



Contractors Mechanical Plant Engineers

NATIONAL NEWSLETTER

CMPE NEWS

Annual Subscriptions

Welcome to another edition of our National Newsletter.

We are almost at the end of the our current financial year and it would be timely to remind all branches and members of the following:-

- “Annual Subscriptions” are due from the 1st April 2022.
- Any member whose subscription has not been paid by 31st May 2022 will *ipso facto* cease to be a member of the Association.
- Branch Honorary Treasurers are to remit to the Honorary National Treasurer half of the Annual Subscriptions paid to the branch by the 30th June 2022 and all new members subscriptions thereafter are to be remitted every three months.
- The Annual Subscriptions remitted to the Honorary National Treasurer must be accompanied with a list of the members names and addresses, telephone numbers, email address, and whether they are a full or retired member.

Your co-operation to the rules of the association would be appreciated.

National Council & National AGM

The next **National Council** will take place on Saturday 30th April 2022 at 9.30am and will be held at the Premier Inn, Trentham Gardens, Stone Road, Stoke-on-Trent ST4 8AX.

The **National AGM** will take place on Saturday 11th June 2022 and will also be held at the Premier Inn, Trentham Gardens, Stone Road, Stoke-on-Trent ST4 8AX (details to follow).

Industry News

Glasgow contractor buys more X Series JCBs

Glasgow-based civils contractor George Leslie has been so impressed with its new JCB X Series excavator that it has ordered two more.



Plant manager Graham Barclay said: “George Leslie has been buying JCB equipment for over 50 years. The new JCB 245XR is performing extremely well and has driven the order for more of these impressive models. Our operators find the machine really smooth to operate, with plenty of digging power, reach and stability, even when working over the side with this reduced tail-swing machine.”

The original model, supplied by dealer Scot JCB, has been put straight to work draining the Mill Glen reservoir in North Ayrshire. It has been fitted with the latest GKD Technologies Series 2 safety control system and is being fuelled with hydrotreated vegetable oil (HVO) for reduced carbon emissions.

“We are looking to lower our CO2 emissions and have been running a trial with HVO fuels on the JCB 245XR with good success - so we will aim to move our entire JCB fleet onto HVO fuels in the future,” said Barclay. “That we can do this without having to make any modifications to the engines is of great benefit on our journey of carbon reduction.”



PotholePro sorts out Stoke

Stoke-on-Trent City Council says that it has completed almost three years of repairs in just over four months thanks to its JCB PotholePro machine.



Stoke-on-Trent reports that it has repaired 10,000 m² of road with the JCB PotholePro in just 130 days. Using traditional methods, this task would have taken 1,040 days, it says – nearly three years.

The milestone 10,000th square metre of road to be fixed was in Finch Place, Brindley Ford, by the city council’s [highways](#) team.

Stoke-on-Trent City Council became the first organisation in the UK to invest in the PotholePro last year, having trialled the technology for several months. JCB says that other UK local authorities across the UK are starting to follow suit and invest in the machine.

Stoke councillor Daniel Jellyman, cabinet member for infrastructure, regeneration and heritage, said: “We are delighted with the success of the JCB PotholePro and the speed at which it is maintaining the city’s road network. To have completed almost three years of work in just over four months is astounding and speaks volumes for this solution over traditional methods. It’s proving so effective across the city that councillors and residents are actively asking for the PotholePro when a highway network issue arises. Put simply, the JCB PotholePro delivers a consistent and permanent repair in a fraction of the time. We are also able to deploy it on a multitude of other tasks and this delivers huge rewards in terms of time saved.”



Blackledge becomes third Fox acquisition

Blackpool-based Fox Brothers – styled as Fox Group now – has acquired Blackledge Plant Hire, based less than 20 miles away near Preston.



Blackledge Plant Hire is Fox’s third local acquisition in less than 18 months as its seeks to position itself as the leading haulage and plant hire specialist in the region.

Established in the 1970s in Bamber Bridge, Blackledge Plant Hire is a second generation, family-run business with 40 machines and 14 trucks.

Fox has made several moves to expand its capacity and reach in recent years. In

September 2020 it took over Clive Hurt (Plant Hire) Limited, based in Leyland. Then in August 2021 it acquired JJ O’Grady, based in Lostock Hall, south of Preston.

Fox Group now boasts a combined fleet of 230 wagons (including two new Volvo FE Electric trucks as of next month) and more than 440 items of plant and machinery, together with more than 530 employees. It turned over £16m in 2020. The group is now heading for £85m turnover for 2022, the directors say.

Managing director Paul Fox said: “This acquisition makes perfect sense for us. Blackledge is a well-run business with great people and has a track record of providing excellent services to a wide range of clients in the local area. It also means that we get a welcome boost to the group’s existing fleet of quality vehicles and plant.”



Used equipment prices almost as high as new

With the price of new construction machinery on the rise, it seems that you can sell young used plant for almost what you paid for it.



A construction machinery auction in Leeds last month revealed huge demand for good used machinery, with certain second-hand machines changing hands for almost their original purchase price.

High residual values were particularly evident for telescopic handlers and mini-excavators.

"The prices achieved for telehandlers and mini-diggers were literally on-fire, with 17 and 18 plate machines making close to new money," said Euro Auctions sales manager Chris Osborne.

The Euro Auction Leeds sales last week put 4,600 lots under the hammer, ranging from brand new to 48 months old.

The four-day sale – online as well as in person – generated a total of nearly £39m. Approximately 60% of buyers were from the UK and the Republic of Ireland – there was strong foreign interest but they were often outbid.

Domestic buyers bought 48% of the lots, by value (£18.89m), with buyers from mainland Europe accounting for a similar percentage (£18.86m total).

Sales manager Chris Osborne said: "Prices were strong, with the same number of lots going over the ramp as in January 2021. However at this sale the hammer was £39m, an increase of over £10m over the January sale in 2021. Clearly bidders were determined to purchase new stock."

He continued: "The prices achieved for telehandlers and mini-diggers were literally on-fire, with 17 and 18 plate machines making close to new money. With good stock on offer in the 2018 to 2021 bracket there were over 123 excavators and 22 telehandlers less than four years old. With OEMs passing three price increases to their dealers over the last 18 months this has had a startling effect on the price of used machinery. There were many gems making very good money, with hot bidding for telehandlers and mini diggers."



Cheshire house-builder falls into administration

Mulbury Homes Limited, a social housing developer based Cheshire, has gone into administration, citing bad debt.



Andrew Knowles and Steve Clancy of Kroll were appointed joint administrators of Mulbury Homes today, 15th February 2022.

On appointment, they have ceased to trade the business as a going concern and made all staff redundant.

Mulbury Homes, founded by Greg Mulligan and Martin Bury, began trading in 2010. It specialises in the procurement and delivery of affordable housing for registered providers.

It currently has more than 1,000 homes under construction, according to its website. Its most recent accounts show that in the year to 31st March 2020, the company turned over £38m and made a pre-tax profit of £12m.

Headquartered in Lymm, the developer employs approximately 40 staff and had recently been struggling with trading and cash flow issues brought on by the pandemic, planning delays and rising costs, the administrators said.

Joint administrator Andrew Knowles said: “The continued difficult trading conditions, rising costs, and financial pressures as a result of bad debt has led to a weakened cashflow position which has led to the appointment of the joint administrators.

“The joint administrators are continuing with their duties following the sale, realising assets, and distributing funds to creditors as well as investigating the financial affairs of the company as part of their statutory duties.”

The Mulbury directors said: “Since we started the business in 2010, Mulbury Homes has worked in partnership with our housing clients to deliver over 2,000 homes across the northwest and we are proud of our record.

“We had a strong pipeline of projects and we were hopeful for the future. However, we have not been immune to the very challenging conditions facing the construction sector brought by the pandemic, planning delays, cost increases and supply chain issues.

“We have been working tirelessly to keep the business going but the current conditions left us with no option but to call in administrators. We would like to thank our staff, clients, supply chain and partners for their support to Mulbury Homes in the last 12 years.”



Second customer for PotholePro

Coventry City Council has become the second local authority to buy JCB's new multi-tool pothole repairing machine.



Coventry City Council has invested in a JCB PotholePro following a trial last summer when it repaired more than 100 sqm of road in just two hours – an area the council says would normally take four days to fix using traditional methods.

First job for the new machine was to repair a stretch of road 40 metres long by one metre wide, in The Hiron, Cheylesmore, Coventry. It took one hour, with a permanent fix, compared to a whole day using established techniques.

The Pothole Pro was launched in January 2021 as an adapted Hydradig wheeled excavator, with tools for cutting and cleaning around potholes. It includes a hydraulic cropping tool, which the previous JCB Pothole Master, a modified 3CX backhoe loader, does not.

Much of 2021 was spent demonstrating the machine to cash-strapped councils.

Stoke-on-Trent City Council was the first local authority to finally buy one in the autumn and has since repaired 10,000 sqm of carriageway with this one machine in just four months. Using traditional methods, this would have taken nearly three years.

Coventry City councillor Richard Brown, cabinet member for finance, said: “This is a solid investment in an impressive machine. It is a game changer and is a great example of how we are using innovation in the way we provide services.”

Councillor Patricia Hetheron, Cabinet Member for City Services at Coventry City Council, added: “Innovations like this are really important. We’ve almost 900 kilometres of road to look after, so anything that can speed up the process of repair and maintenance and save money is a win-win. The highways team are really pleased about the way it is working.”

Nick Beardmore, one of the council’s PotholePro operators, added: “It’s a powerful machine and really does make a massive difference.”



New JCB model makes UK debut

A Scottish plant hirer is the UK's first buyer of JCB's Stage V 150X tracked excavator with triple-articulated boom (TAB).



Ayrshire-based Tom Grant Plant's excavator has also been fitted with a Kinshofer Nox TRF14 tilt-rotator for enhanced productivity and versatility.

Owner Tom Grant said: "We had a JCB 150X HD on demonstration, and the operator and I were both very impressed with its performance. The extra stability and digging capability that comes with this big and powerful machine is second to none."

"We're always looking to offer our customers something extra in order to help them work as safely and efficiently as possible and the 150X HD with the TAB front end and Kinshofer Nox tilt-rotator is a great combination."

The machine, which was supplied by dealer Scot JCB has a Stage V, 4.8-litre JCB DieselMax 448 engine, delivering the same 81kW (108hp) power output as the previous model, but with 516Nm of torque, a rise of 135Nm.



Industry groups ask for one more year of red diesel

With just a week until the chancellor of the exchequer delivers his spring budget and two weeks before construction loses its red diesel tax rebate, construction lobby groups have joined forces in a last ditch plea for a temporary reprieve.



A coalition of 14 construction industry organisations have signed a letter to chancellor Rishi Sunak asking him to let the construction industry continue to use red diesel after 1st April, just for one more year.

Under long-standing plans to phase out government subsidies to fossil fuels, only agriculture, circuses, golf courses and boatyards will be entitled to use the subsidised fuel after 1st April 2022.

The construction coalition uses everything from Covid to Ukraine to justify why the industry should continue to benefit from taxpayer subsidies to the value of 46.81 pence per litre of diesel burned. The pandemic slowed the development of other power solutions and the invasion of Ukraine (along with other events) has caused the price of diesel to spike recently. It reached 179 pence a litre at forecourts this week (which equates to about 132 pence per litre for rebated red diesel).

At the beginning of February 2020, before the pandemic, it was 127 pence at the forecourt, according to RAC Fuel Watch (making red diesel around 80 pence per litre).

Other references suggest that the average price of red diesel has risen from about 58 pence two years ago to 150 pence last week, back down to 143 pence currently.

Chancellor Rishi Sunak is scheduled to deliver his spring budget on Wednesday 23rd March 2022.

Richard Beresford, chief executive of the National Federation of Builders (NFB), said: “The development of electric plant machinery and alternative fuels was hit by Covid-19 lockdowns, so it was already tough to move from red diesel but a 190 percent increase on pre-pandemic fuel prices makes it unbearable for many businesses.

“Unlike the production of energy, the government has direct control over duties and can act immediately to save British businesses from this tax it is imposing on those who worked during lockdown and broadly did not use furlough. If it decides not to act, consumers must be ready for construction costs and house prices to rise, food to get more expensive, businesses to pass higher heating costs on to consumers and millions of jobs to be in the balance. “

Brian Berry, chief executive of the Federation of Master Builders (FMB), said: “Unprecedented global events, not least the consequences of the Russian invasion of Ukraine, make this the worse time to pile yet more financial pressure on small builders with the ending of the red diesel rebate. The FMB fully supports the shift to greener alternatives to diesel for use by the construction sector, but progress towards these has been too slow and ending the rebate now risks the viability of local, community-based builders already hit by 18 months of spiralling product prices.”

Alasdair Reisner, chief executive of the Civil Engineering Contractors Association (CECA), said: “As an industry it is essential that we play our part in removing carbon from our sector, and we support the government policies that have been put in place to achieve this. However, the situation in Ukraine is a game-changer in terms of immediate impacts on our sector. We are now seeing a significant risk to planned projects as rising fuel prices make them unaffordable. We believe that a delay in the implementation of the red diesel rebate removal would give vital breathing space for industry while still maintaining momentum on efforts to eliminate diesel from sites in the longer term.”

Average Red Diesel Prices for the UK (3 Years)



The signatories to the letter asking the chancellor for a 12-month deferral for the removal of the red diesel are:

- Richard Beresford, chief executive of the National Federation of Builders (NFB)
- Brian Berry, chief executive of the Federation of Master Builders (FMB)
- Howard Button, chief executive of the National Federation of Demolition Contractors (NFDC)
- Jane Buxey, chief executive of the Stone Federation of Great Britain
- Peter Douglas, chief executive of the International Powered Access Federation (IPAF)
- Vaughan Hart, managing director of the Scottish Building Federation (SBF)
- David James, director of the Right Fuelcard Company
- Neil Jefferson, managing director of the Home Builders Federation (HBF)
- Callum Mackintosh, president of the Scottish Plant Owners Association (SPOA)
- Kevin Minton, chief executive of the Construction Plant-hire Association (CPA)
- John Newcomb, chief executive of the Builders Merchants Federation (BMF)
- Suzannah Nichol MBE, chief executive of Build UK
- Ken Parkin, chair of Construction Alliance Northeast (CAN)
- Alasdair Reisner, chief executive of the Civil Engineering Contractors Association (CECA)
- Mark Spence, managing director of the Construction Employers Federation (CEF).



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