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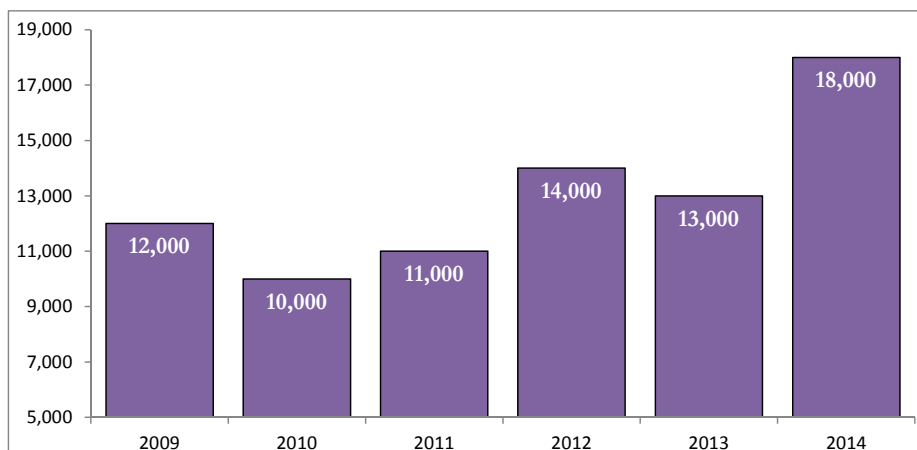
Construction vacancies up 36% in a year as surging house prices spark house building boom

- **New HMRC rules on “false self-employment” not expected to have significant impact on the number of self-employed workers in construction**

Vacancies in the construction sector have soared with a year on year increase of 36%*, as rapid house price growth has prompted house builders to rush forward with new building starts, says research from NoPalaver, a leading provider of accounting services to contractors.

There are now 18,000 vacancies in the construction sector, twice as many as the lowest point in the market between September 2009 and April 2010, when there was an average of 9,000 vacancies.

Number of vacancies in the construction sector (in the period of March 1st to May 31st each year)



The growing number of construction projects has also fed a 10% year on year increase in the number of self-employed construction workers to 844,000, the highest level since records began in January 1997**.

Graham Jenner, Director of NoPalaver Group, explains: “The construction sector is benefiting from Government encouragement to increase house building which has created more opportunities for construction companies and more work for contractors.”

“The commercial property market continues to recover and this is also providing a boost to the construction sector.”

NoPalaver says that the high levels of residential new build starts are expected to continue, with recent research revealing a sharp rise in new planning applications for housing. This trend is not restricted to London as eight of the Top 10 areas with the largest increases in planning applications for new housing since 2102 are in the North of England.

Both Berkeley Group and Crest Nicholson have recently released accounts showing large profit growth. Crest Nicholson has targeted an 80% increase in revenue to £1bn over the next three years.

Graham Jenner continues: “With a pipeline of projects growing across the UK, construction sector job growth is thought to be secure.”

NoPalaver says that there is continued strong demand for contractors despite recent HMRC rule changes in April designed to stamp out what it saw as the abuse of the tax benefits of self-employment in the construction sector.

The new “Onshore Employment Intermediaries” legislation targets workers who HMRC believes are not genuinely self-employed and is having a significant impact on how construction companies pay their workforce.

Graham Jenner explains: “The construction sector is still working out how to deal with HMRC’s changes but we anticipate that the new rules will not significantly reduce the number of self-employed workers in the construction sector.”

“The self-employed workforce is vital for construction companies who depend on their flexibility to adjust to rapid changes in demand, so they will need to review their processes to ensure that they meet HMRC’s new rules.”

* Three months to May 31st 2014, the latest figures available.

** For Q1 2014, the latest figures available.

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About NoPalaver

The NoPalaver Group provides accountancy, taxation and payroll services to agencies, businesses, contractors and personal service companies. The NoPalaver Group includes:

- NoPalaver Accountants, which provides specialist accountancy support to contractors working through limited companies.
- NoPalaver Umbrella, which employs and payrolls contractors in all sectors.

- NoPalaver CIS, which helps construction companies, agencies and sub-contractors in the construction industry with self-employment status, payroll and CIS tax issues.
- NoPalaver Contractors, which assists contractors in other industries with employment status issues.
- NoPalaver International which provides solutions to contractors, agencies and employers working overseas or bringing workers from overseas to the UK.

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