

Contractors Mechanical Plant Engineers NATIONAL NEWSLETTER

Welcome to another edition of your National Newsletter.

CMPE NEWS

Glasgow Branch

Branch update:-

The Glasgow branch attended a Burns supper recently in Tribute to a long standing supporter of the Glasgow CMPE who had sadly passed away – Ronnie Wilson JP.

Ronnie was a stalwart of the Glasgow CMPE Burns Suppers and delivered many successful and enjoyable nights as I'm sure that guest members from the other CMPE branches will testify.

Ronnie will be sadly missed but his legacy will continue on.

Also in support of local charities the Glasgow CMPE attended another Burns supper at the Airdrie Golf club where the organisers made the Branch very welcome.

The event was very successful and attending guests raised £2,600 for the nominated charities.

The Glasgow Branch extends its thanks to long standing Branch life member – Willie MacFadyen who arranged the table for our members and guests.

The table was hosted sponsored by Versatile Plant.

David Black Glasgow CMPE Chairman



Testimonial:-

Versatile Plant – 37 years young

During March Versatile Plant celebrated its 37 year anniversary – a great achievement in today's climate.

Allan Toal the driving force behind the ongoing success of Versatile Plant was a founder member of the company and has driven it through the trials and tribulations of the last 37 years.

Allan is a well known face and personality in the CMPE arena, particularly for the Glasgow Branch where he as carried out various role of office for the branch but importantly he has ensured that the constitution and the values of the CMPE that were cast at the inception of the CMPE are to this day adhered to.

Allan served his apprenticeship with Shanks & McEwan and moved on not long after he was time served to become Worksop supervisor during the days when the company used to have machines working at the furnaces throughout Britain.

Allan was so highly regarded and sought after that despite house phones not being common place the company installed a land line and phone in his mother's house so he could be called upon at short notice at any time to cover breakdowns quite often in England and Wales.

Allan then moved onto Norwest Holst where he was charged with running their plant Department in Scotland – Key Plant.

After the sale to A Plant Allan along with Derek Phillips set up Versatile and the rest is a 37 year success story.

Allan you are a credit to the industry as your work ethic and determination to succeed, notwithstanding your steadfast approach to integrity, fairness and the CMPE has made you the person you are today.

That being someone to look up to and to learn from.

I'm sure that all members of the CMPE will join me in congratulating you on your milestone – long may it continue.

David Black Glasgow CMPE Chairman

Preston & Fylde Branch

On Friday evening 12th April 2024, Preston & Fylde Branch will be taking a Canal Cruise with entertainment from "Mama Mia - Abba Tribute" with a Fish & Chip supper. This event is always good fun and the branch have booked almost every seat on the barge.



CMPE Annual Subscriptions

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 2024.
- Any member whose subscription has not been paid by 31st May 2024 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 2024 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.

INDUSTRY NEWS

Explore enters rail plant market.

Explore Plant & Transport Solutions has set up a new division to supply rail contractors with road-rail vehicles (RRVs).



Above: One of Explore's new road-rail excavators

Explore Plant & Transport Solutions says that it has invested in "a new high spec and comprehensive fleet of RRVs equipped with cutting-edge technology and sourced from the industry's leading suppliers and converters".

Steve Smith has been appointed head of rail operations and Dave Burns is head of sales and commercial – rail.

Explore Plant & Transport Solutions is a joint venture between Laing O'Rourke's Select Plant Hire subsidiary and WS Transport.

Fox spreads into ports business.

Lancashire muckshifter Fox Group has acquired two northwest ports from Associated British Ports.



Subject to regulatory approvals, newly formed Fox Jackson Ports has taken ownership of the ports in Fleetwood, on the Fylde coast, and Silloth, west of Carlisle.

Blackpool-based Fox has been growing rapidly in recent years. In 2018 it turned over £13m. Since then it has grown to more than £100m through a raft of acquisitions in construction and logistics, from plant hire to stevedoring. Last September it set up an equipment sales

division to sell Chinese earthmoving machinery.

Now the fourth-generation, family-owned business is in the ports business.

Fox Jackson Ports is seen as an extension to the group's Fox Maritime business, set up last year to run stevedoring operations at Glasson Dock, Lancaster. It also offers chartering, brokering and agency services to anyone who wants to move dry bulk cargo by sea, throughout the UK and Europe.

Fox Group chief executive Paul Fox said: "The acquisition of the ports of Fleetwood and Silloth aligns with our long-term vision for sustainable growth as a company and develops our long established and extensive property portfolio.

"We look forward to working closely with local communities, businesses and stakeholders to ensure the continued success and development of these vital ports and the economic development of the northwest."

Fox intends to continue to operate both Fleetwood and Silloth as working ports, handling cargo and providing a service to other maritime customers, including marina users but hopes to add to these activities to grow the business.

Hire companies left hanging over full expensing.

Chancellor Jeremy Hunt has promised a major tax break to plant hire companies – but only "when fiscal conditions allow".



In his spring budget statement today chancellor of the exchequer Jeremy Hunt promised to produce draft legislation within the next few weeks that will extend full expensing to assets for leasing at some later date.

In essence, the Treasury wants to extend full expensing to leasing companies, sees the merit in it, but cannot yet afford to do so.

Full expensing allows companies to write off 100% of the cost of buying plant and machinery, equivalent to a 25% tax saving for capital expenditure. For every million pounds a company invests, it gets £250,000 off its tax bill.

It was introduced on a temporary basis in 2021 when prime minister Rishi Sunak was chancellor. At that time it was labelled the 'super deduction'.

Jeremy Hunt made it a permanent tax break last November in his autumn budget, along with the 50% first-year allowance for special rate assets.

However, it only applies to companies investing in machinery for their own use. For reasons known only to the Treasury, it does not apply to hire companies that lease their machinery to end-users, which is the model for most of the construction industry.

Hunt said in November that the extension of full expensing to assets for leasing would be 'kept under review'.

Recently the Treasury confirmed that "the government will publish draft legislation shortly, and seek to extend full expensing to assets for leasing when fiscal conditions allow". Judging by current opinion polls and with a general election du this year, any change is unlikely to be implemented by a Conservative chancellor.

Brian Jones, president of the Construction Plant-hire Association (CPA), said: "The announcement by the chancellor in today's spring budget, that the government will publish draft legislation to extend full expensing to assets for leasing when fiscal conditions allow, is a positive step. However, it is vital we know what these fiscal conditions are and when they will be met.

"We urgently need a timetable of action for this legislation that sets out when CPA members can invest with confidence in new equipment and boost business investment and productivity. The announcement to freeze fuel duty will be welcomed. With oil prices volatile, and the wider economic outlook still uncertain, this is a positive move."

Komatsu improves the 88.

The PC88MR-11 midi-excavators is Komatsu's latest offering in the sub-9-tonne class.



With an operating weight of 8.7 tonnes, the Komatsu PC88MR-11 is the successor model to the PC88MR-10.

Improvements cited by the manufacturer include up to 7% more productivity (thanks to faster hoist and swing speeds), a 14% increase in levelling speed, 6% less fuel consumption (on average) with its Stage V engine (50.7 kW / 68hp), and a 20mm reduction in transport height with the -11 series cab style.

The PC88MR-11 also has a factory-fitted Lehnhoff Powertilt option.

Other changes include a redesigned blade for better dozing, the repositioning of the low/high gear switch for better ergonomics, or an automatic change-over valve for more comfort when changing attachments.

Komatsu Europe product manager Simone Reddi says: "This is not just a simple model update. The PC88MR-11 introduces several improvements in digging performances and structure. The whole dig-loading cycle is improved, increasing production, giving the feeling of a faster machine. Last but not least, this latest Komatsu midi excavator features the European debut of the brand new EU Stage V Komatsu 2.4 litre engine with KDPF, so no SCR needed."

Pothole plague reaches new peak.

More than half of the local road network in England and Wales could fail in the next 15 years as the amount needed to fix the backlog of repairs reaches a record high of £16.3bn.



The 2024 Annual Local Authority Road Maintenance survey report – ALARM – highlights the scale of the challenge that faces local authority highway teams who don't have the funds to keep our roads in good shape.

Local authorities in England and Wales effectively experienced a real-terms cut due to the impact of rising costs due to inflation, despite average highway maintenance budgets increasing by 2.3%

to £26.4m per authority. In addition, 45% of authorities reported a cut or freeze in their highway maintenance budget, even before inflation is taken into account.

The additional amount local authorities across England and Wales would have needed to maintain their network to their own targets was £1.22bn. This means that the average shortfall in the 2023/24 carriageway budget was £7.2m per authority.

The one-time catch-up cost has increased by 16% to a new record high of £16.3bn and the work to address it would still take a decade to complete. This is the amount needed, as a one-off (at today's prices), to bring the network up to a condition that would allow it to be managed cost-effectively as part of a proactive asset management approach.

The survey found that more than 107,000 miles of local authority roads could need to be rebuilt within the next 15 years while surface conditions have also declined, despite spending nearly £140m filling in two million potholes over the last 12 months.







Government proceeds with £1.5bn road scheme despite poor value

The A66 Northern Trans-Pennine project application has been granted development consent by the secretary of state for transport.

Transport secretary Mark Harper has approved the £1.5bn scheme despite it showing a benefit cost ratio (BCR) of just 0.90. BCR needs to be 1.0 before a project is calculated as giving a positive economic return.

A contracting team of Balfour Beatty, Costain, Keltbray and Kier was selected 18 months ago to work together on widening the remaining single carriageway sections of the A66 between M6 Junction 40 (Penrith) and the A1 at Scotch Corner.

Preparatory archaeological works and utilities diversions are currently taking place along the A66 but despite all planning approvals having now been secured, there is still a way to go until main construction might start. Opponents to the project have a month to lodge legal objections. Once the development consent order (DCO) decision challenge period has concluded in April 2024, the next step will be for government to review and approve the full business case.

Latest estimate for the project - 18 months old now - is £1,490m, including allowances for risk and inflation.

National Highways project director Stewart Jones said: "We are delighted to have received approval and to be able to give the people of Cumbria, County Durham and North Yorkshire some positive news. A lot of hard work has gone into getting us to this position. Now we can push on and deliver this project as efficiently as possible."

Transport for the North (TfN) chief executive Martin Tugwell is also keen to see the diggers mobilised. "This is very welcome news that the people and businesses across Cumbria, Durham, North Yorkshire and the Tees Valley have been calling for over many years," he said. "TfN set out the strategic importance of this scheme at its inquiry and it is good news to see the secretary of state confirm the order.

"Duelling the A66 will deliver vital improvements to east-west connectivity in the north. It will remove bottlenecks along this key corridor, make the road safer and more reliable for everyone who uses it, including the high percentage of freight using the route, and connect our towns and cities to Scotland. It will be one of the biggest investments in the north's road network for a generation and we look forward to continuing to work with National Highways as they deliver this very important piece of national infrastructure."







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