



Scotland's leading independent commercial vehicle dealer
Tel. 01224 725412
www.clarkcommercials.co.uk




Scotland's leading independent commercial vehicle dealer
Tel. 01224 725412
www.clarkcommercials.co.uk

www.nesba.co.uk

NESBA the Voice for Builders in North East Scotland

Feb 2009

DECLINE IN SCOTS HOUSE PRICES CONTINUES BUT SLOWS

Scottish house prices have continued to fall but the rate of decline has slowed, according to research by **Lloyds TSB**.

The bank's Scottish House Price Monitor showed the average domestic property dropped in value by 2.3% in the three months to 31 January.

The previous figures published in November showed a 4% fall - the largest in the 16-year history of the monitor.

On an annual basis house prices have risen by 1.6%.

Lloyds TSB said the average mix adjusted Scottish house price was now £158,820.

The number of house sales was down by almost a half on the levels recorded for the same period last year, with a 48% fall. Property values in the east saw slight rises in the last quarter but this came after greater falls in the three previous months. In the west prices, which had been continuing to rise albeit slowly, have now fallen. A spokesman for the bank said: "The picture across the country is very mixed with areas reporting the greatest quarterly fall still recording an annual increase."

Professor Donald MacRae, chief economist, Lloyds TSB Scotland, added: "The Scottish housing market has responded to the economic slowdown with a reduction in transactions and in some cases price falls. The cost of borrowing has reduced for many mortgage holders with the latest fall in interest rates in early February. The Scottish housing market is adjusting to changing circumstances with reduced sales and in some cases lower prices rather than a precipitous collapse."



Professor Donald MacRae, chief economist, Lloyds TSB Scotland, added: "The Scottish housing market has responded to the economic slowdown with a reduction in transactions and in some cases price falls. The cost of borrowing has reduced for many mortgage holders with the latest fall in interest rates in early February. The Scottish housing market is adjusting to changing circumstances with reduced sales and in some cases lower prices rather than a precipitous collapse."

ABERDEEN CITY AND SHIRE PLAN APPROVED

Aberdeen City and Aberdeenshire councillors have voted in favour of the region's new Finalised Structure Plan.

The plan, which lays out an aspirational, 20-year vision for the City and Shire, was backed by 26 votes to 11 at a special full sitting of Aberdeen City Council and 59-3 at a simultaneous full council meeting of Aberdeenshire councillors.

The Aberdeen City and Shire Strategic Development Planning Authority (SDPA) has drawn up the plan to ensure the region maintains and enhances its attractiveness and continues to develop sustainably over the next 20 years.

The document maps out a framework for the delivery of the new homes, businesses, transport infrastructure and facilities to ensure continued prosperity. It also stresses that the City and Shire must aim high - and earn a reputation for top-quality design and construction in which local people and the whole country can take pride.

BLUEPRINT TO INCREASE HOUSING PUBLISHED

A Government backed expert group has published a blueprint to help increase housing supply to satisfy need and demand in the Scottish housing market.

In its report, the Housing Supply Task Force presented recommendations to help establish the conditions for house building to recover once market conditions improve. The Task Force membership was drawn from local authorities, house-builders, the housing association movement and housing interest groups. It sets out four recommendations for national and local government, house-builders and others: identify alternative methods of funding infrastructure to accelerate construction of housing and other projects; ensure speedy implementation of planning system reforms; establish a framework to assist the house building industry return to full capacity swiftly once markets improve; and making better use of public sector land for housing.

Communities Minister, **Stewart Maxwell** said: "Task Force members have helped shape the significant measures that the



Stewart Maxwell

Government has announced in response to the economic downturn. I am confident that the recommendations set out in this report will help to establish the platform needed to help house building bounce back to full capacity once market conditions improve.

"Turning these recommendations into reality will entail further close co-operation and action from a wide range of interests, including national and local Government, the house building sector, housing associations and the financial sector.

"Looking ahead, there is a clear need for the Task Force to continue with a new remit and a strengthened membership to ensure coordinated responses to the ongoing challenges facing the housing market."



**Managing your risk
Safeguarding your future**

Business Insurance • Liabilities • Accident & Sickness
Household & Motor • Specialising In Farm Insurance

0845 345 5035
www.youngson.co.uk
3 Main Street, Turriff AB53 4AA

Authorised & Regulated by the Financial Services Authority

Redundancy

Since the enormity of the global banking crisis has become apparent, pundits have speculated as to the likely impact on employment around the world. As we publish, no one really knows how to forecast the exact consequences but there is no doubt they will touch many individuals, families and communities.

Regrettably these consequences may involve the need for a business to review and reduce staff numbers. The thought of redundancy brings with it an inevitable strain on working relationships which may have been developed over many years. More than ever there will be a need to accompany precision in the application of legal rules with a good dose of humility and sensitivity. According to Ledingham Chalmers employment lawyer Gillian Shaw, if redundancy measures give rise to claims, employment tribunals will not believe there is any excuse for getting procedures wrong. "The path is pretty well tried and tested. A potential redundancy situation triggers an obligation to inform and consult employees in the work force affected. Most employers will be familiar with the statutory 3-step procedure which involves writing to the employees setting out the circumstances which may give rise to redundancy, meeting with the employees to discuss how these circumstances will affect them, and finally writing to any employees being made redundant and offering a right of appeal. This is, however, best seen as a minimum as opposed to a shield against all claims." More onerous collective consultation procedures, including the identification or election of staff representatives and notification to DBERR (formerly DTI), will apply where an employer is considering making 20 or more employees redundant over a period of 90 days, in which case the 3-step statutory procedure is not obligatory. However, since employers are bound by an overarching obligation to act fairly and reasonably in all dismissal situations, best practice will always be to hold individual meetings in line with the 3-step procedure in addition to collective consultation.

One major challenge facing the employer under these pressures is identifying the appropriate pool of employees from which candidates for redundancy will be selected. Gillian comments: "Employers are well advised to cast the net widely and guard against being too restrictive. In identifying the pool it is safer to ask "what are the employees capable of doing" as opposed to simply asking "what do they do". Having created the pool of persons at risk the employer's next step is to identify and apply appropriate selection criteria. Tribunals prefer to see employers applying objective criteria such as qualifications, disciplinary record and attendance record (with care being taken to disregard any disability or maternity related absence). Historically, many employers used LIFO ("last in first out") as the sole method of redundancy selection but since the introduction of legislation on age discrimination, this is more risky. Over and above possible claims of ageism, employers could also fall foul of sex discrimination legislation as LIFO could disadvantage women who have taken career breaks to raise children. An employee who believes he has been unfairly selected for redundancy can bring a claim for unfair dismissal.

Gillian comments: "At an Employment Tribunal, the primary focus is on procedural compliance and a hearing will pay particular attention to the steps taken by an employer prior to the dismissal." Although in times of financial strain this may be difficult to contemplate, an employer has an additional obligation to consider alternative employment for those identified as at risk of redundancy.

Gillian adds "Where circumstances permit, a considerate employer will already be taking steps to seek out alternative opportunities whether inside or outside its own business for those affected. Quite simply those employers who not only take seriously and fulfil their procedural obligations, but also go the 'extra mile' where they can, are less likely to fail when faced with a claim based on unfair selection for redundancy."

A final word from Gillian: "We cannot expect to avoid tribunal claims completely but the employer which is willing to share its business circumstances with its employees, and then follow the correct legal procedures with sensitivity and compassion, will be best placed to achieve a fair outcome in challenging times".

This article appeared in the magazine of Ledingham Chalmers LLP and is reproduced with kind permission".



Details of all Local Holidays can be found on the Members Area of the Web Site
www.nesba.co.uk

ABERDEEN FIRST AID SCHOOL

First Aid at Work Courses
Offshore First Aid Courses

HSE Approved

- ✓ Courses run every week
- ✓ Places always available
- ✓ Free Risk Assessment
- ✓ City centre location
- ✓ Free on-street parking

Tel: 01224 585844
Norton Centre, Poyernook Road, Aberdeen
info@afas.co.uk www.afas.co.uk fax: 01224 585899
Quality Training + Quality Service



Asphaltic Roofing Supplies

Northfield Industrial Estate, Quarry Road
Aberdeen AB16 5UU
Tel: 01224 692000 Fax: 01224 692111
e-mail: aberdeen@asphaltic.co.uk

The Health and Safety Offences Act 2008

The Health and Safety Offences Act 2008 came into force on Friday, 16 January 2009. This new Act will increase penalties and provide courts with greater sentencing powers for those who break health and safety law, and is being welcomed by the Chair of the Health and Safety Executive (HSE).

This Act gives lower courts the power to impose higher fines for some health and safety offences. It is right that there should be a real deterrent to those businesses and individuals that do not take their health and safety responsibilities seriously. Everyone has the right to work in an environment where risks to their health and safety are properly managed, and employers have a duty in law to deliver this.

"Our message to the many employers who do manage health and safety well is that they have nothing to fear from this change in law. There are no new duties on employers or businesses, and HSE is not changing its approach to how it enforces health and safety law. We will retain the important safeguards that ensure that our inspectors use their powers sensibly and proportionately. We will continue to target those who knowingly cut corners, put lives at risk and who gain commercial advantage over competitors by failing to comply with the law".

Following its successful Third Reading in the House of Lords on 10 October, the Health and Safety (Offences) Act 2008 received Royal Assent on 16 October and comes into force on 16 January 2009. The Act fulfils a longstanding Government and HSE commitment to provide the courts with greater sentencing powers for health and safety crimes. The effect of the Act is to:

raise the maximum fine which may be imposed in the lower courts to £20,000 for most health and safety offences;

make imprisonment an option for more health and safety offences in both the lower and higher courts;
make certain offences, which are currently triable only in the lower courts, triable in either the lower or higher courts.

TRAINING IS KEY TO SURVIVAL, CONSTRUCTION FIRMS IN SCOTLAND TOLD



Construction bosses in Scotland are being urged to maintain a commitment to staff training to preserve the industry's workforce during recession, as new figures are published from the **Construction Skills Network (CSN)** report.

The annual report, produced by **ConstructionSkills**, reveals two distinct periods for the industry: one of recession (through 2009 and into 2011) and one of gradual recovery (from 2011 to 2013).

The year on year data indicates there will be a three per cent contraction in 2009, followed by nil growth in output nationally in 2010, followed by a gradual return to low-level growth of one per cent in 2011, two per cent in 2012 and three per cent in 2013. These figures result in an average annual output growth over the next five years of 0.5%.

This is reflected in the growth forecast for Scotland which will see a dip of 1.4% over the next two years. The longer term picture is encouraging however, with growth predicted to be above the UK average in 2011, prompting businesses to ensure that workers possess the requisite skills for when demand picks up.

It indicates that the annual construction output is forecast at 0.6% over the next five years, maintaining a demand for construction workers. Of the 3,960 new recruits required to join the industry each year during this period, there will be a specific demand for wood trade and interior fit out specialists such as carpenters and joiners, as well as plant operatives and mechanics.

NESBA NEWS

NESBA the Voice for Builders in North East Scotland

Published by:

Nesba, P0 Box 66,
Aboyne, Aberdeenshire
AB34 5WY
Tel: 0845 0551663
www.nesba.co.uk

Printed by Special FX
Banchory
Tel: 01330 824545

This projected growth is being driven by the Scottish Government's 10 year transport investment programme which mirrors the trend being seen across the UK. These new infrastructure orders, which include the M74 completion project which started in May, and the Glasgow Airport Rail Link will boost the industry output in both the short and medium term. **Graeme Ogilvy, ConstructionSkills Director for Scotland** said: "This year will be an especially challenging one for the construction industry, and some sectors such as private housing and commercial property will be impacted further by the adverse economic climate. In response, ConstructionSkills is working on a number of measures to support affected employers.

"However there is still short-term growth in the industry, assisted by public sector spending, so it is critical that the industry focuses its efforts on retaining and reskilling workers currently in employment. A recession is not a time to decrease training levels, and if that happens, the long term skills deficit will be severe. These are issues we still face from the recession in the 1990s."



HSE LAUNCHES PREVENT FALLS FROM VEHICLES CAMPAIGN

The Health and Safety Executive (HSE) has re-launched a campaign that warns about the dangers of falls from vehicles.

This type of incident involving workplace transport is a major cause of injuries and costs industry over £35m each year. The campaign will highlight the many cost effective ways that exist to stop these falls happening.

Last year, more than 1600 workers were injured and four were killed by falling from vehicles.

Marcia Davies, HSE Director of Injuries Reduction said: "We are running this campaign to raise awareness and to help to stop these needless and sometimes tragic injuries. Falls from vehicles even from a relatively low height, can cause severe and life-changing injury and most are easily preventable. "Those responsible for managing and planning work with and on vehicles should try to minimise the extent to which tasks have to be carried out at height as one obvious way to prevent falls.

"There are often easy alternative ways of working to eliminate the need to climb to a height. Also it is vital that when new vehicles are purchased or rented, buyers look for design features that make access safer and think whether working at height can be avoided by ordering equipment with ground based controls."

"The campaign is focussing primarily on those who decide what type of vehicles are used and the way they are used, rather than the people using them. This is because so many injuries are caused by poor vehicle design and inadequate delivery arrangements. There are simple cost effective solutions that businesses can take to manage and drastically reduce the risk of falling from vehicles."

NO PLANNING NEEDED FOR HOME MICROGENERATION

Householders will be able to install their own energy generating equipment without planning permission following a **Scottish Government** consultation on planning reforms aimed at increasing renewable energy generation and cutting emissions.

Finance Secretary, John Swinney said: "The new measures will slash red tape and help householders cut their energy bills. They will also help reduce emissions at a time when we all need to play our part in tackling climate change."

"Scotland's renewables sector is going from strength to strength. By encouraging greater use of microgeneration technologies we are letting householders play their part in reducing emissions while creating new jobs in an emerging industry. That builds on our economic recovery programme and ensures all government activity, including on planning and regulation, supports economic growth."

"While we cannot have renewable energy equipment anywhere or at any cost, these proposals strike the right balance between allowing small scale renewables and safeguarding the quality of our environment. It will also contribute to our efforts to ensure that Scotland's planning system is an aid rather than a barrier to increasing sustainable economic growth."

At present, most householders wishing to install microgeneration equipment must apply to the local planning authority for consent. However, the introduction of Permitted Development Rights will enable householders to install certain microgeneration equipment - such as solar panels, biomass systems and heat pumps - at their homes without requiring planning permission.

It emerged from the consultation that further work was needed to explore the feasibility of introducing permitted development rights for air source heat pumps and wind turbines. Ministers have therefore decided to commission an independent study to examine the issues in further detail, with recommendations expected before the end of this year.



Key Areas of Support your Business Needs



Training

NESBA Organises various training courses throughout North East Scotland

Employment Law

Advice on disciplinary procedures, redundancy, holiday pay etc.

Construction Law

1 Hours free advice from a solicitor who is a construction law specialist

Debt Recovery

Advice from debt recovery experts along with free legal letter to your debtor



All Available through your Local Construction Trade Association



North East Scotland Builders Association

Tel: 0845 055 1663
www.nesba.co.uk
admin@nesba.co.uk

NESBA was Established by Construction Companies through out North East Scotland