



Re:locate

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Re:locate Extra

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Welcome to the latest issue of **Re:locate Extra**. Brought to you by the team behind **Re:locate** magazine, it aims to ensure you're kept up to speed between editions with everything that's happening in the world of relocation, from the latest news and appointments to the hot topics of the day. To send your feedback or contributions for inclusion in the next edition of **Re:locate Extra**, email editorial@relocatemagazine.com - we look forward to hearing from you!

Fiona Murchie
Managing Editor

Top Stories This Month

HIPS climb-down by Government

Government ministers have abandoned plans for a key section of Home Information Packs (HIPS). The requirement for sellers to produce a Home Condition Report (HCR) will not now be compulsory when HIPs come into force on June 1 of next year. Housing minister Yvette Cooper has said that, instead, HCRs would be introduced on a "market-led basis", meaning that estate agents will need to persuade clients to pay for the reports. She warned, however, that the report could become mandatory if the market fails to achieve this. According to The Daily Telegraph, despite the fact that thousands of people have already paid for training as home inspectors in order to produce the reports, there were growing fears in Government that there would not be enough qualified professionals to meet the demand next year.

Says Richard Atkins, relocation partner at Taylor Walton Solicitors, "The Government changes are generally good news for the relocation industry, as they will significantly reduce the cost of HIPs. The Law Society has consistently opposed compulsory HCRs on the grounds that they would disrupt the house-buying process, because buyers could not sensibly rely on a survey commissioned and paid for by the seller. Half the cost of the HIP would have been the cost of the HCR. What remains are the legal elements of the pack, which can be gathered quickly and cost-effectively by the seller's solicitor as part of the conveyancing process. In cases where employers operate guaranteed sale price schemes, the pre-packaging of title and search information already takes place, so there need be little change in procedures.

Employers should now find that the cost of HIPs reduced by at least 50%. Although an Energy Efficiency Certificate is still required, this can be obtained through a qualified person and it is not required for a Home Inspector to carry out this function. The rest of the pack is now exclusively legal in content and much of the information is readily available online."

Barry Hall, consultant at Ekins Surveyors comments, "My feeling is that the Government will relent to some degree and will allow the Energy Report to be available at any time up to exchange of contracts. This will enable providers of mortgages to include them in the property valuation inspection for the borrower. Some lenders, like The Woolwich for example, have been providing Home Energy Reports with mortgage valuations for the last 10 years, so it's not something new after all. Will the property industry introduce the HCR (or something like it) on a voluntary basis? The question is, who will willingly pay for it if it is discretionary? The HIP will only work if it is a mandatory requirement - a concept that's now been cast to the wind. It does make you wonder, after six years of gestation, whether there is anything sensible to salvage in the Government's mandate to improve the home selling and buying process."

House prices: conflicting stories

Latest figures from the Halifax for the month of June reveal house prices fell by as much as 1.2% during that period. However, property website Rightmove said that the cost of the average house in Britain has risen by more than £6,000 in the month. The latest figures from Hometrack show that house prices moved upwards across 42% of the country, falling in just 2% of areas and remaining static across 56% of the 2,200 postcode areas across England and Wales. The average time taken to sell has decreased to 6.5 weeks, compared to 7.4 weeks a year ago. The average number of viewings per sale has also decreased to 10.9 from 13.2 a year ago. Interestingly the latest survey shows that the number of sales agreed jumped by over 8% in June, up from a 3.3% rise over May. The rise in sales volumes was seen across the country. Says Hometrack's director of research, Richard Donnell, "The major imbalance between supply and demand in London has caused prices to rise by almost 6%, while growth in four regions –[N West, Yorks and Humberside, E Mids and North] has been less than 1%. The differentials in growth reflect the fact that the London housing market significantly under-performed the rest of the market between 2001 and mid 2005. A modest re-alignment of prices over this time meant that there was scope for what have been relatively high price-rises, supported by a lack of housing for sale and the expanding London economy.

Crown Relocations announces results of short-term relocation online survey

Crown Relocations, which offers domestic and international mobility and transportation services, recently announced the results of an online 'Quick Poll' of human resource professionals regarding their future plans and policies for short-term assignments. 58% of the respondents said the reason for the increase in short-term assignments is due to special projects (such as new initiatives), followed by 20% for management development and 8% for troubleshooting. Almost half of the respondents said they have plans to increase their short-term assignments over the next 12 months. Crown says that, though short-term assignments may appear to be the most cost-effective solution, what's not clear from its survey results is whether they are being tracked effectively, and if companies are applying what they know about what makes long-term assignments successful to short-term assignments. 58% of respondents said that they do not have a formal system in place to measure short-term assignment expenses, e.g. savings from fewer home visits and new expenses such as furniture rentals. 22% said they have an informal process in place.

Traditionally, assisting the family with housing and school placement for children has always been a top priority and a major influence on the success or failure of an assignment. Surprisingly, 64% of the respondents said that they do not have family support services included in their short-term relocation policies. And only 6% said they should probably have more family support services in place. 58% of respondents said that they do not have a formal system in place to measure short-term assignment expenses.

To read more about the Crown survey, visit www.crownrelo.com.

Attention to family issues eases international assignments to China

In the current environment of large scale moves into China to address the talent requirements of its vast and growing economy, Worldwide ERC®, the association for workforce mobility, and Hong Kong Institute of Human Resource Management (HKIHRM) have surveyed companies to examine the assistance they provide to support employees and their families while on international assignments in mainland China. The report, **2006 Expatriate Family Assistance for Mainland China** identifies the demographic trends of assignees going into China, the challenges families face, and specific programs companies have established to address family needs. The survey also examines how these issues differ for traditional and short-term international assignments. Unfamiliar social, cultural and environmental surroundings, compounded by the separation from a supportive network of family and friends and employment limitations for the spouse, can create stresses and issues that hinder an employee's performance and bring about an early end to an assignment, said H. Cris Collie, Worldwide ERC® executive vice president. The investment in international assignments is growing in fact, our survey reveals that most of the respondents expect increases in both traditional and short-term international assignments through the end of 2006. By collecting assignee demographics and identifying the kinds of family assistance that will alleviate some of the challenges, we can help companies target programs that support a candidate's decision to accept a move into China and the employee's and family's needs, as well as encourage a successful outcome to the international assignment.

Ping-on Mak, chairperson of the China Human Resource Management Committee of HKIHRM agrees. "China has a vast workforce, but its rapid economic development has outgrown its labour force, and it is facing a severe shortage of skilled labour. Companies are under pressure in an increasingly competitive labour market to identify and attract skilled professionals for their expanding operations, so it is critical to address obstacles to recruiting and retaining the best

employees.”

To obtain a copy of the survey, email Worldwide ERC® at membership@erc.org.

AXA Risk Monitor shows skills problems lead to business failure

82% of businesses are worried about future recruitment, according to the AXA Risk Monitor Report. The survey questioned 400 decision-makers within UK small and medium-sized enterprises (SMEs – those with between five and 250 employees), spanning industries including financial services, retail and manufacturing. It also revealed that 46% of businesses consider lack of good staff as the most common reason for business failure. Of those surveyed, 69% say it has been harder to recruit over the last three years and they consider the main reasons for this to be:

- Insufficient quality of candidates to meet requirements
- General lack of skills in the market
- Sector skills shortage
- Unable to meet expectations on remuneration
- Changes in standards of education.

Kim Clemo, human resources director, AXA commented: “Many of us happily chant the well-known adage that your most valuable business assets walk in and out of your door each day. At the same time, we then wring our hands in dismay that we can’t get the staff, can’t afford to hire the best, and the people we do have don’t have the skills we need. We value training, but have to justify it against other capital investments that always feel more pressing.”

According to the National Employers Skills Survey 2005 there has been a marked improvement in the number of people with skills gaps. In fact, they have virtually halved from 11% to 6% in the last two years. However, the retail and hospitality industries are still suffering as they are finding it difficult to recruit people with soft skills, such as team working and customer service.

Uniformed border-control force to be introduced

John Reid, the home secretary has announced plans to introduce a uniformed border-control force at ports and airports for the first time in the UK. The budget for immigration enforcement will also double to £280m by the end of the decade.

Passport costs on the up

The fee for a new British adult 10-year passport is to increase by 29% from October 2006, from £51 to £66. The Home Office has described the new passport as, “the most secure ever produced by the UK”. It contains a secure chip that holds the bearer’s photo and their personal details. More than one million have already been issued, but from the end of the summer all new British passports will contain the security features. The latest price increase is the second of two rises, introduced to pay for upgrading passports to international standards and the introduction of anti-fraud measures.

Focus programme launched

FOCUS, the non-profit membership organisation that supports the expatriate community in the UK, has recently announced its autumn programme. With seminars covering subjects as wide-ranging as Having a Baby in the UK and Launching your Career in the UK, it’s certainly worth pointing employees in the direction of the organisation’s website www.focus-info.org.

New edition of seminal work

The 2006 edition of Richard Bolles’ practical manual for job-hunters and career-changers, *What Color is Your Parachute?*, is now available. First published in 1970, the book offers invaluable practical and emotional advice in the quest to find the right job, including sections on job-hunting via the internet, salary negotiation and starting your own business. Priced £12.99 and published by Ten Speed Press, it’s available through www.amazon.co.uk.

Re:locate Events

Don't miss your chance to book your place at:

Supporting Families Solving Education and Dual Career Dilemmas

Wednesday 8th November 2006 at the IOD, 116 Pall Mall, London

Make sure you're informed and up to date with the latest trends, to ensure the mobility of your people and aid retention!

Our full-day event will address a range of family issues, drawing upon research into good practice to provide practical solutions to commonly encountered concerns. We'll get you up to speed with the latest developments in schooling and spousal assistance, as well as providing creative solutions to accommodation dilemmas. Speakers will include education experts Gill Bowker and Richard Pearce and the latest dual-career and family surveys and research round-up from Sue Shortland of London Metropolitan University.

For more information on the programme and speakers and to book your place, click [HERE](#).

For any general enquiries please email us at events@relocatemagazine.com or call David Sadler on 01892 891334.

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