



# SAYS THINK BEFORE YOU REGULATE!

## CONSTRUCTION SECTOR

15 per cent of FSB members work in construction; a sector that is highly regulated. As the illustrations below demonstrate, people working in construction are expected to be experts in a wide variety of areas, with many types of regulations, consents and tax requirements that may need to be complied with before they can begin employing people and growing the business.

- In our annual FSB-ICM Voice of Small Business survey (2010), 33 per cent of our members describe regulation as the biggest obstacle to achieving success
- In our 2008 employment survey, 27 per cent of businesses planning to expand describe 'fear of increased regulation' as a difficulty in expanding their business as a halting factor

- In the same survey, 50.7 per cent of businesses planning to downsize or close, rate regulatory burden as significant contributing factor
  - In July 2010 the National Audit Office (NAO) found in their Business Perceptions survey 2010 that fewer than 30 per cent of businesses believe that the Government understands business well enough to regulate, or that it consults well before any change to regulation
- Small businesses are the largest private sector employer and are the backbone of our economy. Excessive regulation stunts business growth and affects small firms to a greater extent than their larger equivalents. The Government needs to create a culture where businesses can prosper; there must be a stop to excessive and ill-thought out regulation.



### LICENCES

- Water Abstraction Licence. Licence to remove water from any watercourse or underground water reserve
- Scaffolding and hoarding licence. To erect any scaffolding or hoarding on a public highway, a licence is needed
- Skip permit (England and Wales). To put a builder's skip on a public road, a permit is needed
- Displaying outdoor advertisements. Application and consent rules for the display of outdoor advertisements and illuminated and moving signs

### ENVIRONMENT

- Air pollution from furnaces, boilers and bonfires
- Construction noise and vibration
- Water pollution and abstraction and works affecting main rivers
- Transporting waste annually
- Energy performance certificates for buildings. Energy performance certificates are required when buildings are built, sold or rented
- Construction site waste management plans
- Environmental permit requirements
- Protection of badgers. Badgers must not be killed or injured, or their setts interfered with, except under specific circumstances
- Historic environment. Consent for work on scheduled monuments. Scheduled Monument Consent must be applied for in order to work on a scheduled monument prior to undertaking work

### HEALTH AND SAFETY

- To complete a risk assessment (written if over 5 employees) and all applicable adjustments to be made as a result
- Complete a health and safety policy (written if over five)
- Buy and display a health and safety poster
- Comply with rules to reduce the risks of falls from height and of working in a confined enclosed space
- Personal Protective kit for employees
- First Aid regulations
- Ensure the safe use of machinery, equipment and tools
- Deal with noise and noise pollution
- Safe use of transport in the workplace
- Fire risk assessment
- Facilities for customers and employees. Meet legal obligations to provide toilets, food, rest, storage and other facilities for workers and employees
- Record and report an accident or incident
- Storage of goods and materials regulations such as chemicals
- Gas safety. Enrol on Gas safety register
- Electrical Safety
- Hazardous waste. Handle hazardous waste safely, with appropriate notification and documentation
- Licence to work with asbestos. Be licensed to work with asbestos
- Worker involvement in Health and safety; communication of procedures
- Smoke-free legislation, including display of posters at entrances to premises

### EMPLOYMENT

- Legal obligation to retain staff records
- Sick pay, manage absence and sickness
- Minimum wage
- Rules about workers' working hours and rest breaks
- Ensuring workers are eligible to work in the UK
- Allowing time off. Calculating statutory annual leave entitlement
- Legal obligations on pensions
- Trade union membership rights
- Grievance, disputes, disciplinary procedures, dismissal
- Redundancy
- Retirement
- Unlawful discrimination and equal pay
- Maternity, paternity and adoption regulations
- Right to request flexible working
- Legal responsibilities for contractors and subcontractors
- Employment of part-time workers and fixed-term employees
- Employment of young people
- Sunday working and night working
- Employers' liability insurance
- Training levy for the construction industry
- Written statements of terms and conditions of employment
- Itemised pay statements
- Notice of termination of employment
- Parental leave and time off for family emergencies
- Protection of employment upon the transfer of business

### PROTECTION OF PERSONAL DATA

- Registration for businesses that keep personal information records or use closed-circuit television
- Obligations in relation to the processing of personal data
- Comply with subject access requests for personal information

### OBLIGATIONS AS A BUSINESS

- The Sale of Goods Act. Legislation applies when selling to your customers
- Unfair terms in consumer contracts regulation and the late payment of commercial debts (interest) act
- Environmental tax obligations and breaks. Aggregates levy, climate change levy, landfill tax, land remediation relief and vehicle and fuel duties
- Legal responsibilities if a limited company. National Insurance, Business insurance, Company directors' responsibilities
- Price fixing, cartels and monopolies. There are a number of obligations under the Competition Act and the Enterprise Act
- Comply with advertising standards
- Comply with regulations around email marketing
- Corporate Manslaughter Act
- The Arbitration Act

### BUILDING REGULATIONS & PLANNING CONTROL

- Building regulations and building control
- Party walls
- Planning
- Your Legal duties to prevent harm and nuisance
- Construction (CDM 2007) regulations

### FINANCIAL OBLIGATIONS & TAX

- VAT on the self-supply of construction services. If you use your own labour force to improve or construct property for your own use you may have to account for VAT
- VAT
- Construction Industry Scheme and monthly returns
- Annual Self Assessment Return (Corporation or Income Tax)
- Construction and building services. Paying subcontractors under deduction
- Corporation Tax
- National Insurance
- PAYE
- Student loan repayment
- Taxable benefits

As well as halting the flow of all new business related regulations the FSB is also calling on Government to introduce:

- Mandatory common commencement date once a year for all UK origin legislation (and EU as much as possible)
- Moratorium on all business regulation that could place a burden on business during the economic recovery

- Changes to be made to process of compulsory surveys
- Reform the LBRO

Whilst we have tried to include many of the areas of compliance that a business must undertake it is important to note that these may differ depending on the region or devolved area that a business is based in. There will be further regulations, consents and tax requirements that are not mentioned due to space restrictions.



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