



# Press Release

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## **CECA: Government Must Follow Through On Chancellor's Move To Decarbonise Construction Plant**

Civils contractors today welcomed the Chancellor's announcement in his Spring Budget that the Government will seek to extend full expensing to assets for leasing but said that it must follow through on the policy to see results.

Chancellor Jeremy Hunt MP's 2024 Spring Budget included the announcement that the Government intends to publish draft legislation on the extension of full expensing to assets for leasing, which would unlock vital capital to enable the UK construction industry to decarbonise.

The Budget also contained the proviso that full expensing to assets for leasing would only be extended "when fiscal conditions allow."

Commenting, Director of Operations for the Civil Engineering Contractors Association (CECA) Marie-Claude Hemming said: "Our sector is being asked to decarbonise its plant fleet at a time when profit margins are under strain at all levels of industry.

"Moves towards enabling the full expensing of leased construction plant has the potential to unlock vital funds to enable the roll-out of low-carbon machinery, as well as making it more affordable for the hirers that many contractors use to upgrade their fleets.

"We welcome the UK Government's stated intention of publishing draft legislation on this issue as a move that it is taking seriously the need to decarbonise UK construction, while enabling businesses across the supply chain to remain profitable.

"At the same time, the condition that these changes will only be implemented 'when fiscal conditions allow' potentially implies unnecessary delay to the roll-out of this vital reform.

"CECA has long campaigned for this change as a means of unlocking necessary investment to help decarbonise our industry.

"We look forward to working with Government, our members, and industry partners, to ensure the delivery of this vital policy within a time-scale that matches the urgency of reaching net zero."

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### Notes to Editors

1. The Civil Engineering Contractors Association (CECA) represents over 300 contractors of all sizes, covering approximately 80% of the civil engineering market in Great Britain. Our members build infrastructure that provides the basis for economic sustainability and quality of life in communities across the country.

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