



SNIPEF

SCOTTISH AND NORTHERN IRELAND
PLUMBING EMPLOYERS' FEDERATION

Annual Report

2018-2019



SNIPEF, the Scottish & Northern Ireland Plumbing Employers' Federation is the principal trade association representing the interests of plumbing and heating businesses based in Scotland and Northern Ireland. SNIPEF operates the Plumbing Industry Licensing Scheme, the Approved Certifier of Construction Scheme, manages the Modern Apprenticeship in Plumbing programme in Scotland and delivers training in a range of areas. We aim to ensure the highest standards across the plumbing and heating industry in Scotland and Northern Ireland and to assist our members in employing qualified, professional and highly skilled staff. SNIPEF currently has over 750 member firms employing over 3500 plumbers. In addition, SNIPEF facilitates the training of over 850 plumbing apprentices.

FOREWORD

I am delighted to introduce the SNIPEF Annual Report and share with you the work undertaken on behalf of our members over the last 12 months.

There is no doubt 2018 was a challenging year and while we lost some members along the way we welcomed more than 70 businesses into SNIPEF membership meaning that for the first time in recent years there has been a net increase in membership. Sadly, the problems of payment abuse and cash flow inherent in our Industry continues with 15 of our members ceasing to trade as a result of business failure. SNIPEF has been working hard as a member of the Specialist Engineering Contractors Group (SEC) lobbying Government and has supported two private members' bills in the House of Commons to improve construction payment security via the ring-fencing of retention monies and Project Bank Accounts. It is disappointing that 18 months after the collapse of Carillion the Industry is still waiting for some decisive action from Government.

During 2018 we continued to increase the level of member engagement with @SNIPEFAndy and @SNIPEFJohn visiting 250 members and undertaking over 160 inspections throughout Scotland and Northern Ireland. The range and quality of the work they have seen has been inspiring and demonstrates the high level of professionalism of our members. Meeting with our membership is key to what we do and provides the team in Edinburgh invaluable feedback on how to improve the services we currently offer.

SNIPEF TechDay took place at Hamilton Racecourse in May with over 35 exhibitors and just under 200 delegates. This was only the third event of this type SNIPEF has organised and following on from its success we have decided to go even bigger and better in 2019 by partnering with Installer Magazine to hold a one-day event at the SEC in Glasgow in September.

SNIPEF's new look *PlumbHeat* magazine was launched during the summer and we have been delighted with the positive response it has received from members. Towards the end of the year, we launched a monthly member e-newsletter *Plugged In* to reduce the amount of ad-hoc information being sent to members. As well as containing important information and technical updates, the newsletter often includes industry surveys and consultations we believe members should respond to.

The issues surrounding the Plumbing & Mechanical Services (UK) Industry Pension Scheme continued into 2018, and in August SNIPEF appointed Mercer as Actuary to provide guidance from an employer perspective. In July, the Trustee consulted with employers on a proposal to close the Scheme to future accrual and this was followed in early 2019 with an employee consultation. During this



period, SNIPEF provided support and guidance to members and continues to do so. At the time of writing it is hoped the Scheme will close on 30 June 2019.

The SNIPEF SkillPLUMB competition took place in West College Scotland, Paisley Campus in June with college and SNIPEF staff working tirelessly to achieve what was a truly memorable day. Jamie Hepburn MSP, and at the time Minister for Employability and Training, joined us as a guest speaker and was impressed with the commitment and high standard of work undertaken by our apprentices. Gold, silver and bronze awards were presented in both the copper and lead competitions, with five of SNIPEF's copper competitors going on to represent Scotland in the WorldSkills UK national competition in Birmingham, where James McCall Smith of Tullos Training, employed by SNIPEF member Derek Scott Plumbing and Heating, was awarded the gold medal. I attended both events and was extremely proud of the maturity and professionalism of all our apprentices.

During 2018, and following the demise of SummitSkills, SNIPEF joined forces with SELECT and BESA to form BSE Skills Ltd. We were delighted when our bid was successful and we were appointed by Skills Development Scotland to review the National Occupational Standards (NOS) for the building services engineering sector. We are hopeful that we will also be appointed to review the qualifications and apprenticeship framework for the sector. As member bodies, we are able to demonstrate close links with employers as well as a UK-wide capacity with a combined membership of more than 43,000 businesses representing 342,000 operatives.

I would like to take this opportunity to thank all our members for your continued support and commitment to SNIPEF and our industry.

Fiona Hodgson
Chief Executive

INTRODUCTION

It has been an interesting year as SNIPEF President and busier than my fellow directors led me to believe when they persuaded me to take the role.

I have represented SNIPEF at a number of events over the year including the SELECT awards, BESA lunch, Property Managers Association Scotland (PMAS) dinner, APHC dinner, Specialist Engineering Contractors (SEC) Group meetings at Westminster and the Worshipful Company dinner at the Guildhall. What I found most interesting were the many people I met on these occasions and the varied areas they represent.

PMAS has been trying for years to have mandatory property repairs on every domestic and commercial property in the UK, which would provide work for each trade and help restore a good standard of property. SELECT has been working towards gaining Protection of Title for electricians, while the Federation of Master Builders has been calling on Government for a licensing scheme for builders. SNIPEF is in communication with these organisations supporting their efforts where we can because, while they may be geared towards improving their own specific area of work, I believe the achievement of these goals would also help the plumbing industry. Additionally, SNIPEF, as a member of the SEC Group, has been pressing Government for better payment and procurement practices within the construction section, including the protection of retentions and use of project bank accounts.

Although each organisation represents a different part of the sector, we can achieve more by working together and supporting each other's efforts where we can.

This extends to SNIPEF membership. I often see SNIPEF members collaborate with each other; rather than viewing each other as rivals they tap into each other's experience and expertise to work together on projects. Plumbing has become such a diverse industry covering a huge range of skills that it is extremely valuable to have a broad network of skilled people to work with and learn from.

With this in mind, I encourage you to get to know your fellow SNIPEF members. Take advantage of the connections your membership can create for you and utilise these opportunities.

To close on my year as SNIPEF President, I would like to thank my fellow SNIPEF Office Bearers and Council members for their support, along with all of the people at SNIPEF who do a great deal of good work and seldom receive any praise.

Gordon Matheson
President 2018/19



MEMBERSHIP AND COMMUNICATIONS

In 2018, SNIPEF has welcomed 73 businesses into membership and had seven companies join as new associate members. We also had 61 members leave membership. While it is always disappointing to have members leave, this year was the first time in recent years where we have had a net increase in members.

The trend seen in recent years continues with departing members citing insolvency, closure of plumbing divisions and retirement as the key reason for leaving membership.

Beyond the attraction of being part of a professional organisation, access to industrial relations and technical advice remain key reasons why members join SNIPEF. In Scotland, the Approved Certifier of Construction Scheme and additional funding for apprentices are also strong incentives to join. Increased promotion of the WaterSafe scheme by Northern Ireland Water has resulted in an increase in members joining in Northern Ireland.

From 1 January 2018 to 31 December 2018:

- We welcomed 73 new members and 7 associate members
- We received 99 applications for membership
- 67 applications received in 2018 were converted into membership
- 20 applications did not result in new members
- Andy visited 163 member and non-member businesses across Scotland and Northern Ireland
- Andy hosted 12 trade mornings at merchants in Scotland

TEAM STRUCTURE

This year saw several changes to the Membership and Communications team following the departure of Ruth Gibb as Communications Officer. Sarah Fitzpatrick took on the role of Membership and Communications Manager with Hayley Ricardo joining the team as Membership and Communications Administrator. Joe Murphy joined as Membership and Communications Officer.

The role of the Membership Officer continues to be an asset to the team, not only with bringing in new members but in supporting and engaging with existing members. With most of the SNIPEF team based in the Edinburgh office, Andy has become the face of SNIPEF building valuable relationships with members. The Technical Inspector role has also quickly become an asset to SNIPEF with inspections being welcomed by members. Like Andy, John is becoming a familiar face to members adding an extra element of engagement and support.



Andy Furnevel at PlumbEx

EVENTS

Following on from two successful events in Aberdeen and Edinburgh, the SNIPEF TechDay headed west to Hamilton Park Racecourse for TechDay 2018. Held on May 2nd, the free-to-attend member event saw nearly 200 members and apprentices visit to meet 39 exhibitors and find out about the latest industry products and services.

SNIPEF exhibited at the National Landlord Day held at Dynamic Earth in Edinburgh on December 13 2018, promoting our member firms to landlords and letting agents from across Scotland. SNIPEF's technical manager was also in attendance to answer any questions about landlords' responsibilities. Run by the Scottish Association of Landlords, it is the largest landlord conference in the UK.

SNIPEF's annual sporting events this year saw members and associate members come together for a golf day at Alyth Golf Club, clay pigeon shooting competition at County Clays in Dunkeld and angling at the Lake of Monteith.

SNIPEF had a stand in the PlumbEx section of the biennial BEPEX event at the Belfast Titanic Quarter in September 2018, run by Plumbing and Heating Magazine. The two-day event was attended by members of the membership and technical teams. It provided an excellent opportunity to meet members and non-members in Northern Ireland, discuss the industry, issues they were facing and introduce them to SNIPEF.

COMMUNICATIONS

Throughout the last year, SNIPEF has focused on refreshing our communications strategy. This included a new partnership with Connect Communications to deliver a new-look member magazine and new website.

In July 2018, our quarterly *PlumbHeat* magazine was relaunched with a revitalised look and fresh focus on content. Feedback on the magazine has been excellent, with many people commenting on its' improved readability and the quality of the content.

The first stage of the new website project saw the creation of a new Need a Plumber site, which launched in November 2018. The refreshed site is much more user-friendly and is a better reflection of SNIPEF as an organisation. The new SNIPEF website is set to launch in the second half of 2019.

A new monthly e-newsletter for members, *Plugged In* was launched in October 2018 to replace ad-hoc emails and provide consistency and continuity to our communication with members.



TechDay 2018



SCHEMES AND CERTIFICATION

APPROVED CERTIFIER OF CONSTRUCTION SCHEME

The Schemes and Certification Department continued to see a rise in the number of members joining the Approved Certifier of Construction Scheme (ACCS) during 2018 and the first quarter of 2019. Although the Scheme primarily comprises of Scottish companies, firms from other parts of the UK are eligible to join provided the work is carried out in Scotland. For this reason, the Scheme now has members based in England and Northern Ireland. In 2018:

- 71 new Certifiers of Construction were approved
- 6,278 Certificates of Construction were issued by Approved Certifiers
- 181 Approved Bodies and 254 Approved Certifiers were within the Scheme as of 31 December 2018

SNIPEF is required to go through a reappointment process in 2019, carried out by the Building Standards Division. The process will commence in the second half of 2019 with an expected outcome by March 2020.

PLUMBING INDUSTRY LICENSING AND WATERSAFE SCHEMES

Over the past year, the department has been involved in discussions with Scottish Water regarding new procedures relating to Water Byelaws in new domestic developments. These procedures were introduced in 2018 to promote the use of WaterSafe plumbers and give developers more options for providing evidence of Water Byelaw compliance. The changes mean compliance can be achieved by using a WaterSafe accredited plumber, a Scottish Water inspection or, in some cases, a remote track inspection using geotagging. The existing Compliance Certificate was also updated to reflect these changes and is now available in a writeable PDF format which can be signed electronically and used on digital devices.

- 609 SNIPEF members were registered with WaterSafe
- 31 operatives attended one of our Water Byelaws courses

TRAINING COURSES

In 2018, the department held four Water Byelaws training courses and 14 Building Standards training courses, seven full courses and seven refresher courses in Edinburgh, Glasgow and Inverness. The Inverness courses were positively received by businesses in the North of Scotland as they have trouble getting to the Central Belt.



TECHNICAL SUPPORT

In 2018, 162 technical inspections for ACCS, ACS and SNIPEF members were carried out across Scotland and Northern Ireland.

The team provided technical support and guidance to members on a range of topics, including:

- Legionella risk assessments
- Water filtration systems
- Notching of structural members
- Risk assessments
- Cold water supplies to buildings
- Building Standards/Regulations
- Water Byelaws/Regulations
- Certificates of Compliance
- Certificates of Construction
- Pipework insulation
- Macerators
- Erosion/corrosion of copper tube
- Hot and cold water temperatures
- Testing of water fittings – failure of fittings
- Above and below ground drainage
- Private water supplies
- Fire stopping

A number of technical articles were produced for use in PlumbHeat and will be repurposed as content for the new SNIPEF website.

Topics covered include:

- Hose union taps
- Electric vehicles
- Backflow prevention
- Asbestos
- Kitchen taps with rinse hoses
- Carbon monoxide sensors and alarms
- Legionella and landlord responsibilities

We engaged with a variety of key stakeholders to promote SNIPEF members, represent their views and improve the industry, including:

- Northern Ireland Water - supporting the Approved Contractor Scheme/WaterSafe and looking at ways of working together
- Scottish Water – keeping members informed about industry changes
- HSENI – promoting SNIPEF members in Northern Ireland
- Energy Savings Trust – promoting SNIPEF members to be used in the supply chain for the installation of energy efficiency products and systems



- Energy Efficient Scotland – promoting SNIPeF members in the supply chain for renewables and energy efficient systems and setting the minimum competency requirements
- Scottish Government, Short Life Working Group – promoting SNIPeF members from a consumer protection and quality angle
- BPEC – creating the learning materials needed by the industry
- EU Skills – looking at gas training standards
- Existing Homes Alliance – promoting the use of SNIPeF members within the supply chain
- APHC – providing a joined-up approach to the plumbing industry in the UK
- CIBSE, Domestic Heating Design Guide – consulting to ensure the guide caters for Scotland and Northern Ireland
- CHAS and XACT – looking at health and safety options for SNIPeF members
- MCS working groups on solar thermal and heat pumps

We also worked with the following organisations:

- SQA
- HHIC
- Gas Safe Register
- WaterSafe
- SEC Health and Safety
- BAFSA
- Building Standards Division

The department has been working on the creation of the ACCS Refresher course as an online training course to make it more accessible for operatives and businesses. We have also been investigating options for online training for health and safety.

INDUSTRIAL RELATIONS

Our in-house expert on industrial relations, Stephanie Lowe, offered one-to-one telephone/email advice and on-going support to members on issues including:

- National Working Rules
- Wage rates and allowances for plumbing operatives and apprentices
- National Minimum and Living Wage
- National insurance changes
- Calculating contractual and statutory holiday pay
- Short and long-term sickness absence
- Performance management
- Misconduct/disciplinary/dismissal
- Employee grievance disputes
- Temporary lay-off and redundancy
- Terms and conditions of employment
- Travel and lodgings for employees
- Settlement of backdated wage claims
- Settlement of unfair dismissal claims
- Maternity, paternity and shared pay and leave
- Company policies
- Special leave (bereavement, emergency, childcare).

Case studies were written for *PlumbHeat* on:

- What to do if your apprentice is missing college
- What to do if an employee is unable to work due to a long-term illness

Written advice was issued to all members on:

- How to consult collectively and individually with employees on proposed changes to pension provision and death in service
- How to consult with employees on proposed changes to their terms and conditions (Employer Guide)
- National Minimum and Living Wage
- How to pay an apprentice correctly
- Recruitment process: good practice
- ACS contract procedure
- Family-friendly procedures (maternity and paternity payments and leave eligibility)
- How to calculate holiday pay correctly
- Industry wage rates

SNIJIB

The Scottish & Northern Ireland Joint Industry Board for the Plumbing Industry (SNIJIB) is a Board of equal parties from SNIPEF members and Unite the Union officers which represent the interests of the Industry.

The Board agree, maintain and revise the National Working Rules and pay agreements (the collective agreement) which offer a degree of certainty and stability to employers and the industry as a whole.

NATIONAL WORKING RULES

The SNIJIB is keen to produce an updated version of the National Working Rules of the industry.

Jan-May 2018: An Employment Task Group met over several meetings with the purpose of reviewing the NWR book.

Aug 2018: The SNIPEF Employers' proposals were reported to the SNIPEF Council and approved.

Sep 2018: The SNIPEF Employers presented their proposal for reviewing the NWR to the SNIJIB.

April 2019: Unite presented their proposal for reviewing the NWR to the SNIJIB.

SNIJIB NWR19 PENSION PROVISION AND DEATH IN SERVICE

There have been ongoing challenging discussions for the SNIPEF negotiators regarding future pension and death-in-service provision for the Industry. The current position as it stands:

Employers currently operating the Industry Pension Rates and death-in-service levels for their current employees should continue to provide these conditions of employment whether in the Scheme or with another provider. These conditions will be either:

Existing employees requiring preserved terms		
Conditions of employment	A	B
Pension contributions	Employer 7.5% Employee 3.75%	Employer 10.6% Employee 5.3%
Death in service	3x annual earnings	2x annual earnings

Newly recruited employees	
Conditions of employment	A
Pension contributions	Employer 7.5% Employee 3.75%
Death in service	2x annual earnings

SNIJIB WAGES AND ALLOWANCES

Aug 2018: Employers received a wage and allowance claim from Unite for an increase in the graded rates and allowances of wage from July 2019.

Aug 2018: SNIPEF Council reviewed Unite's wage and allowance claim and provided feedback for the SNIPEF negotiators.

Sep/Oct 2018: SNIPEF emailed wage and allowance surveys to all members to seek views.

Oct-Dec 2018: Wage and allowance negotiations commenced and concluded at the SNIJIB.

Jan 2019: SNIPEF informed members of the agreed two-year increase in rates and allowances which apply:

- July 2019 (Scotland: 2.5% /Northern Ireland 3.3%)
- January 2020 additional day of holiday (rises from 30 -31 days)
- July 2020 (Scotland: 3% /Northern Ireland 3%)

TRAINING AND SKILLS

The level of apprentice recruitment continues its slow recovery following the 2008/2009 financial crisis. Currently, there are 862 apprentices in training. We are working towards a target of 1,000 apprentices in training in the coming years. SNIPEF Training Services and its team of training officers continue to do their best to support employers through the recruitment and apprenticeship process.

The newly created partnership with BESA and SELECT, BSE Skills Ltd successfully managed the review of the National Occupational Standards (NOS) for the sector and has been successful in being awarded a contract from SDS for the review of the related MA Frameworks and Qualifications. Overall, engagement with employers and other key stakeholders during the recent NOS consultation was good and we intend to build on that engagement as we review the sector's MA Frameworks and Qualifications.

SNIPEF and BSE Skills continue to participate in the Built Environment Sectoral Partnership hosted by CITB (NI) at the invitation of the DfE, which is seen as the forum for securing the industry's input to the skills agenda.

SNIPEF Training Services Ltd operates a 9001 Quality Management System (QMS), designed to deliver a quality service that meets the needs of employers and apprentices and continually responds to feedback and identifies areas for improvement. Currently work is underway to enhance our feedback with employers, apprentices and colleges, including better analysis and evaluation of outcomes.

In 2018, the restructured SNIPEF SkillPLUMB annual apprentice competition, held at West College Scotland's Paisley Campus, was a great success. The new format with separate pipework and leadwork competitions resulted in more competitors and a higher overall standard of work. Host colleges are now invited to hold the event for two years and therefore, we will be returning to West College Scotland's Paisley Campus for the second time for the 2019 competition. Five of the 2018 copper competitors were selected to compete in the 2018 WorldSkills UK competition. James McCall-Smith, of Derek Scott Plumbing Heating in Inch, Aberdeenshire took home the gold medal.

Apprentices – Scotland

- 242 (226 – 2017) apprentices completed a Modern Apprenticeship in Domestic Plumbing and Heating from April 2018 to March 2019.
- 314 (298 – 2018) apprentices were recruited from April 2018 to March 2019.
- 862 (850 – 2018) apprentices are currently on the plumbing MA programme.

James McCall-Smith, copper winner



Sam Henderson, lead winner

PENSIONS

Issues surrounding the Plumbing & Mechanical Services (UK) Industry Scheme continued into 2018. 26 News Updates and two employer events were held to keep members abreast of developments.

SNIPEF continued to seek professional advice from Vanessa Ingram, VI Pensions Law and in September appointed Actuary, John Probert of Mercer to assist with formulating a strategy for the Scheme that would achieve SNIPEF's objectives: full benefit for members and discharge for employers.

POLITICAL LOBBYING

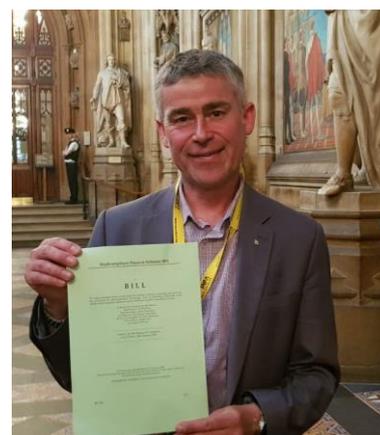
In January, Kirstene Hair MP presented an Adjournment debate in Parliament which raised issues surrounding Section 75 for plumbing businesses. Following the Minister's response to this, SNIPEF issued a Briefing Paper to all MP's highlighting why the current legislation did not work and what action was required.

The All Party Parliamentary Group Plumbers' Pensions was formed later that month to enable the issues to be discussed on a cross-party level and Alan Brown MP presented the issues in a Private Members Bill. This led to the Multi-employer Pension Scheme Bill which focused on three main areas: unincorporated businesses, orphan debt and Section 75 calculation method. Despite several attempted readings during 2018, the Bill was not read and is unlikely to be debated or voted on further. However, it is still possible that the published Bill could force amendments on the Pensions Bill when it eventually comes forward.

As well as various meetings and discussions with the APPG, Lords and MPs, SNIPEF continued dialogue with DWP. The long-awaited White Paper was issued in March but was disappointing. Subsequently, SNIPEF wrote to DWP and later met with them to raise our concerns.

SCHEME CLOSURE

In December 2017 SNIPEF agreed to an amendment to Rule 23.3 to remove the ability of employers to leave the Industry Pension Scheme by written notice. This followed a request from the Trustee who was concerned that the number of active participating employers continued to fall, reducing the number of employers available to support the Scheme. SNIPEF agreed to the change putting a time limit on the rule to 31 December 2018, on the condition that meaningful and substantive discussion on the future of the Scheme took place, including short-term measures such as the closure of the Scheme and longer-term measures such as self-sufficiency.



Alan Brown MP

In July, following the initial Actuarial Valuation, the Trustee undertook a consultation with employers on a proposal to close the Scheme to future benefit accrual. This was followed in December with an employee consultation.

The Trustee continued to be concerned about the risk of employers leaving the Scheme and the effect this could have on the covenant strength. Following further discussion, SNIPEF agreed to Rule 23.3 remaining in force until the 30 June 2019 when it was hoped that the Scheme would close to future accrual.

During this time SNIPEF, working with its professional advisors, produced various documents to guide employers through the consultation process itself and inform them of the implications of closure. Considerable time was spent speaking with employers and communicating with the Trustee to clarify the position for employers. Information included guidance papers and updates on the following: *Employer responsibilities in a closed scheme; current position with regard to employer discharges; Death of a sole trader; Partnerships.*

SECTION 75 DEBTS

The Trustee obtained QC opinion of the method of calculating Section 75 debts and then consulted with employers, the results of which were published in July. There was an expectation that Section 75 debt notices would be issued to employers during 2018 but this did not commence until Spring 2019.

As well as responding to this consultation, SNIPEF with its advisors produced information for its members on several matters surrounding Section 75 including: *Apportionment Rule; Consultation information – s75 method of calculation; deferred debt arrangements; Condition I and s75 debt recovery; accounting for s75 debt; Flexible Apportionment Arrangements and other s75 easements; employers options for dealing with pension liability.*

We are grateful to all members of the SNIPEF Pension Task Group who have given their time during the year; their contribution has been invaluable.

FINANCIAL REVIEW

The financial statement relates to SNIPEF Management Ltd, the management company of SNIPEF.

The Company reported a loss on ordinary activities before tax of £64,890 in financial year 2018 (2017: Loss £35,375). Despite showing growth throughout most revenue streams, the growth was not as high as was budgeted and did not manage to cover business expenditure.

INCOME

INCOME	2018	2017
	£	£
Annual Subscriptions	481,231	469,335
Certification Schemes	75,313	50,448
Commission	10,511	13,887
Management Fees	133,493	133,948
Service Charges	56,292	47,461
Dividends	145,300	137,950
Investment Income	4,343	2,220
Income from events	11,751	-
Total Income	918,234	855,249

Revenue from Annual Subscriptions increased by £11,896 (3%). This was due largely to the annual subscription price increase of 2% but also increases in both SNIPEF full and associate membership producing additional revenue.

The Approved Certifier of Construction Scheme (ACCS) continued to grow during 2018 producing revenue of £75,352, a 49% increase on the previous year. The number of firms using the scheme increased as did the number of certifiers undergoing training. This, together with the high volume of certificates issued, contributed to increased revenues.

SNIPEF receive commissions from a variety of sources including advertising from the PlumbHeat member magazine. During 2018, commission from this source reduced and is associated with the changeover from the old to new supplier.

Income generated from service charges was higher by £8,873 (19%). This includes a fee paid by Plumbing Pensions to each of the Constituent Organisations in respect of their nominated representatives attending meetings. This fee was increased in October 2017.

Bank interest received for the period was higher by £2,123 (96%) and totalled to £4,343 mainly due to the increase in bank interest rates.

Income from the TechDay totalled £11,751 with corresponding expenditure of £4,364. In 2017 costs exceeded income for this event and the net cost was included within expenditure.

EXPENDITURE

EXPENDITURE	2018	2017
	£	£
Staff Costs less recharges	560,108	494,072
Membership Costs	56,713	57,125
Meeting Costs	46,680	34,775
Maintenance and HP	51,258	40,618
Professional Fees	84,170	79,669
Promotional Activities	5,908	7,882
General Overheads	173,923	176,055
Event Expenditure	4,364	788
Total Expenditure	983,124	890,984

Staff costs increased by 13%. While the increase includes an annual rise and increases to pension contribution rates effective April 2018, the bulk of this increase results from the recruitment of a Membership & Communications Manager, the full cost of a Technical Inspector appointed towards the end of 2017 and recruitment costs associated with general staff replacement.

Meeting costs now include the costs associated with member inspections. The number of inspections has increased significantly as was anticipated with the appointment of the Technical Inspector. These costs represent 16% of the total.

The increase in maintenance costs during 2018 is attributable to higher computer maintenance expenses and repairs to the building.

Professional fees continue to be significant and in 2018 over 50% of this expenditure related to legal and actuarial fees in respect of the ongoing issues associated with the pension scheme.

General overheads were broadly in line with that of the previous year.

Event expenditure relates to the TechDay, which in 2017 is shown net of income.

BALANCE SHEET

Total Assets of the business for the period to December 2018 were £1,612,115 (2017: £1,677,005). The cash position remains strong and totalled £819,748 (2017: £790,698). The Net Book Value of the office property at the end of the financial year 2018 was £815,463.

www.snipef.org

© SNIPEF 2019. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, without the prior permission of the Scottish and Northern Ireland Plumbing Employers' Federation, or as expressly permitted by law, or under terms agreed, with the appropriate reprographics rights organization.

SNIPEF Management Ltd, Bellevue House, 22 Hopetoun Street, Edinburgh EH7 4GH
t: 0131 556 0600 e: info@snipef.org
Registered Number: 56633