



**Geoff Steel weighs up the pros and cons of mortgages, and gives advice on the types of mortgage which are available to you...**

# SAFE AS HOUSES?

There are two types of mortgage, repayment and interest only.

With the repayment mortgage the instalments pay for the interest and the capital borrowed. The amount owing to the lender reduces a little each year. After the agreed mortgage period the balance owing reduces to nil.

The monthly instalments on an interest only mortgage pay just for the interest being charged and the amount owing to the lender stays the same throughout the terms of the mortgage.

The loan is repaid at a pre-agreed date traditionally from the proceeds of an endowment policy. More recently Pension Plans and Personal Equity Plans (PEP) have become popular as a means of

repaying a mortgage. There are advantages and disadvantages to all types of savings plans and I will cover the various aspects in more detail next month.

There is no best way to repay a mortgage as the choice depends on individual circumstances. If you don't like any risk and wish to see your mortgage debt reducing each year then a repayment mortgage is for you. Also anyone who intends to live in the same property for the full period of a mortgage should consider a repayment mortgage as first choice.

Interest only mortgages used to be beneficial because of Mortgage Interest Tax Relief (MIRAS). Tax relief has now been reduced and interest only mortgages do not have

the advantage that they had in the past.

Anyone who is likely to move house regularly may be better served by an interest only mortgage. The balance owing on a repayment mortgage is reduced by very little over the first few years and moving house means that a new mortgage has to be taken with practically no benefit from the amount paid on the previous mortgage. With an interest only mortgage the borrower has the benefit of an endowment or PEP savings plan which is carried on to the next house. There is a continuity of the savings element of the mortgage and there is no need to extend the original mortgage period when taking out a new mortgage.

As with all purchases you should consider your own personal requirements and the options available. Ask for illustrations for each method being considered and do ensure that you compare different companies. An Independent Financial Advisor will offer you a choice of products and providers whereas many banks, building societies and estate agents are tied to one company which may not be the most competitive.

**Geoff Steel is an Independent Financial Advisor with Walsh Lucas and Co and he welcomes comments from readers. His freephone number is 0800 7835132.**



**Tony Rees MIOSH continues his look at the Health and Safety implications involved in running a safe maintenance facility**

# DON'T TAKE RISKS

One set of Regulations that will be particularly topical for Greenkeepers and staff will be the Provision and Use of Work Equipment Regulations. This legislation applies to all pieces of equipment used at work and covers items ranging from simple screw drivers and hand tools all the way through to complex machinery such as grass cutting devices, tractors etc.

The Regulations places duties upon employers with regard to equipment that they provide for use at work. Employers must pay attention to the selection of equipment ie is the equipment suitable for the task involved or the conditions on which it is to be used. For example does the employer provide an electric strimmer or a petrol powered one. The employer has a duty to ensure that the work equipment is kept well maintained, there is also a duty that everyone who uses equipment or supervise or manages work equipment must have available to them health and safety information and if necessary comprehensible, written instructions.

These people are also to receive adequate training in its use and if necessary in its maintenance requirements. Employers also have a duty to ensure that work equipment conforms to EU requirements. These Regulations also deal with the guard-

ing of dangerous parts of machinery and the accompanying guidance notes issued by Health and Safety Executive give practical guidance on a hierarchy of guarding methods ie from fixed guards to interlocked guards all the way through to simple push sticks of jigs.

Other duties placed on employers by the Regulations concern temperatures, controls for starting and stopping, stability, lighting and marking and warning notices such as "Machine must not be operated until guards are in position" etc. The Supply of Machinery Regulations 1992 also apply in this situation and provide a framework for manufacturers supplying machinery to ensure that it is safe and CE marked to show conformity through European member states. Electrically powered tools and equipment are also subject to another set of Regulations, these being the Electricity at Work Regulations 1989, which cover controls over electrical hazards. The Electricity at Work Regulations apply to all workplaces and are aimed at users and not manufacturers and suppliers of electrical equipment. The Health and Safety at Work Act 1974 places a duty on employers to ensure that all equipment that they provide for use at work is safe and without risks to health, this is enhanced in the

Electricity at Work Regulations 1989. There is a general requirement for design, construction and maintenance of electrical systems and these should be constructed and maintained so as to prevent danger, so far as reasonably practicable. To aid compliance with this the IEE Wiring Regulations (16th edition) have issued guidelines on testing periods for fixed installations and portable electrical tools.

Another problem that Greenkeepers will encounter, not only in their workshop or maintenance building, but also in the course of their every day duties is noise.

Noise may be produced by a number of different means but ones likely to be encountered by Greenkeepers are associated with various types of machinery or portable tools ie from mowers, strimmers etc to grinding wheels and compressors and occasionally even the rogue shout of "fore" that follows an errant shot.

The legislation that covers noise is the Noise at Work Regulations 1989, these regulations requiring employers to take reasonably practicable measures to reduce employees' exposure to noise at work to the lowest possible level. The regulations place a duty on the employer to undertake a formal noise assessment where employees are likely to be exposed to 85dB(A).

There are three "action levels" indicated by the noise at Work Regulations, these being 85dB(a), 90dB(A) and above or the peak action level of 200 Pascal's and different duties are placed on employers at each of the levels. At 85 dB(A) if the employee asks for hearing protection then the employer is obliged to provide it, however the wearing of it is not mandatory. At the second action level of 90dB(A), then the employer must not only provide hearing protection but the employee now has a duty placed on him/her to wear it. An employer has deemed it necessary to wear hearing protection while using a strimmer (ie carried out an assessment of risk) then the employee must wear it while carrying out the task in order to enable the employer to fulfil his/her statutory duty.

There are other duties placed on employers such as the need to engineer solutions to lower the noise levels and a requirement to put up signs to indicate where hearing protection must be worn.

Further information on training courses and consultancy contact Lantra National Organisation Ltd (Jean John on 01282 831973 or Tony Rees on 01686 622799)