models to reward measurable carbon reductions	9. Support development of innovative low carbon materials, as well as advancing low carbon solutions for manufacturing production processes and distribution
78% of diesel plant to be eliminated from construction sites by 2035 70% of new vans to be EVs by 2030	Close the productivity gap between construction and economy average output per worker by 2035 Eliminate Waste Eliminate all but hazardous C&D waste entering	Connect public/active transport From 2025, planning applications from the sector must connect to public / active transport and include EV charging where parking is provided 300,000 charging points installed by 2030	11.13 million homes to reach EPC C by 2035	Low carbon heating All new buildings will be designed with low carbon heating solutions from 2025. 50% of all housing stock connected to low carbon heat sources (heat networks, heat pumps & PV) by 2035 (CCC target)	Minimise energy demand From 2025 we will deliver new homes and buildings which will minimise energy demand and reduce emissions in operation by 75% (dwellings) and at least 27% (commercial buildings) compared to current standards 25% reduction in heat demand In homes from 2019 to 2035	Carbon data provided to our clients Every client of the sector will be provided carbon data by 2030 to make informed lower carbon choices	Becoming Net Zero From 2022, we will give all our clients the chance to become net zero by offering alternative low carbon design options and advice to clients, even if not scoped	66% reduction in emissions By 2035 we will have reduced construction product emissions down by 66% from 2018

■ Green – On Track
 ■ Amber – More Work Needed
 ■ Red – Not On Track
 ■ Grey – No Data



Construct Zero Performance Framework Dashboard



Construction
Leadership
Council

ConstructZERO

The Construction Industry's Zero carbon change programme



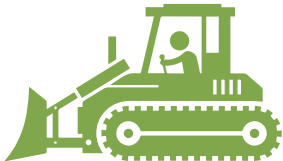
Priority 1

Transport

Accelerating the shift of the construction workforce to zero emission vehicles and on-site plant.

Performance framework target

- 78% of diesel plant to be eliminated from construction sites by 2035.
- 70% of new vans to be EVs by 2030.



TRANSPORT

1

Performance framework metric

Annual increase in non-diesel plant in use from plant hire firms

2

Performance framework metric

15% idling reduction in 2023 based on 45% industry average

3

Performance framework metric

Phase out diesel generators on site by 2025 (target 500 firms signed up by 2025)

4

Performance framework metric

Plant operator training launched in 2023

5

Performance framework metric

Annual increase in electric vans - new registrations of battery electric vans

Data under collection

New Metric

New Metric

Launched

Data: CECA

5.2%
market share

YTD 2023 - 4493
YTD 2024 - 4939
Slight drop in 2023 however 0.5% increase on hybrid vehicles

Data: SMMT

Priority 2

Transport

Optimise the use of Modern Methods of Construction and improved on-site logistics, in doing so reducing waste and transport to sites.

Performance framework target

Close the productivity gap between construction and economy average output per worker by 2035.

Eliminate waste in all but hazardous C&D waste entering landfill by 2040.

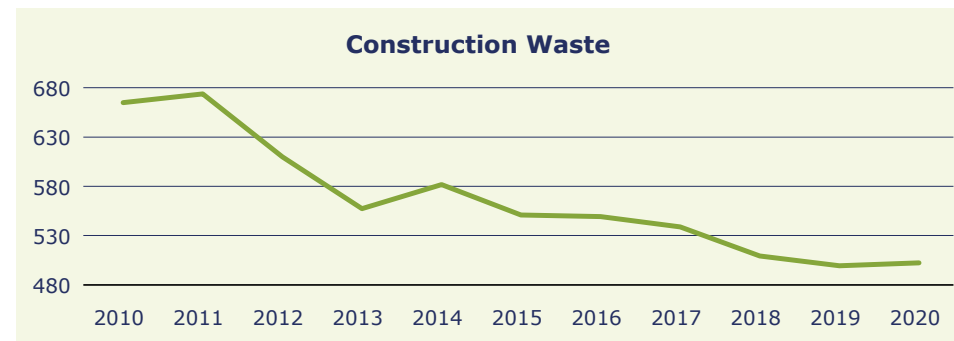


TRANSPORT

6

Performance framework metric

Annual reduction in construction and demolition waste and excavation waste tonnes/£m output



Data: ONS

7

Performance framework metric

Target recoverability of Construction and demolition waste to increase to 95%

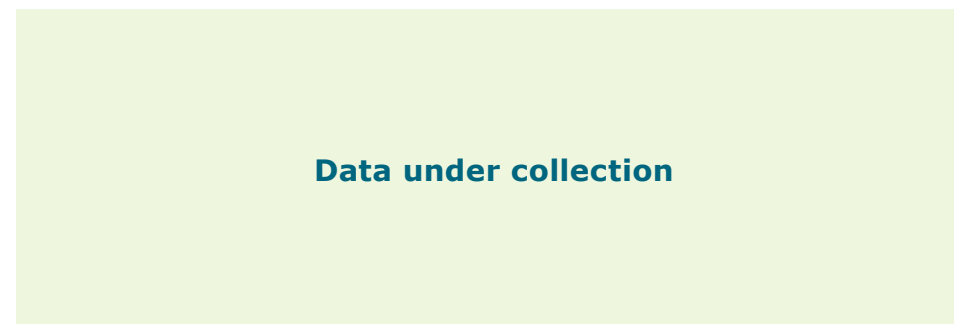


Data: ONS

8

Performance framework metric

Demolition waste reused and recycled



Priority 2

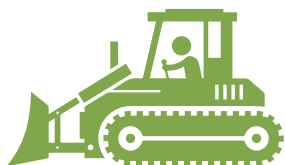
Transport

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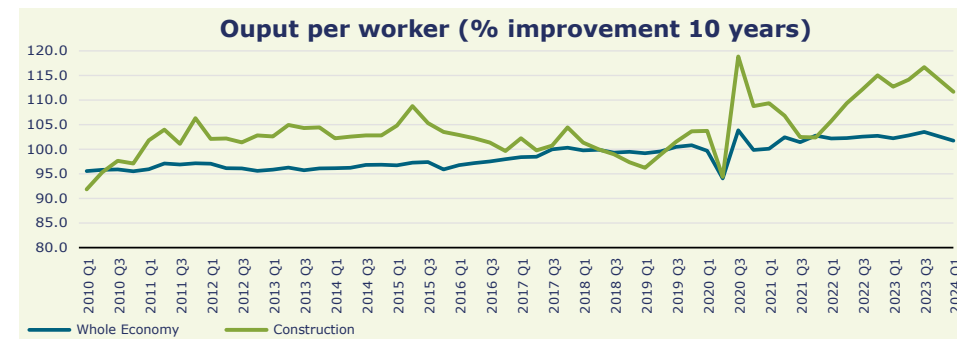


TRANSPORT

9

Performance framework metric

Measure industry on-site productivity output/FTE



Data: ONS

10

Performance framework metric

Increase % of pre-manufactured value across sector year on year

45%

Target 55%

Data: CLC Smart Construction

11

Performance framework metric

New stat to be agreed

Metric to be agreed

Priority 3

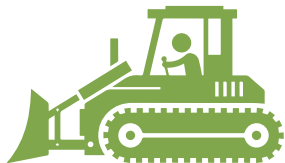
Transport

Championing developments and infrastructure investments that enable low carbon modes of transport.

Performance framework target

From 2025, planning applications from the sector must connect to public / active transport and include EV charging where parking is provided.

300,000 charging points installed by 2030.



TRANSPORT

12

Performance framework metric

Uptake on Continued Professional Development on climate change mitigation for all professional members targeting 100% by 2025

13

Performance framework metric

Annual increase in number of EV charging points installed by the sector

Data under collection

Data: CIC

47%

up from 44%

Data: DfT

Priority 4

Buildings

Deliver retrofitting to improve energy efficiency of the existing housing stock.

Performance framework target

11.13m homes to reach EPC C by 2035.



BUILDINGS

14 Performance framework metric
11.13m homes to reach EPC C by 2035

15 Performance framework metric
Establish industry 'quality scheme' routes and licensing consistent with PAS2035 and target annual increase in number of businesses registered

16 Performance framework metric
Number Trustmark Retrofit Coordinators targeting 30,000 by 2028

17 Performance framework metric
Annual reduction in average energy requirements for new dwellings and existing (EPC based), increased % of EPC C to 100% by 2035

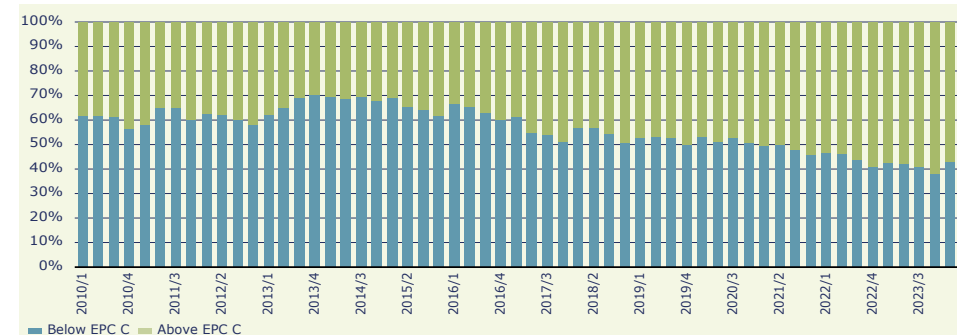
Data under collection

150
Businesses
registered to date in 2024

Data: Trustmark

765
Up from 731

Data: Trustmark



Data: ONS

Priority 5

Buildings

Scale up industry capability to deliver **low carbon heat solutions in buildings**, supporting heat pump deployment, trials of hydrogen heating systems and heat networks.

Performance framework target

From 2025 all new buildings will be designed with low carbon heating solutions.

50% of all housing stock connected to low carbon heat sources (heat networks, heat pumps & PV) by 2035 (CCC target).



BUILDINGS

18 Performance framework metric

Increase in Heat Pump installations per year to exceed target of 600,000 per year by 2028

19 Performance framework metric

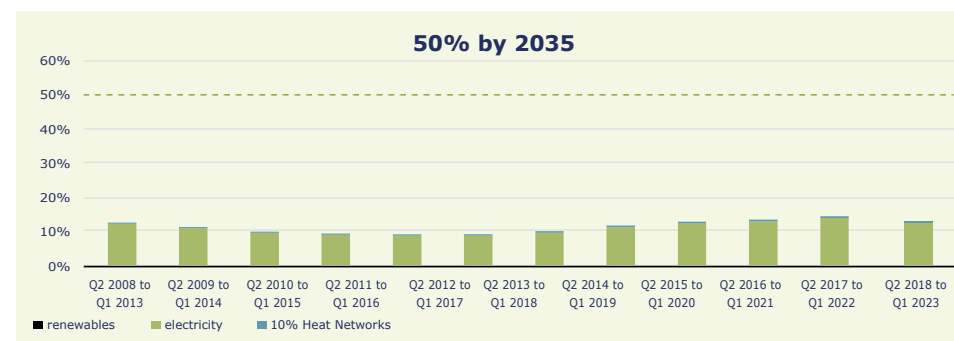
Number of buildings connected to low carbon heat networks and heat pumps installed as % of overall building stock. CCC target 50% by 2035

20 Performance framework metric

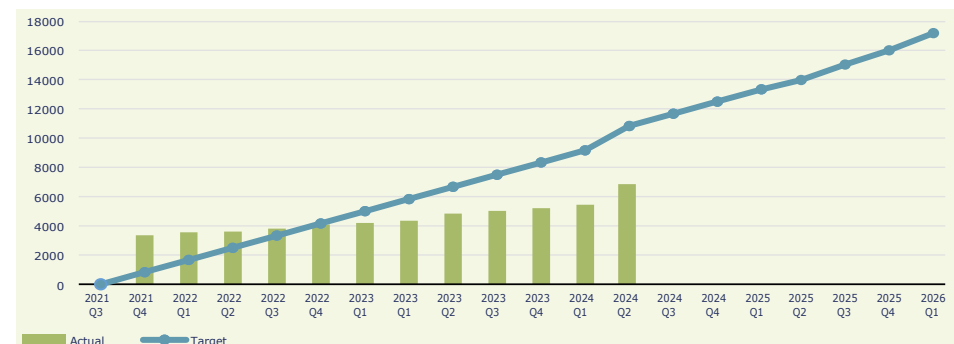
Annual increase in trained Heat Pump Installers (MCS Registrations) aiming for 30,000 by 2030

71,000 Data: BSRIA
Achieved in 2022

Data: BSRIA



Data: ONS



Data: MCS

Priority 6

Buildings

Enhancing the **energy performance of new and existing buildings** through higher operational efficiency standards and better building energy performance.

Performance framework target

From 2025, we will deliver new homes and buildings which will minimise energy demand and reduce emissions in operation by 75% (dwellings) and at least 27% (commercial buildings) compared to current standards.

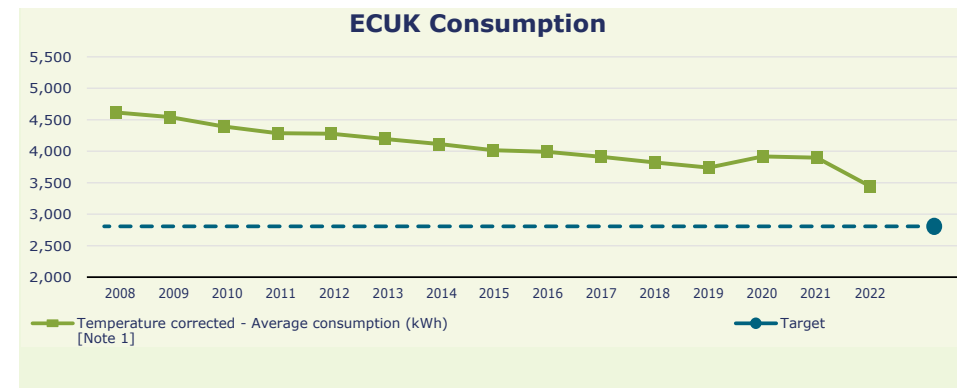
25% reduction in heat demand in homes from 2019 to 2035.



BUILDINGS

21 Performance framework metric

Annual reduction in actual energy usage in Buildings (ECUK based). Heat demand in buildings needs to fall by over 25% from 2019 to 2035 in the CCC pathway



Data: ONS

22 Performance framework metric

Milestone on future buildings standard & future homes standards to be published in 2025

**ON TRACK
FOR 2025**

Data: MHCLC

Priority 7

Buildings

Implementing carbon measurement to support our construction projects in making quantifiable decisions to remove carbon.

Performance framework target

Every client of the sector will be provided carbon data by 2030 to make informed lower carbon choices.



CONSTRUCTION
ACTIVITY

23 Performance framework metric

Uptake on Continued Professional Development on climate change mitigation for all professional members targeting 100% by 2025

24 Performance framework metric

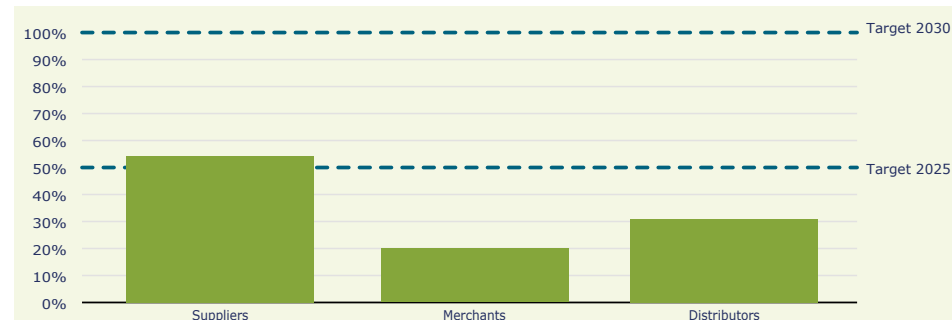
40% of product portfolios to have EPDs by 2025 with 100% by 2030, targeting a baseline and annual updates from 2025

25 Performance framework metric

Every business or client over 250 staff in infrastructure to achieve PAS 2080 accreditation, monitor % coverage, target 100% by 2025

Data under collection

Data: CIC



Data: BMF

46
Accredited

Data: BSI

Priority 8

Construction

Become world leaders in designing out carbon, developing the capability of our designers and construction professionals to design in line with the circular economy - shifting commercial models to reward measurable carbon reductions.

Performance framework target

From 2022, we will give all our clients the chance to become net zero by offering alternative low carbon design options and advice to clients, even if not scoped.

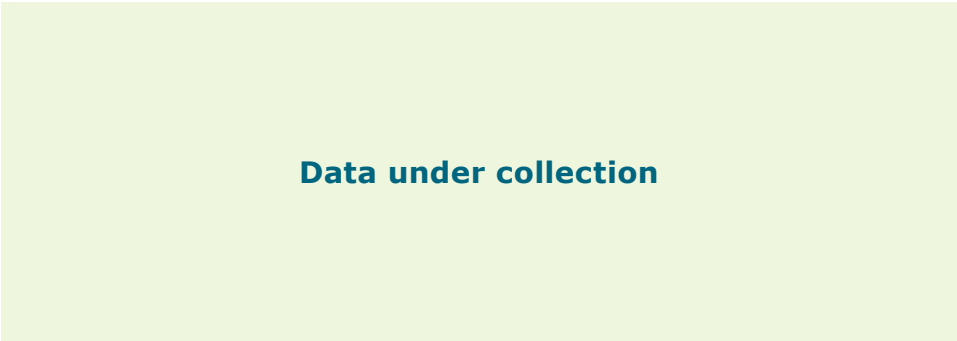


CONSTRUCTION
ACTIVITY

26

Performance framework metric

Uptake on Continued Professional Development on climate change mitigation for all professional members targeting 100% by 2025

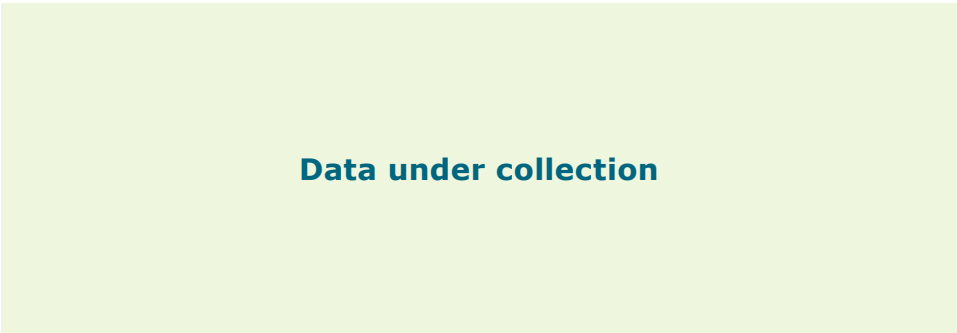


Data: CIC

27

Performance framework metric

Commercial models to reward low carbon



28

Performance framework metric

Building type benchmarks on embodied and operational carbon

Offices Education Industry Retail Hotels Healthcare linear infrastructure	Expected 2024
Homes	Expected 2025

Data: FHH & UKNZCBS

Priority 9

Construction

Support development of innovative low carbon materials, as well as advancing low carbon solutions for manufacturing production processes and distribution.

Performance framework target

By 2035 we will have reduced construction product emissions down by 66% from 2018.



CONSTRUCTION
ACTIVITY

29

Performance framework metric

Work with Government to have CCUS operational on 2 clusters by 2028

On target with HyNet and the East Coast Cluster selected as sites from Phase 1. Phase 2 process underway.

Data: DESNZ

30

Performance framework metric

Energy consumption - Establish 2018 baseline and target annual reduction in energy used in production kWh/Tonne for key product lines. CCC target is 47%

	2017	2018 Baseline	2019	2020	2021	2022	2023	2035 Target
Steel*	-	-	-	-	-	-	-	
Concrete	146.2	145.3	145.4	147.3				49.402
Timber*	-	-	-	-	-	-	-	

Data: Structural Timber Association / Sustainable Concrete Forum / Steel Zero

31

Performance framework metric

CO₂ emissions intensity. Establish 2018 baseline and target annual reduction in embodied carbon CO₂/Tonne for key product lines.

By 2035 we will have reduced construction product emissions down by 66% from 2018

	2017	2018 Baseline	2019	2020	2021	2022	2023	2035 Target
Steel*	-	-	-	-	-	2.8	-	0.952
Concrete	81.2	80.2	79.0	80.9	-	-	-	42.506
Timber*	-	-	0.16	-	-	-	-	0.09

*Steel and timber figures are still being collected

Data: Structural Timber Association / Sustainable Concrete Forum / Steel Zero



Construct Zero Performance Framework

8th Quarterly Report

For more information, please visit
[Construction Leadership Council](https://www.clc.org.uk)