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Inside Front Cover

**68th Annual Report & Accounts of the
Council 2007/2008**

For the year ended 30 June 2008

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President's Appraisal

As your President I am pleased to give my appraisal for the year ended 30th June 2008.

This is now my second year as President after five years as your Chairman. Once again, I would firstly like to thank Bob Collins, the CPA Chairman, and the CPA Council for their support during the year. The CPA continues to be, the leading association in our sector, and its membership and profile continues to grow.

Colin Wood, our Chief Executive, and the excellent CPA Staff, have had another very successful year and I thank them for their efforts. Once again, the membership of the CPA has increased despite rationalisation in the industry. At the year ending 30th June 2008, membership stood at 1571 a net increase of 5.5% over the previous year.

In June this year, John Varcoe retired from the CPA after 23 years of sterling service. He is now spending most of his time on a golf course in Cornwall and I wish to take this opportunity to thank John for his excellent service to our Members over the years. The CPA are pleased to have found an excellent replacement in Kevin Minton, formerly of HAE.

The CPA maintains its profile in the Trade Press. We have also been lobbying the GLA and the Government on issues important to our Members. Despite our success in negotiating block exemptions for road going plant within the London Low Emission Zone (LEZ), we still have an ongoing battle with the GLA regarding their requirement to fit Diesel Particulate Filters to all plant (over 37 kw engines) on designated high profile sites in London. These sites include the Olympic sites. We are currently in dialogue with Boris Johnson, the London Mayor, and Howard Shiplee the Construction Director of the Olympic Delivery Authority and we are still vehemently objecting to this. Our viewpoint, and that of our Members, is simple. If the GLA maintains this unnecessary requirement, then the GLA or its clients should pay the cost of supplying and fitting the filters. The battle goes on.

During the year, the CPA exhibited at the Hire Show Live at Excel, the Executive Hire Show at Coventry and the SED exhibition at Rockingham Speedway, Nr Corby. We had several new Members join as a result of seeing us at the shows.

The CPA continues to represent their Members in two European associations. The CPA is the leading plant rental association in Europe and Colin Wood is currently Vice President, and Treasurer of the European Rental Association (ERA). This association is very active and unusually has associations and companies as members. The aim of the ERA is to promote the rental concept throughout the European Union.

The CPA is represented on all of the key committees, namely EU Affairs (which we chair), General Rental Conditions, Promotion of Rental and shortly we will be involved with the new Plant Theft committee.

The second European Association is ESTA which represents the Mobile Crane and Heavy Transport companies throughout Europe. The CPA, through its Crane Interest Group contributes regularly to this association.

The CPA continues to have an excellent working relationship with ConstructionSkills, formerly CITB. They work closely with our Special Interest Groups supporting on training and grant and levy matters and give financial aid to support our safety publications. They also administer the CPCS scheme which is managed by our industry. CPA has the current Chairman (Trevor Gamble) and four other representatives of CPA on the CPCS Management Committee. CPCS has undergone a major review in an attempt to streamline and improve the efficiency of the scheme. I wish to thank Trevor Gamble for all of his hard work and patience in the revamping of the scheme. I would also like to thank all of our other CPA Members, who represent us on various committees, for their commitment and hard work.

Once again the CPA Special Interest Groups have had another busy year. The Tower Crane Interest Group (TCIG) has continued to work closely with the HSE and the Strategic Forum to compile Best Practice for the Tower Crane Industry. TCIG have completed a Best Practice Guide for the Maintenance, Inspection and Thorough Examination of Tower Cranes, which was launched at SED this year. They have also completed and distributed the Tower Crane Operators Safety Guide.

This vital work continues to take time and money and we are grateful to the Members who give their time and support. I would like to thank the Chairmen and all of the members of the Special Interest Groups for their help and expertise. We list below the publications produced by the CPA and their Special Interest Groups.

Publications - (with CPA involvement) (Year ending 30 June 2008)

- CIG - Safety Guidance on Work at Height
- TCIG - Best Practice Guide on the Safe Use of Top Slew Tower Cranes
- TCIG - Tower Crane Operator's Handbook
- TCIG - Best Practice Guide for the Maintenance, Inspection and Thorough Examination of Tower Cranes

Future Publications - (with CPA involvement) (From 1 July 2008)

- CPA - Best Practice Guide on the Safe Use of Lorry Loaders
- CPA - Draft of a New British Standard for the Safe Use of Lorry Loaders BS 7212 Pt 4
- CHIG - Safety Guidance on Work at Height on Construction Hoists
- CHIG - Best Practice Guide for the Maintenance, Inspection, and Thorough Examination of Construction Hoists
- CIG - Best Practice Guide for the Maintenance, Inspection, and Thorough Examination of Mobile Cranes
- TCIG, CHIG, CIG PAIG and RPA - Safety Guidance on Work at Height when Unloading/Loading Transport

- TCIG Safety Guidance for Tower Crane Access
- TCIG Safety Guidance on Rescue from Height from Tower Cranes
- TCIG - Best Practice Guide for the Safe Climbing of Tower Cranes
- TCIG - Tower Crane Technical Information Notes

Completed Training and Assessment Standards

- NOS - Controlling Lifting Operations NVQ Level 3
- NOS - Supervising Hire and Rental Operations (Equipment, Plant and Tools) NVQ Level 3

Future Training and Assessment Standards

- BCPG - Concrete Pump Placing Booms CPCS category
- Depot Managers Training Course

The Rail Plant Association Limited (RPA)

The RPA is a self governing body within the CPA. Magnus Mildwater took over as Chairman in February and Trevor Bidwell-Ford resigned from the management committee to take up other duties within his company. I wish to thank Trevor Bidwell- Ford for his enthusiastic chairmanship over the last two years during a difficult time for the industry.

As Magnus Mildwater says in his report later in this document, this is a highly regulated and competitive market and the pressure on costs is immense. The RPA continues to support its Members and is contributing to various safety committees within the sector to improve safety and reduce accidents.

Accounts

Later in this report you will find full details of the Association's financial performance. Once again the finances of the CPA remain in a healthy state.

The next year is going to be a difficult year for many, if not all, of our Members. Difficult decisions may have to be taken if the workload continues to retract. Control of cash flow will be vital. Please use the service of the CPA to give you help, advice and support. After all, that is what they are there for.

Finally I wish to thank the Members for their support during the year.

DANNY GRIFFIN - President

Report on Legal Issues, Taxation & Insurance and Industrial Relations

Adjudication

In the last year, there has been a slight decrease in the number of Members who have contacted the CPA to appoint an Adjudicator to resolve a dispute with a customer. This confirms that the CPA Model Conditions generally hold up well with few disputes going to adjudication. However, some disputes do go straight to the Small Claims court for settlement.

Legal Advice

The CPA continues to advise and assist the Membership on their day-to-day issues predominately on: Employment Issues, Road Transport matters, Contractual - particularly the Model Conditions together with the other CPA conditions, Insurance and Taxation matters.

Members also have benefited from the use of the Free CPA Helpline, which has had a steady stream of enquiries.

LEGAL ISSUES

Corporate Manslaughter

Members will recall that the Corporate Manslaughter and Corporate Homicide Act 2007 came into force from the 6th April 2008.

The Act created the new offence of corporate manslaughter in England, Wales and Northern Ireland and the offence of corporate homicide in Scotland. This Act is intended to make it easier for the authorities to prosecute companies and other large organisations where a corporate management failing has led to a death.

As the law previously stood, a company could be convicted of manslaughter, if a "directing mind" of the organisation (that is, a senior individual who could be said to embody the company in his actions and decisions) was guilty of the offence. Only smaller companies with hands-on directors had previously been convicted. It has often proved impossible for this test to be met in the case of large organisations where safety decisions are not taken at Board level and rarely by one individual.

The new offence is directed at organisations, which includes all companies and other corporate bodies operating in the UK, whether incorporated in the UK or abroad. It also covers partnerships, trade unions and employers' associations if they are an employer.

An organisation will be guilty of an offence if the way in which its activities are managed or organised:

- Causes a person's death; and
- Amounts to a gross breach of a relevant duty of care owed by the organisation to the deceased.

For an organisation to be found guilty, the way in which its activities are managed or

organised by its senior management must be a “substantial element” in the gross breach.

A relevant duty of care in relation to an organisation includes a duty owed:

- To its employees or to other persons working for the organisation or performing services for it. This will include an employer's duty to provide a safe system of work for its employees. An organisation may also owe a duty of care to those whose work it is able to control or direct, even though they are not formally employed by it, e.g. sub-contractors.
- As the occupier of premises, organisations have a responsibility to ensure, for example, that buildings they occupy are kept in a safe condition.

For the purposes of the Act, whether a particular organisation owes a duty of care to a particular individual is a question of law.

To be termed a gross breach, the organisation's conduct must fall far below what could reasonably have been expected of the organisation in the circumstances. In determining whether there has been a gross breach of a relevant duty of care, a jury will consider:

- Whether the organisation has failed to comply with Health and Safety guidance relating to the incident. Health and Safety guidance means any code, guidance, manual etc that is concerned with health and safety matters, and is made or issued by an authority responsible for enforcement (such as the Health & Safety Executive).
- The seriousness of the failure.
- How high the risk of death was.
- The extent to which there were attitudes, policies, systems or accepted practices (i.e. its safety culture) in the organisation that were likely to have encouraged or produced tolerance of non-compliance with safety requirements.

Senior management is defined as the persons who play significant roles in:

- Making decisions about how the whole or a substantial part of the organisation's activities are to be managed or organised; or
- The actual managing or organising of the whole or a substantial part of those activities. Persons falling within this category will have their conduct examined to see if corporate managerial or organisational failings substantially contributed to the company's breach of its duty of care. This covers both those in the direct chain of management as well as those in, for example, strategic or regulatory compliance roles.

Companies convicted of corporate manslaughter will be liable to a fine which is unlimited in size. Since the fine may be payable over a period of years, it can have a serious impact on profitability for many years to come, rather than being a single “hit”. This is the same penalty as for breaches of health and safety legislation, although higher fines are anticipated, reflecting the gravity of the new offence.

Courts will have the power to order remedial action to require a convicted organisation to take specific steps to remedy the management failure that led to the fatality. They also have

the power to make publicity orders, requiring companies to publicise details of their conviction and the fine imposed. Such an order has the potential to damage the reputation of an organisation. Publicity orders were not brought into force on the 6th April 2008 but they will be in due course.

Breach of a remedial or publicity order will be an indictable offence and also subject to a fine. The offences only cover organisations. There is no new offence being created where an individual may be guilty. However, directors and managers will continue to be held to account through existing Health and Safety laws with the potential for being guilty as an individual and imprisoned and/or fined for gross negligence manslaughter and culpable homicide in appropriate cases.

The consent of the Director of Public Prosecutions is needed for all prosecutions and is therefore likely to be reserved for only the most serious offenders.

Save for the fact that the new law replaces the existing Corporate Manslaughter legislation, and does not change other existing health and safety law; Prosecutors will be able to add health and safety charges in addition to manslaughter charges on any indictment.

Companies Act 2006

The Companies Act 2006 is being implemented in two stages; the first from the 6th April 2008, and the second on the 1st October 2009, (this was deferred from the 1st October 2008).

Below are the main bullet points of the first stage of the Act.

- The removal of the requirement for private companies to have a Company Secretary
- Any company will be able to execute any document by having it signed by a single Director in the presence of a witness (not necessarily another Director or the Company Secretary, or even a person connected with the company) who also signs.

Provisions relating to company accounts and auditing, include:

- The reduction of periods for filing accounts (six months for public companies, nine months for private companies)
- The requirement for quoted companies to publish report and accounts on websites
- Provisions permitting limitation of auditor liability in certain circumstances

Provisions relating to private and public companies include:

- Private companies who offer shares to the public may be required to re-register as public companies or be wound up
- Public companies must be able to satisfy the £50,000 minimum share capital requirement in an equivalent Euro amount (proposed to be 75,000)
- Rules on distributions, including confirmation of the effects of distributions in kind made at book values

Provisions for arrangements and reconstructions:

- Rules on mergers and divisions of public companies
- Regulations covering the exercise of rights to inspect the register of members, including the reduction from twenty to ten years as the period for which details of former members must be kept on the register and during which claims in relation to entries in the register may be brought

For further information on the Companies Act, Members should visit the Department for Business, Enterprise and Regulatory Reform (BERR) (formerly the DTI) website on: www.berr.gov.uk/bbf/co%2Dact%2D2006/.

WEEE Regulations

There were changes to the Waste Electric and Electronic Equipment (WEEE) Regulations which came into effect from the 1st January 2008.

The changes saw the reclassification of producers reporting on their activities in a more precise way (for instance, by providing evidence of recycling in kilograms instead of tonnes). The amendments came in response to concerns that some recycling projects and compliance schemes could supply inaccurate evidence because of the size of the unit of measure, as well causing delays in recycling if the required tonnage had not been met.

The WEEE (Amendment) Regulations 2007 will:

- tighten the system of issuing evidence of WEEE re-use;
- require evidence to be issued to the nearest kilogramme rather than the nearest tonne;
- provide a right for final holders of household WEEE (such as repair companies) to hand the equipment into a collection point free of charge; and
- extend the February 2008 deadline, for submitting the previous year's compliance evidence, to April 2008.

TAXATION AND INSURANCE

Road Sweepers Agreement

In his Pre-Budget speech on the 6th December 2006, the Chancellor stated that the road construction vehicle category within the Hydrocarbons Act would be deleted with effect from the 1st April 2008. Consequently, the agreement which allowed road sweepers to run on rebated gas oil (red diesel) for up to half a kilometre on the public highway from the site entrance/exit of a road construction site ended on the 31st March 2008.

It is HM Revenue & Custom's (HMRC) continuing aim to ensure that all companies are adhering to the current legislation - Road sweepers can continue to run on rebated gas oil (red diesel) whilst the road sweeper remains on site, (off the public highway), provided that the road sweeper has a confirmed Statutory Off-Road Notice (SORN) from DVLA.

In the event that the road sweeper was run on rebated gas oil during the hire period, then prior to it being driven along the public highway (whether the hire is completed or not), then the engine must be flushed with all traces of red diesel removed, and be replaced with DERV (white diesel) and taxed accordingly.

We were told that HMRC would initially give a warning to any company, should one of their road sweepers be stopped whilst driving along the public highway and found to be running on red diesel; however, if a second road sweeper was stopped in similar circumstances, then HMRC would take action against the company, which could result in the vehicle being impounded / confiscated and a heavy fine being imposed.

Travelling and Subsistence Allowance

Members were informed of the latest increases to the Subsistence Allowance agreed by HM Revenue and Customs. Employees who are away from home overnight would receive a maximum tax-free allowance of £30.58 per night outside the M25, and £36.71 per night inside the M25. These amounts are the maximum an employee may receive tax-free without the employee providing a receipt to their employer.

The mileage allowance for an employee using his own car or van to travel from his home to and from the site remains unchanged, with a maximum tax-free limit of 40p per mile for the first 10,000 miles and 25p per mile after that.

Details of the Travelling and Subsistence tax-free amounts were distributed to the Membership in March of this year. Information is available from the CPA office or on the website.

First Year Allowances / Annual Investment Allowance

The Government issued a Technical Note on the 17th December 2007, regarding the proposed change from First Year Allowances (FYA) to Annual Investment Allowance (AIA) for tax relief on purchases of plant and equipment.

Despite a meeting between the CPA, HM Treasury and HM Revenue & Customs before Christmas and forwarding examples detailing the negative effect these proposals would have on Member's cash-flow; the Government did not alter the proposal or its intended implementation date of April 2008.

The changes from FYA to AIA were incorporated within the 2008 Budget.

Tax Savings for Fleets

There were changes to the company car taxation scheme from the 6th April 2008 with the introduction of the 10% benefit-in-kind tax band.

The new low tax band, a 25% reduction on the current lowest band, applies to new and old cars which have carbon dioxide emissions of 120g/km or less, with a 3% supplement applying to most diesel vehicles.

Under these proposals, cars emitting more than 165g/km of CO₂ could have the tax relief, they

offset from purchasing and leasing over a typical three or four-year fleet cycle, drastically reduced.

By contrast, the rules already state that cars in the sub-120 g/km tax band benefit from 100% capital allowances, helping companies to improve their tax position.

INDUSTRIAL RELATIONS

Working Time Directive and the Opt-Out

On the 10th June 2008 the EU Social Affairs Ministers reached a provisional agreement on the revision of the European Working Time Directive with regard to the Opt-Out.

This agreement has been passed to the European Parliament for their approval, where it is likely to come under scrutiny from those MEPs who were keen to see stronger protection for workers. It is expected that the agreement will see a speedy passage through the European Parliament, as Parliament is expected to rise next year ahead of the parliamentary elections.

The main points of the compromise text regarding the revision of the Working Time Directive are as follows:

- The inactive part of on-call time e.g. time spent at home when the worker is on call, but not performing any duties, will no longer be counted as working time, unless otherwise provided by collective agreement or national legislation but also shall not count towards the calculation of rest periods.
- Compensatory rest granted to a worker who works longer hours may be taken “within a reasonable period”, determined by national legislation, convention or social partner agreement, and not immediately.
- The right to an individual opt-out, allowing workers to exceed an average of 48 hours per week remains, but restrictions to prevent abuse have been tightened. For example:
 - the opt-out will have to be renewed on an annual basis;
 - workers who refuse to sign the opt-out form cannot be penalized;
 - opt-out agreements signed within four weeks of the employment relationship commencing are null and void;
 - workers are entitled to withdraw their signature either with immediate effect if within six months or with two months advance notice.

Even opted-out workers are not allowed to work more than 60 hours per week (averaged over a three-month period) unless otherwise provided in a collective agreement or agreement by social partners [trade unions and organisations representing employers].

If on-call time is considered as working time in full, (by collective agreement or national legislation) the maximum weekly limit can rise to 65 hours, calculated on an average over 3 months.

- Short term contracts - under 10 weeks - are exempt from these provisions which mean that workers on such contracts can agree to work up to 78 hours per week.

- An employer must, in consultation with the social partners, inform workers in due time of any changes to the organisation's working time. Member States are requested, in accordance with national practices, to encourage employers to examine requests for changes in working hours and patterns, subject to business needs and both employers' and workers' need for flexibility.

The recent change in the EU Presidency (from Slovenia to France) on the 1st July 2008 and the fact that these proposals remain subject to the approval of the European Parliament, mean that their adoption is by no means a foregone conclusion. However, if implemented, the UK has some flexibility in terms of how the terms are implemented, and will have a two year window to do so. Therefore any changes are unlikely to take effect before 2010.

The Directive, if approved by the European Parliament, and the implementation and use of the opt-out clause in particular, will be reviewed four years after the implementation of the Directive but no specific mention is made of the eventual phasing out of the opt-out.

Temporary and Agency Workers Directive

In June 2008 the Government agreed a deal between unions and employers that will entitle Temporary and Agency workers the same basic working and employment conditions as the client's own workers after 12 weeks in employment with any company.

The other points in the Directive are:

- Member states will have to take steps to improve temporary agency workers' access to training and to childcare facilities within the agency in order to enhance the worker's career development and employability.
- The Member State will also have to take steps to improve the temporary workers access to training provided by end-user clients.
- Agency workers must be told of vacancies in the client's undertaking so that they have the opportunity of finding permanent employment.
- There may be a possibility to derogate from this through collective agreements and through agreements between social partners [trade unions and organisations representing employers] at national level.

It is likely that this legislation will come into effect until the 1st April 2009.

Amendments To Sex Discrimination Act 1975

Amending Regulations to the Sex Discrimination Act 1975 (SDA) dealing with pregnancy and maternity leave discrimination and with harassment came into effect from the 6th April 2008.

The SDA was amended to implement fully the European Equal Treatment Directive. The changes extend the definition of harassment; impose a duty on employers to stop repeated harassment of employees by third parties (such as customers and suppliers) and remove the need for a comparator in claims of discrimination on grounds of pregnancy or maternity leave.

In addition, for women whose expected week of childbirth is on or after the 5th October 2008,

the current distinction between the types of discrimination claim a woman can bring in respect of periods of ordinary and additional maternity leave will be removed.

The four main amendments to the SDA are:

- Widen the protection given by the harassment provisions so that discrimination "related to sex" is prohibited. Currently the prohibition only extends to discrimination "on grounds of the victim's sex", which is narrower. An example of a situation which would be covered by the new definition but not the old is where a male manager follows a woman into the ladies toilets. That would be conduct related to sex but might not be conduct on grounds of sex (if, for example, the reason for the manager following her into the toilet was to shout at her). The new definition will also mean, for example, that protection could be extended to cases where a woman is offended by conduct not directed at her but at someone else (who could be a man) but which she finds offensive.
- Introduce an obligation on employers to stop repetitive harassment by third parties, such as customers or suppliers. Employers will be liable where they know an employee has been harassed by a third party on at least two occasions (although it does not have to be the same third party on each occasion) and they cannot show that they took all reasonably practicable steps to prevent further harassment.
- Remove the requirement for a comparator in claims of discrimination on grounds of pregnancy or maternity leave
- Make it clear, following European case law, that for the purpose of calculating discretionary bonuses, any period spent on compulsory maternity leave (i.e. the period of two weeks immediately following the birth) must be included as though the employee had been in work. Note that the provisions of the Equal Pay Act 1970 covering contractual bonuses already make this clear.

So, essentially, the changes mean that employers will have to be more aware of whether their employees are being harassed or offended by third parties and staff on maternity leave will have more rights.

Illegal Workers

New measures to tighten up on the employment of illegal workers came into effect from February 2008. The new system, administered by the Border and Immigration Agency (BIA), will make it easier for employers to carry out the necessary checks when employing workers from abroad.

Higher civil penalties will be imposed on employers who negligently hire illegal workers, with a maximum fine of £10,000 for each illegal worker employed. If employers are found to have knowingly hired illegal workers they could incur an unlimited fine and be sent to prison.

Workplace consultation

The final phase of the Information and Consultation Regulations came into force from the 6th April 2008; those companies who employ between 50 and 100 staff will be required to consult with employees on industrial relation issues.

Minimum Holiday Entitlement

From the 1st October 2007, the Government increased the minimum annual leave entitlement for UK workers from 20 days per year to 28 days per year (including all eight Bank and Public Holidays).

The increase is proposed to be implemented in two stages, rising from 20 to 24 days on the 1st October 2007, and from 24 to 28 days on the 1st April 2009.

National Minimum Wage

The Government increased the national minimum wage for adults from £5.35 to £5.52 on the 1st October 2007.

The Youth Development Rate (for those aged 18 to 21) was increased to £4.60 per hour and the minimum wage for 16 - 17 year olds increased to £3.40 per hour.

The Rail Plant Association Ltd

Another day another dollar? Or not as the case maybe? The supply of specialist plant and equipment to the railway remains a highly regulated and competitive market. The pressure on costs is immense. The contractors answering to Network Rail are leaning on the hirers to drive prices downwards. And yet the price of metal and fuel are on the rise.

Our margins are getting smaller and consequently the structure of the sector is changing. Some companies have "gone to the wall" and some have been stripped of assets and sold. The protocols for working on the railway have become more bureaucratic and expensive to comply with, yet the safety performance of the plant has not risen. In fact, as an industry we have suffered some fatalities and horrendous incidents. As a general principle these have occurred where the interface between man and machine have been abused, often through misuse of the equipment.

Despite all of the above, the RPA is recognised as a driving force within the Rail sector. Our expertise is respected and called upon to solve problems that face Network Rail and its army of specialist contractors every day. For this reason we must continue! We as the RPA may be shrinking in the number of members, but all that means is the remaining companies must do more. We must strive to eliminate infringements of safety that can be deadly and yet still remain as the most productive answer to the railways engineering requirements.

The RPA Show will return in 2009 as a feature for everyone involved in Railway Projects and Maintenance. The Plant at the show will be the latest in versatility and productivity. In an industry where budgets are King it is refreshing to see innovation still strong. If you have never been to the RPA show, and even if you do not work in the Railway, come to the show! You may find plant and people that could improve your worksites' production in any sector. If your company has a product or service that could benefit the Railway, then contact the RPA to discuss how the RPA Show could promote your idea.

MAGNUS MILDWATER - RPA Chairman

Report on Special Interest Groups

Introduction

The objective of the Special Interest Groups (SIGs) is to create a forum for specialist plant and tool hire companies that have different needs to that of general plant hire. The Association ensures that the work of these Groups aligns with the generic objectives of the CPA. The Groups discuss and work towards overcoming common problems peculiar to the specialist fields of hire and to raise the awareness of the CPA staff to those problems.

Each Group operates through a Steering Committee that meets regularly and holds Open Meetings for all members within the Groups to attend, where the Steering Committees report on the progress of projects and receives directions and ideas for future work.

The value of the Special Interest Groups is their flexibility and responsiveness in being able to deal with specific issues relative to current business affairs.

British Concrete Pumping Group (BCPG)

In the past 12 months the Group made a request to the Construction Plant Competence Scheme (CPCS) Management Committee that "Placing Booms" be included as a category within the CPCS scheme. The CPCS Management Committee agreed that "Placing Booms" should be a category within the scheme; however the category would not be included until the review of the CPCS scheme has been completed. An Ad Hoc Working Group was formed to compile the syllabus and work would commence on the completion of the CPCS review.

The Group has concerns that the Greater London Authority (GLA) wants most diesel engined construction plant operating on designated high profile sites to be fitted with diesel particulate filters. On behalf of all of the Groups the CPA has been lobbying the GLA and has so far managed to delay the date of implementation. The GLA are pressing for the fitment of these filters to all plant with a diesel engine above 37kW (50bhp) well in advance of the EU requirements. These filters are generally ineffective on red diesel and the GLA are lobbying the Treasury for on site plant to move to low sulphur diesel. The European directive itself requires engine manufacturers to design and produce engines (Stage IIIb) with further reduced emissions by 2011.

David Pochin of Pochin Concrete Pumps in Middlewich continues as Chairman of BCPG.

British Road Sweepers Group (BRSG)

No issues have affected this Special Interest Group during the year and therefore there has been no activity.

Construction Hoist Interest Group (CHIG)

Gordon Gedling of Hoist-It-Services Ltd based in Wigan continues as Chairman of CHIG and maintains his enthusiastic leadership of this Special Interest Group. CHIG has held one Steering Committee meeting and one Open Meeting during the last year.

The Group has had another productive year in setting up a project for an NVQ assessment standard for hoist installers with the CITB Occupational Working Group (OWG). The approval process has been completed. The Chairman of the OWG has formally written to Awarding Bodies inviting them to take up the offer of the qualification, which is based on National Occupational Standards.

Work at Height is a concern to the Hoist Group and they have been actively involved in attending Working Group meetings to produce Best Practice Guidance to minimise the risk when Unloading/Loading of Transport.

They have also had concerns on working at height regarding erecting, alteration, maintenance and dismantling and have set up a Working Group to address the problems. The aim of the Working Group is to compile Best Practice Guidance on Rescue/Work at Height on Construction Hoists. The final draft has been compiled and is awaiting HSE endorsement. The Guidance is to be launched at the end of 2008.

Some members of CHIG have encountered problems regarding hoists being secured to scaffolding. Some contractors have insisted that the hoist must be tied to buildings and not to the scaffold. Understandably, this is causing problems as hoists can be tied to scaffolding providing that the scaffold has been designed to take the weight of the hoist. This issue is still being clarified with the National Access and Scaffolding Confederation (NASC).

Crane Interest Group (CIG)

At the February 2008 Steering Committee meeting Bill Frost, of Bronzeshield, was elected as the new Chairman, taking over from Geoffrey Marsh who was thanked for his good works over the last two years.

Issues covered at the February meeting included the following:

- The de-regulation of training under the revised CPCS scheme.
- Clarification on the issue of hybrid operations, i.e. those which fell somewhere between a straight rental and a contract lift, took place, with advice from the HSE.
- Progress on the revision of BS7121 Part 4 Lorry Loaders.
- Maintenance and Thorough Examination of Cranes
- First Year tax allowances (Tax changes due April 2008)
- Update on the GLA London Best Practice Guide involving the requirement for Diesel Particulate Filters to be fitted to cranes.

The Open meeting was held on Tuesday the 23rd September 2008 at Hockley Heath, Warwicks. (Information not available at the time of writing this report)

Powered Access Interest Group (PAIG)

The Powered Access Interest group, which is a joint Group of both CPA and IPAF members, has met regularly over the past year under the Chairmanship of Austin Baker (AFI Uplift Ltd). Peter Jones of Nationwide Access took over the Chairmanship in February 2008.

The Steering Committee places maintenance and servicing problems as a regular item on their agenda. During the past year manufacturers have become willing to share and supply information on potential machine problems in their ranges. Representatives from both IPAF and PAIG have regularly attended meetings with the Manufacturers Technical Committee (MTC) during the past year. It has recommended to all manufacturer members that their maintenance manuals should give information on permissible wear of critical components, although there was no formal agreement as to which format such information should be given in. Those representatives have been able to discuss the problems that relate directly to hirer's equipment which has been welcomed by the manufacturers.

The MTC sub-group was formed to investigate the frequency and causes of why operators have been killed in a boom type MEWP due to being pinned between the controls and overhead obstructions. During the last twelve months the MTC sub-group has been informed of cases where this has happened. Some manufacturer's have made modifications to boom type MEWP's to prevent this from happening. Industry has been working with manufacturer's and will continue to do so until the problem is rectified. The HSE has recognised the problem of crushing within a number of different industries and further investigations are on-going.

The Group has expressed concerns about the number of incidents of drivers falling from the back of vehicles when loading/unloading. IPAF has produced a training course for the loading/unloading of machines from transport; however, they feel it is the responsibility of the vehicle body manufacturers to come up with solutions to help prevent personnel falls from vehicles. The CPA have been working on guidance on loading/unloading transport with other Interest Groups which will be published in the Autumn of 2008, in conjunction with the HSE's campaign on Falls from Height.

The industry has had growing concerns over the difference between machine familiarisation and training. PAIG issued a statement about the importance of keeping the distinction between familiarisation and training clear, the legal requirement of the training and any subsequent familiarisation being the responsibility of the employer of the operator. Further discussions between HSE and PAIG are ongoing to clarify this issue.

Representatives from PAIG have been attending meetings on the revision of EN280. There was a new requirement for the use of cableless controls which would be based around the crane standards. Additional requirements on noise, emergency override of platform controls, electro magnetic compatibility, and emergency rescue from height were being incorporated into the draft. There are to be a further two meetings of the EN280 Working Group before the draft revision is available for public comment in late 2008.

Truck mounted Access platforms have been exempted from the requirements of the London Low Emission Zone (LEZ) after extensive negotiations by the CPA. However, van mounted platforms do come under the regime as they run on white diesel and are deemed to be goods carrying vehicles.

Shoring Technology Interest Group (STIG)

The Shoring Technology Interest Group has met regularly over the past year. Chaired by Tony Gould (Vp plc (Groundforce Shorco)), both the Steering and Technical Committees have had productive meetings.

The Technical Committee is in the process of revising all the publications that have been produced by STIG. They are currently completing the amendments and compiling revised guidance. However, due to the complexity of the work required, the revisions will not be completed until late 2008. Once the revision to the guidance is finished it will be submitted to the HSE for their endorsement.

A 3-day training course has been developed for the Shoring Industry by CITB-ConstructionSkills and has been well attended over the past year with over 280 Adults and Youth Trainees being trained at the National Construction College at Bircham Newton.

On a recommendation from the Group, the National Construction College (NCC) has been tasked with compiling an Advanced Shoring Course and an Inspection Course for Shoring Equipment. This has been welcomed by the NCC and a feasibility study is being carried out into the costing and training time.

Tower Crane Interest Group (TCIG)

TCIG continued with another busy and productive year under the chairmanship of Paul Phillips. Syd Appleyard of Select Plant Hire Co Ltd took over the chairmanship of TCIG in February 2008. TCIG held two Steering Committee meetings and an Open Meeting, but the bulk of the practical workload remains in the hands of the Ad Hoc Working Groups. These Working Groups have met several times during the year.

Work at Height (Unloading/Loading Transport):

Work at Height came into force on 6th April 2005, which, similar to LOLER, intended to bring various parts of legislation under one heading. The CPA formed a Working Group to examine the proportionality of risk to the expenditure of minimising or eliminating that risk. Other CPA Groups are also affected by this legislation including the Crane Interest Group (CIG), Construction Hoist Interest Group (CHIG), Powered Access Interest Group (PAIG) and the Rail Pant Association (RPA).

Work in any place from which a person could fall a distance and cause personal injury must be reduced and the aim in producing the guidance is to minimise the risk when unloading and loading transport. Both the HSE and the Construction Confederation (CC) are supporting the Best Practice Guidance being produced by the Working Group.

In the wake of recent Tower Crane accidents the Group has held a series of meetings with HSE and the Strategic Forum. The aim of the meetings was to discuss the production of the CPA Best Practice Guide on the Maintenance, Inspection and Thorough Examination of Tower Cranes. A Working Group was formed consisting of representatives from CPA, HSE, National Construction College (NCC) and SAFED to produce the guidance. The guide has been completed and was launched during the SED show in May 2008 via a series of workshops.

The Group have been working with the Strategic Forum for Construction (SFfC) Tower Crane Group. The Group (SFfC) was chaired by John Spanswick Group Chairman of Bovis Lend Lease. With representation from the CPA TCIG, Construction Confederation (CC), HSE, the Major Contractors Group (MCG), National Construction College (NCC), Battersea Crane Disaster Action Group (BCDAC), Safety Assessment Federation (SAFED), United Crane Operator's Association (UCOA). From the initial meeting an Action Plan was devised with 7 agreed key objectives.

- Specific Site Inductions
- Individual Competency Standards
- Thorough Examination and Maintenance Regimes
- Operators Working Conditions
- Improve Communications on Site
- Information Sharing
- Improved Communication to the Public

TCIG members have been working with the other organisations and are in the process of compiling guidance on the key objectives. The guidance will be available in September 2008.

Work was completed in December 2007 on the Best Practice Guide for the 'Safe Use of Top Slew Tower Cranes' and it is now available as a free download from the CPA website (www.cpa.uk.net). The Guide has been endorsed by the HSE.

Work on the 'Tower Crane Operators Handbook' has also now been completed. The Guide has been endorsed by the HSE and was published in February 2008 and is also available from the CPA website (www.cpa.uk.net).

The Group has been working on updating and producing new Technical Information Notes (TINs). The updated TINs are available on the CPA website (www.cpa.uk.net).

Report on Training Issues

Construction Plant Competence Scheme (CPCS)

The Construction Plant Competence Scheme (CPCS) has been operating for 5 years. The CPCS Management Committee has addressed many ongoing problems during this time.

The Construction Plant Competence Scheme (CPCS) provides a single skills card for the plant sector of the Construction Industry. It was launched in 2003, since then 280,000 cards have been issued across 60 categories of plant and machinery.

A review was started in 2007 with the remit of ensuring that the Scheme met industry's requirements, with robust standards that could be independently assessed, whilst being simple to understand.

The proposed model was presented to Industry during the summer of 2007 with the remit of ensuring the Scheme met industry's requirements. The purpose was to improve the scheme, make it simpler to understand whilst maintaining the strong standards that had been defined in 2003.

The revised Scheme would be supported by a new core element, the CPCS Technical Test which would be delivered by CPCS testers at CPCS test centres. The Technical Test would be a way of ensuring an independent assessment of an individual's operating ability and underpinning knowledge of the plant or machinery.

The revised scheme was launched on 1st August 2008.

The CPA representatives have a substantial role on this committee with Trevor Gamble (Ramble Containers Ltd) as Chairman, and Bob Collins (Stokey Plant Hire Ltd), Bill Law (AGD Equipment Ltd), Ian Fisher (Ainscough Crane Hire Ltd) and Haydn Steele (CPA Safety & Training Manager) as CPA representatives on the Management Committee. CITB-ConstructionSkills are the appointed Managers and Developers of the Scheme.

Construction Industry Training Board (now renamed ConstructionSkills)

ConstructionSkills and the CPA have maintained their close working relationship during the last 12 months. The CPA has been working closely with the Training and Qualification department, the National Plant Specialist team, CPCS Product Development Department and the Management & Supervisory development Programme. During the last 12 months, the CPA and the CPCS Product Development Manager have been working extremely hard to produce new National Occupational Standards for existing categories within the CPCS scheme.

CPA continues to be represented on many ConstructionSkills Committees, including the Main Board (Trevor Gamble of Ramble Containers Ltd), the Training Committee (Trevor Gamble of Ramble Containers Ltd and Christine Hardy of Hewden), the Grants and Levy Working Party (David Simmons of Sinbad Plant Ltd), the Health Safety and Environment Committee (Tom Corrigan of Hewden and Haydn Steele, CPA Safety and Training Manager), the Health and Safety Test Question Sub-Committee, chaired by Haydn Steele (CPA Safety and Training

Manager and Gary Fisher of Kier Plant Ltd) and the CPCS Management Committee (Trevor Gamble, Bob Collins, Bill Law, Ian Fisher and Haydn Steele).

The CPA is grateful for the support from ConstructionSkills, both financially but, in particular, the support of their excellent management team.

City and Guilds of London Institute (CGLI)

The CGLI and ConstructionSkills are the two halves of the NVQ “Joint awarding Body” for NVQ levels 1 to 3 qualifications for plant mechanics and plant operators. The association is a Corporate Member of the Institute and has the opportunity to be represented at the annual general meeting to elect Members to the governing body.

The Association's past president Bill Law (AGD) is the nominated CPA representative and John Varcoe (CPA Staff) is the CPA representative on the National advisory Committee on Vehicle and Plant Engineering and is an Honorary member of the CGLI. John Varcoe retired in June 2008 and will be replaced on the committee.

Report on Health, Safety and the Environment

Quick Hitches

Following four fatalities involving semi-automatic quick hitches in less than twelve months, the HSE took a number of steps to reduce the risk of recurrence. All of the fatalities had been caused by operators failing to insert the safety pin. In September 2007, at CPA's request HSE re-issued their guidance “Safe use of quick hitch devices on excavators” and included information to the effect that quick hitches must be inspected and thoroughly examined as required by LOLER.

The BSI Committee concerned with Earthmoving Machinery met in December at the HSE's request to discuss quick hitches, and to propose changes to the BSEN 474 series of standards that could be put before the relevant European Standards committee. The CPA circulated the proposals to a panel of members, and these comments were sent to the HSE and BSI.

However, the European standards body were unable to agree on words which would be sufficiently effective, and which were acceptable to all, within the time frame that HSE wanted. HSE therefore initiated the “Safeguard” action under European law, which would allow them to prohibit future supply of the problematic hitches even though they are in accordance with the standard.

The Safeguard action is a slow process - it needs to be done in conjunction with another UK government department (BERR) and needs to be considered and approved by various European Commission bodies before it is effective. HSE therefore requested manufacturers to voluntarily cease supply of semi-automatic quick hitches into the UK, with a possible final supply date of 1st October 2008.

HSE re-iterated that they had no intention of banning supply by hire of existing quick hitches, or their use generally. CPA has met with HSE to discuss and agree the ability of hire

companies to continue to supply semi-automatic quick hitches on hire machines. CPA is writing guidance for hire companies on this subject, and a warning label to go inside excavator cabs will be made available.

Work will continue at European and international level to amend the European standard so that it addresses problems caused by foreseeable operator misuse. CPA will be represented on UK working committees through our involvement with BSI, and can also maintain representation at European level through involvement with the European Rental Association.

GLA's Best Practice Guide on Emissions from Construction Sites

The Greater London Authority had been working since 2005 on introducing controls on exhaust emissions from diesel engined construction equipment. The resulting Best Practice Guide on Emissions from Construction Sites had been developed without full and proper consultation or agreement from the plant hire industry or equipment manufacturers, and CPA has continuously campaigned for a sensible and practicable approach to the subject which all parties could agree to.

A GLA Technical Advisory Committee meeting was held in September to discuss the “Eligible Equipment List”, which had been agreed earlier as a pragmatic approach to identifying which equipment the Best Practice Guide could apply to. However, little was achieved in moving the list forward. A second meeting, planned by GLA to take place in January, was cancelled by them at short notice, and it was not until April 2008 that a meeting took place.

At that meeting, it was announced by the GLA that they had abandoned the idea of the Eligible Equipment List. All plant with non-road engines over 37 kW would now have to retrofit DPFs and there would be no exemptions. Engines must also meet either Stage II or Stage IIIA emission standards.

During this time, CPA had pressed GLA to make the scheme more practicable, and won one concession. GLA will allow plant to be delivered to DPF sites with standard red diesel in their tanks. Once this runs out, the machines must then be refuelled with Ultra low sulphur diesel that would be required to achieve the desired emissions standards.

The CPA drew up proposals for a “DPF Sign-off Certificate” which was submitted to the GLA at the April meeting. The Energy Savings Trust had also worked on a version of the certificate with GLA, which was ultimately the version accepted by GLA.

Warranty issues have remained a concern for CPA members that has not been fully addressed by GLA or DPF manufacturers. If the engine is still in warranty and the fitting of the DPF is proved to be the cause of engine failure then the DPF suppliers have stated that their warranty scheme or product liability insurance would take effect. It is the view of the GLA and EST that it is highly unlikely that a DPF supplier will obtain a “letter of non-objection” from the engine manufacturer. Although GLA have followed the DPF manufacturers' advice that warranty issues would not cause any loss to the machine owner, little tangible evidence of this has been produced, and the issue is not yet resolved to CPA's satisfaction.

CPA has proposed that a database should be hosted by the Association, which would list machines by make and model which have successfully fitted a DPF. It would also list those

machines that CPA members found could not be fitted with DPFs. This would prevent the duplication of effort of members when they are approaching DPF suppliers. The database could also show information about availability of DPF- fitted machines from members.

In addition to constant contact with GLA's air quality policy advisers, CPA wrote in June to Boris Johnson, the recently elected Mayor of London, to advise him of our concern about the cost and practicality of the guide, and the difficulty CPA was having in discussing the outstanding issues with GLA. No reply had been received by the end of June, and no new meeting had been agreed by GLA.

A CPA survey of members in the London and South East area was conducted in April. The survey once again showed that there was no company retro-fitting DPFs in preparation for the London BPG being implemented. Furthermore, not one company said that they were interested in supplying plant to the affected high profile sites in London unless the full cost of fitting an approved DPF was met by the client, and there were no machine technical or warranty issues.

The Environmental Industries Commission (EIC), which is the representative body of DPF suppliers and manufacturers, had proposed to Government that other local authorities should adopt the requirements for DPFs on plant, following the standards set by the London BPG. CPA responded to this by writing to John Fitzpatrick, the Minister at the Department for Transport, informing him of the construction industry's opposition to DPFs and offering to meet him to explain our concerns in more detail.

London Low Emission Zone (LEZ)

The London LEZ, which came into force in two stages in early 2008, applies to on-road vehicles including all mobile plant categories that use the roads. However, all vehicles “designed and built for mainly off-road use which use the road for limited purposes” are exempted from the LEZ.

At a meeting with Transport for London, the CPA agreed a list of plant that would come within the above definition. This agreement required their on-line “compliance checker” on their website to be updated which was completed in September.

Members had reported that some lorries over 12 tonnes could not be retro-fitted with DPFs in time for the February start date, due to manufacturing problems involving shortages of raw materials.

The CPA alerted Transport for London who responded quickly, and announced a relaxation to their rules that will give companies more time and more flexibility to get their vehicles retro-fitted with diesel particulate filters. A CPA “Important Notice” was issued to all members in January 2008 to this effect.

CONIAC

“CONIAC” is the Construction Industry Advisory Committee. It had been formed as a sub-committee of the Health and Safety Commission, and will be re-constituted in 2009 following the merger of the HSC and HSE. CONIAC has five sub-groups, including the Safety Working Group. CPA now has membership of this sub-group, and has contributed to discussions on Cranes, Quick Hitches, Fatal Accidents and Major Accident Potential.

Parliamentary Select Committee

In April, the Parliamentary Select Committee for Work and Pensions reported their findings from their regular review of the work of the Health and Safety Executive. The report contained a recommendation for a national register of tower cranes, and of other plant. Along with most of the industry and most informed observers, CPA opposed this proposal as unnecessary and unhelpful, and discussed the issue with Lord McKenzie, the minister responsible for the HSE. This was followed up by a letter from the Chief Executive outlining CPA's reasons for opposition to national registers. This proposal to create a national register was subsequently rejected by the Government.

Highways agency - Abnormal Loads

CPA is a member of the Highways Agency's Abnormal Loads Industry Liaison Group. One subject under discussion has been that of moving abnormal loads at night time. The Highways Agency has considered this as a way of reducing traffic congestion, and helping them meet their Public Sector Funding Agreement targets. Highways Agency's research showed that single lane loads - such as mobile cranes - have little aggregate impact on congestion, when compared with two-lane loads.

Although Highways Agency may take steps to encourage very wide and slow loads to move only at night, at no time has any significant consideration been given to moving single lane loads to night time. However, CPA will continue to monitor this project.

ERA EU Affairs Committee

CPA holds the Chairmanship of the EU Affairs Committee, one of four committees which form the mainstay of the activity of the European Rental Association (ERA). The Committee acts as the lobbying and public affairs forum for the ERA, and has worked on in-service inspection of work equipment, on a comparison of training and competency requirements for plant operators across Europe, and on encouraging manufacturers to cooperate in the production of safety leaflets for tools and small equipment. The results of the work on in-service inspection were submitted to the European Commission, together with advice and opinion on the application of the Machinery Directive to hired equipment.

The Committee has also worked closely with FIEC, the European construction contractors' organisation, concerning unique research on training and competency requirements, which CPA had been closely involved in.

The Committee has also considered a number of policy initiatives proposed by CECE, the European construction equipment manufacturers' confederation, and supported those which are beneficial to the hire industry.

Report on Membership Issues

Consolidation in the construction industry will always have an effect on membership numbers. However, many new applicants continue to fulfil the membership criteria and are admitted into the Association.

The total number of companies in full membership as at 30 June 2008 stood at 1571 (in 2007 this figure was 1489). This is a net increase of 82 members.

**THE CONSTRUCTION PLANT-HIRE ASSOCIATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

**KEMPTON EMSDEN & CO.
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS
34, NAPIER ROAD,
BROMLEY,
KENT. BR2 9JA**

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The Construction Plant-hire Association
Statement of Council Members' Responsibilities
For the year ended 30 June 2008

The Council Members are responsible for the Financial Statements prepared for each financial year. These Statements must give a true and fair view of the state of affairs of the Association and of the income and expenditure of the Association for the respective period; in the preparation of these Financial Statements, the Council Members are required to:

- select suitable accounting policies for application to the Financial Statements
- approve estimates and make judgements that are reasonable and prudent, and
- ensure that the financial Statements are prepared on a going concern basis.

The Council Members are also responsible for:

- ensuring that accounting records are maintained in respect of its transactions, assets, and liabilities, and for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities; and
- preparing budgeted income and expenditure statements prior to each new financial year

The Association's Chief Executive and Secretary has a duty to Council Members to keep them fully advised and to provide sufficient information to satisfy those requirements stated above and to act upon the requirements and information in the management of the Construction Plant-hire Association.

**Report of the Auditors
To the Members of
The Construction Plant-hire Association
For the year ended 30 June 2008**

We have audited the Financial Statements on pages 29 to 34 which have been prepared under the historical cost convention and the accounting policies on page 31.

Respective responsibilities of Council Members and Auditors

As described on page 27, the Members of the Association's Council are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures relevant in the Financial Statements. It also includes an assessment of the significant estimates and judgements made by the Association's Council Members in the preparation of the Financial Statements, and of whether the accounting policies are appropriate to the Association's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of the information in the Financial Statements.

Opinion

In our opinion, the Financial Statements give a true and fair view of the state of the affairs of the Association as at the 30 June 2008.

**Kempton Emsden & Co.
Registered Auditors
Chartered Accountants
34, Napier Road,
Bromley, Kent. BR2 9JA**

Dated 14th October 2008

The Construction Plant-hire Association
BALANCE SHEET
AS AT 30 JUNE 2008

	Notes	2008		2007	
		£	£	£	£
Tangible Fixed Assets	3		816,306		819,147
Current Assets					
Stock			8,980		14,533
Debtors and prepayments	4		38,063		39,301
Cash at bank and in hand			797,899		540,578
			<u>844,942</u>		<u>594,412</u>
Current Liabilities					
Creditors and accrued charges	5		159,739		102,403
Entrance deposits	6		127,865		119,590
			<u>287,604</u>		<u>221,993</u>
Net Current Assets			557,338		372,419
Net Assets			<u>£1,373,644</u>		<u>£1,191,566</u>
Financed by:					
Reserves	7		<u>£1,373,644</u>		<u>£1,191,566</u>

THESE ACCOUNTS WERE APPROVED BY THE COUNCIL ON 14th OCTOBER 2008

Chief Executive _____

President _____

Chairman _____

The Construction Plant-hire Association
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 June 2008

	Notes	2008		2007	
		£	£	£	£
Income:					
Subscription income			901,336		846,021
Entrance fees			7,750		6,600
			<hr/>		<hr/>
			909,086		852,621
 Other Income net of Expenditure					
Surplus / loss sales of publications		11,082		(1,668)	
Royalties		-		350	
Entrance deposits forfeited		6,925		8,300	
Investment income receivable (gross)		40,472		23,977	
Miscellaneous income		295		1,434	
			<hr/>		<hr/>
			58,774		32,393
			<hr/>		<hr/>
			967,860		885,014
 Expenditure:					
Rates		15,498		14,852	
Cleaning		6,157		5,954	
Maintenance of premises		11,871		3,237	
Insurance		9,483		9,610	
Light, heat and water		3,288		3,660	
Depreciation		3,873		9,737	
Leasing and maintenance of office equipment		1,882		2,397	
Computer expenses		12,277		7,299	
Salaries (including temporary staff)		341,444		290,908	
Social security costs		39,724		35,368	
Pensions and other staff costs	9	65,933		55,614	
Travelling, meetings and entertaining		50,578		27,771	
Postage and telephone	10	14,907		16,560	
Printing and stationery		12,669		9,786	
Publicity, advertising and marketing		84,767		76,304	
Annual general meeting expenses		1,987		1,857	
General expenses		4,949		7,890	
Subscriptions to other associations	11	7,715		8,889	
Legal and professional charges	12	14,290		11,967	
Audit fee		4,500		4,250	
Bank charges		2,163		1,985	
Legal advisory service		3,693		3,500	
Mortgage interest		-		8,086	
Special Interest Groups Support		11,955		-	
VAT irrecoverable		5,188		-	
			<hr/>		<hr/>
			736,791		617,481
			<hr/>		<hr/>
Surplus before taxation			231,069		267,533
 Taxation payable	2				
			<hr/>		<hr/>
			(48,991)		(51,923)
			<hr/>		<hr/>
Surplus after taxation	7		£182,078		£215,610
			<hr/> <hr/>		<hr/> <hr/>

The Construction Plant-hire Association
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1. **Accounting Policies**

Accounting convention

The financial statements are prepared under the historical cost convention.

Depreciation

Fixed assets are depreciated in equal annual instalments over their estimated useful lives as follows:

Computer equipment	-3 years
Office equipment and furniture	-4 years
Land and Building	-Nil

Stock

Stock, which included printed forms, is valued consistently at the lower of cost and net realisable value.

Pension costs

Retirement benefits to employees are funded by contributions from the Association into a money purchase scheme. Payments into the scheme are charged to the income and expenditure account over the periods benefiting from employees' services.

Leases

Rentals paid under operating leases are charged against income on a straight line basis over the lease term.

2. **Taxation**

	2008 £	2007 £
Corporation tax at 19% - 2008	48,991	52,029
Corporation tax recoverable - previous year	-	(106)
	<u>£48,991</u>	<u>£51,923</u>

The Construction Plant-hire Association
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

3. Tangible Fixed Assets

	Land and Buildings	Computer equipment	Office equipment and furniture	Total
	£	£	£	£
Cost				
Balances at 1.7.2007	803,853	23,516	13,954	841,323
Additions	-	1,453	5,579	7,032
Scrapped or written off	-	(4,771)	(3,351)	(8,022)
	<u>£803,853</u>	<u>£20,198</u>	<u>£16,282</u>	<u>£840,333</u>
Depreciation				
Balances at 1.7.2007	-	13,458	8,718	22,176
Charge for year	-	5,802	4,071	9,873
Eliminated - scrapped or written off	-	(4,771)	(3,251)	(8,022)
	<u>-</u>	<u>£14,489</u>	<u>£9,538</u>	<u>£24,027</u>
Net Book Value				
30.06.2008	<u>£803,853</u>	<u>£5,709</u>	<u>£6,744</u>	<u>£816,306</u>
30.06.2007	<u>£803,853</u>	<u>£10,058</u>	<u>£5,236</u>	<u>£819,147</u>

4. Debtors and Prepayments

	2008	2007
	£	£
Trade debtors (Net)	4,540	3,468
Special Interest Groups	-	4,980
Other debtors	12,586	10,456
Prepayments	13,776	9,430
VAT recoverable	7,161	10,967
	<u>£38,063</u>	<u>£39,301</u>

5. Creditors and Accrued Expenses

	2008	2007
	£	£
Amounts falling due under one year		
Sundry creditors	68,523	29,831
Special Interest Groups	21,120	-
Accruals	9,225	11,921
PAYE	11,880	8,623
Corporation Tax	48,991	52,028
	<u>£159,739</u>	<u>£102,403</u>

The Construction Plant-hire Association
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

6. <u>Entrance Deposits</u>		2008	2007
		£	£
Balances at 1.7.2007		118,550	114,990
New applications received		15,400	12,900
Deposits refunded		(200)	-
Entrance deposits forfeited and credited to income		(6,925)	(8,300)
		<hr/>	<hr/>
Balances at 30.6.2008		£127,865	£119,590
		<hr/>	<hr/>
7. <u>Reconciliation of Movement on Members Funds</u>		2008	2007
		£	£
Surplus for the financial year after taxation		182,078	215,610
Opening members funds at 1 July 2007		1,191,566	975,956
		<hr/>	<hr/>
Members funds at 30 June 2008		£1,373,644	£1,191,566
		<hr/>	<hr/>
8. <u>Financial Commitments</u>		2008	2007
		£	£
At 30 June 2008 the Association had annual commitments under operating leases as follows:			
Sundry equipment		-	1,681
		<hr/>	<hr/>
		£ -	£1,681
		<hr/>	<hr/>
All operating leases expire between two and five years.			
9. <u>Pensions and Other Staff Costs</u>	Note	2008	2007
		£	£
Premium Contributions to the CPA Executive Staff Pension Scheme - Exceptional Premium	(a)	-	(3,296)
Premiums paid to the CPA Group Personal Pension Plan (Norwich Union)	(b)	39,195	34,279
Employment related insurances etc.		26,738	24,631
		<hr/>	<hr/>
		£65,933	£55,614
		<hr/>	<hr/>

The Association was operating two pension schemes for its employees:

- a) The scheme with the Equitable Life is now closed and no further premiums are payable.
- b) The current scheme with Norwich Union is known as The CPA Group Personal Pension Plan. It provides benefits on a money purchase basis which depends on the level of contributions paid and the investment returns achieved. Contributions to this plan from CPA are charged to the Income and Expenditure Account and are based on a percentage of the employees' salary.

The Construction Plant-hire Association
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

10. <u>Postage and Telephone</u>	2008	2007
	£	£
Postage and carriage	5,900	8,806
Telephone and communications	9,007	7,754
	<u>£14,907</u>	<u>£16,560</u>
11. <u>Subscriptions to Other Associations</u>	2008	2007
	£	£
Construction Industry Theft Scheme	125	75
Freight Transport Association	377	366
Trade Association Forum	210	270
British Standards Institution	459	444
European Confederation of Equipment Distributors	1,622	3,356
Road Haulage Association	411	206
European Association of Heavy Haulage Transport and Mobile Cranes	-	2,385
European Rental Association	3,557	1,787
Construction Products Association	813	-
Sundry other subscriptions	141	-
	<u>£7,715</u>	<u>£8,889</u>
12. <u>Legal and Professional Charges</u>	2008	2007
	£	£
Legal fees	7,728	6,101
Accountancy and book-keeping services	6,115	8,214
Consultancy fees	447	2,348
	<u>£14,290</u>	<u>£11,967</u>

13. RAIL PLANT ASSOCIATION LIMITED

The Rail Plant Association Limited, which was incorporated on the 27th September 1999, being a company limited by guarantee and not having a share capital, is wholly under the control of The Construction Plant-hire Association. The Accounts of The Rail Plant Association Limited, covering the year to 31st December 2007, resulted in a retained net surplus, after taxation of £9,052 (2007 surplus £4,074)

The capital and reserves as at 31st December 2007 amounted to £141,320 (2007 £133,448)

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