

Welcome

Welcome to Haslers Focus on...bulletin, looking at news and information relevant to specific business and industry sectors.

This Focus on Property and Construction bulletin takes

a look at the road ahead for the construction industry, and why flexibility will be the key to success, as well as reforms in Stamp Duty Land Tax that will benefit buy-to-let landlords.

If you have any feedback on this

issue of Focus on Property and Construction, or would like to know more about our services or how we can help you, please contact **Jon O'Shea** (Partner, Tax Consultancy) on **020 8418 3333** or email **jon.oshea@haslers.com**

Stamp Duty Land Tax reforms welcomed by NLA

The National Landlords Association (NLA) has welcomed reforms to Stamp Duty Land Tax on bulk property purchases announced by Chancellor George Osborne in the 2011 Budget.

The changes mean that buyers can choose to have the rate of Stamp Duty Land Tax determined by the mean value of the homes purchased, subject to a minimum of one percent, rather than their aggregate value as was previously the case.

The Government says this will encourage more investment in residential property by reducing the barriers facing buy-to-let landlords.

The move has been welcomed by the NLA, which has long been campaigning for such reforms. NLA chairman David Salusbury

said the new concessions on bulk purchases would encourage landlords to invest more in residential property, therefore providing much needed housing in the private rented sector.

He said: "We are pleased

that the Government has listened to concerns about the disproportionate level of Stamp Duty Land Tax paid by landlords seeking to expand their portfolios in response to increasing demand for affordable accommodation in the private rented sector."



Construction companies need to be flexible



According to the spring 2011 forecast from the Construction Products Association (CPA), while this year will not be as bad as previously expected, the industry will come under increased pressure in 2012.

However, the picture is not quite so clear cut. Some sectors will suffer more than others, and so the onus will be on construction companies to be flexible and focus on the areas

that are performing better.

The rail, electricity and commercial sectors are all anticipated to expand significantly, with predictions of 20 percent growth for rail in 2012 and 2013, and 15 and 22 percent for the electricity industry. Commerce is likely to develop by 14 percent over the next five years, boosted by office construction in London and supermarket developments.

One area that will feel the pinch more than most is the public sector, with education and health

plummeting by 20 percent and eight percent respectively in 2012, then 25 percent and six percent in 2013.

Overall, industry output is expected to contract by just 0.8 percent this year, and then by two percent in 2012. This will be followed by slow growth of 0.5 percent in 2013, before the rising housing, commercial, industrial and infrastructure sectors drive the market forward. Consequently, the industry will advance by 2.3 percent in 2014 and 3.9 percent in 2015.

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