

Annual Review 2022



Scottish and Northern Ireland
Plumbing Employers' Federation



Contents

President's Foreword	4
A Year in Review	6
SNIPEF in numbers 2022	8
Membership	10
Communications	11
Schemes and Certification	12
Technical and Advisory Services	13
Training and Skills	14
Industrial Relations	16
SNIPEF Financial Review 2022	19
Governance	22





**As President of SNIPEF,
I have been motivated
and determined to move
the organisation beyond
the last few turbulent
years.**

Jim Butter, President, SNIPEF 2023-23

President's Foreword

A common misnomer when reviewing any year is to say that it has been extraordinary or exceptional. However, it is undeniable that 2022 has been a year of noteworthy events, including a worldwide energy crisis, the highest inflation rates in decades, the coming and going of three UK Prime Ministers, and the passing of our longest-reigning monarch.

The plumbing and heating industry and its people have not been immune from some of these challenges, with rapidly rising costs, tighter and smaller contracts and real fears for the future weighing on everyone's minds. With some reserved optimism, I hope economic and political stability will prevail in 2023, although I do not believe we will be in smooth, untroubled waters even then.

As President of SNIPEF, I have been motivated and determined to move the organisation beyond the last few turbulent years. I have also urged the management to be dynamic in its future approach as we head into our centenary year. I will leave the detailed review of SNIPEF's operations to the Chief Executive's report overleaf.

Finally, when the original seven associations agreed to create this collective federation, it was in the belief that a single representative industry body would have a greater value than either individual employers or associations. I believe this remains as true and applicable today, particularly with the challenges and prospects that our industry may soon face. With this, I thank all Members and Associate Members for their continuing support and association with SNIPEF, even during these more challenging times.

It has been a pleasure to lead SNIPEF into its centenary year, and I genuinely appreciate the support from all members and employees during my presidency.





**I thank all Members
and Associate
Members for their
continuing support
and association
with SNIPEF.**

Jim Butter, President, SNIPEF 2022-2023

A Year in Review

2022 certainly had its challenges for SNIPEF and the industry it represents, as highlighted in the President's foreword. However, by adapting and using the knowledge and experience gained from the last few years, alongside the dedication of our employees, Associations, Members and Associate Members, SNIPEF is on a sound footing as it moves into its 100th year.

Membership

Our expectations for membership growth had been revised downward in 2022 to reflect the pandemic's impact on our industry. Although we did achieve a respectable 6.4% growth in membership, our attrition rate of 5.9% remains a concern. This rate reduces our overall growth to a positive variance of only 0.5%. It is unsustainable for SNIPEF to focus resources on growing the organisation for it to lose nearly as many members each year, a trend which has occurred in recent times.

This is an issue which I will be addressing in our new three-year strategy and through the setting of challenging but realistic business plan targets.

Developing the next generation

I am pleased to report that demand for apprenticeships remains high and is outstripping current funding. With 360 new trainees accepted, SNIPEF Training Services now manages over 1,000 apprentices at various professional development and training stages.

SNIPEF Training's unique selling point remains in managing the entire apprenticeship process. This includes source funding, apprentice, employer, and education provider liaison, and continually reviewing the apprenticeship framework to ensure our apprentice graduates have the skills and experience to be valuable recruits in our industry.

SNIPEF has raised concerns with Skills Development Scotland about the shortfall in current and future apprenticeship funding. We appreciate that times are challenging; however, it is hard to reconcile how restricting financing in an industry essential to meeting legally binding net zero commitments will benefit any party.

SNIPEF will continue to challenge the funding cuts vigorously, not as an adversary but as a critical friend trying to help the government meet its future climate ambitions.

Professionalism within plumbing

The Approved Certifier of Construction Scheme continues to be popular, with nearly 40% of SNIPEF members now within the scheme. In 2022, just under 17,500 certificates were issued, a 28% increase on the previous year.

Member use of the SNIPEF Technical and Advisory team is growing in popularity, with over 170 site visits, 12 training courses delivered and 94 technical enquiries answered. However, while extremely valuable, our schemes and technical services are underused by members; again, I will address this in our 2023-2025 strategy.

Representing our members

The Construction Industry Collective Voice (CICV), initially founded in response to the pandemic, has grown from strength to strength and gained significant traction within government. Apart from presenting an evidence-based collective voice for the profession, CICV continues to research, identify, and address internal issues in the sector. As Deputy Chair of the CICV Board, I will continue to ensure that our industry remains well-represented and heard.

The Construction Accord, a collaboration between the public sector and the construction industry, aims to improve processes and outcomes of work between both parties. Acting Chief Executive Stephanie Lowe is Co-Chair of the Skills and Workforce Group. SNIPEF has also requested representation on the Net-Zero, Fair Work and Procurement groups, as I believe our industry needs full representation.

Public Engagement

Any membership organisation's recognition within the media, public and government is essential. This is an important reason why members join SNIPEF.

In 2022, SNIPEF presented a series of public events at the Edinburgh Fringe's Green Homes Festival, explaining heat pumps' practical, economical, and environmental value. Following its success, SNIPEF has agreed to participate in the 2023 event.

SNIPEF Finances

SNIPEF's finances remain tight but manageable through rigorous management expenditure controls. Although the President and Officer Bearers agreed to an increase in subscription fees of 5%, it was well below the current inflation rate. With growth strategies now in place, I am determined to mitigate as far as possible future subscription increases through membership growth, better sponsorship income and stringent financial prudence. Further detail can be found on pages 20-21.

People

SNIPEF has experienced a higher-than-usual turnover of employees. This resource issue has either delayed or stopped projects while recruiting replacements. Key posts are now filled, and departmental realignments are completed, creating a better focus on primary tasks today and SNIPEF's future strategic aims and business plan targets.

Finally, I would like to thank Stephanie Lowe, who stepped into the fray and continued to steer the SNIPEF ship during my absence. I am delighted that the SNIPEF Office Bearers have recognised her efforts and achievements by appointing her Deputy Chief Executive.



Fiona Hodgson,
Chief Executive, SNIPEF



SNIPEF is on a sound footing as it moves into its 100th year.

Fiona Hodgson
Chief Executive, SNIPEF

Future Highlights

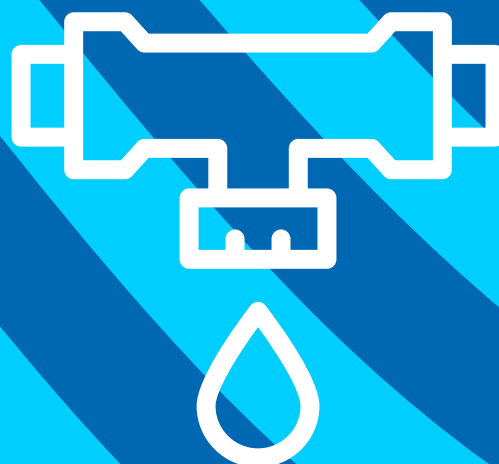
May /
SNIPEF Centenary celebrations

May /
SNIPEF corporate survey launched

June /
SNIPEF Strategy 2023-2025 published

June /
Scottish Plumbing Apprentice of the Year competition

August /
Green Homes Festival



SNIPEF in numbers 2022

170

site visits by the SNIPEF Technical team

753

SNIPEF member companies



311

apprentices commenced their training in 2021/22



SNIPEF Training Services now manages over 1,000 apprentices.

361

apprentices commenced their training in 2022/23

53

company visits by the SNIPEF Membership team

6

certification schemes offered or operated by SNIPEF for its members

12

training courses staged

291

ACCS SNIPEF members

27%

of members used SNIPEF employment and advisory services

56

extra funded apprenticeship spaces secured by SNIPEF Training



94

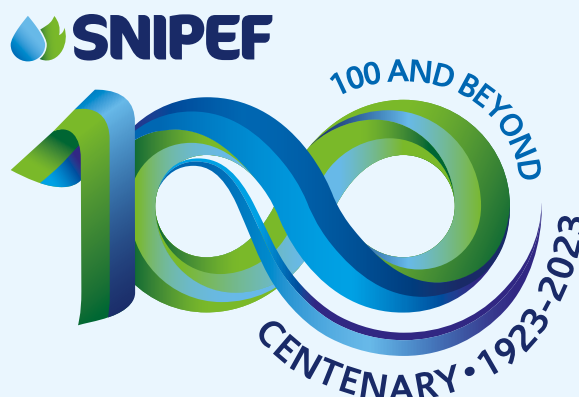
technical enquiries

17,440

ACCS certificates issued by SNIPEF

100

year celebrations planned by SNIPEF for 2023



Membership

Membership Growth

There are two critical points to note regarding SNIPEF's membership growth. The first is that, even in these challenging times, SNIPEF has achieved an above-average membership growth rate of 6.4% or an actual number increase of 48 members. However, its attrition rate remains doggedly high, reaching 5.9% in 2022. This reduces SNIPEF's membership growth rate to a disappointing 0.5%. By the end of 2022, SNIPEF membership was 753, an overall increase of four.

Taking out elements such as retirement or member companies sadly closing, there remains an apparent disconnect in expectations from members joining and what they expect or receive from membership. This may be either from incorrect messaging, over-promising SNIPEF's value or poor communication of its benefits and services.

With several internal issues now resolved and the appointment of a dedicated Membership Manager, SNIPEF will be undertaking member research throughout 2023 to determine where our performance must better match membership needs and expectations.

Membership Team

A popular aspect of SNIPEF membership has been the personal attention of our dedicated off-site membership team. The team aims to maintain regular contact with members and be the first or crisis point of call when issues arise. The membership team is also instrumental in SNIPEF's growth strategies, maintaining local associations' relationships and organising popular sporting events.

Throughout 2022, the membership team worked with 55 companies to encourage them to join SNIPEF membership as either Members or Associate Members. They also added 12 new members to the Approved Certifier of Construction Scheme.

Outside of maintaining remote contact with Members and Associate Members, the Membership Development Officer also visited 53 companies in 2022, updating them on SNIPEF and its activities and addressing any concerns or questions.



A popular aspect of SNIPEF membership has been the personal attention of our dedicated off-site membership team.



Communications

Throughout 2022, SNIPEF has continued to develop its communication and engagement outputs to members, keeping them informed on issues and concerns relevant to the industry alongside practical guidance and advice.

PluggedIn

PluggedIn remains the primary monthly communication tool for SNIPEF. It has an average circulation of 1,026 (811 in 2021) and an opening rate of 47% (42% in 2021) per issue.

In December, several minor amendments to the design were tested, which has seen a significant rise in opening and click-through rates and will continue to be applied in 2023.

PlumbHeat

SNIPEF's hardcopy magazine, PlumbHeat, remains a favourite with membership, providing industry and SNIPEF news. Unfortunately, due to resource issues, only three of the four editions were published in 2022. The full complement of four PlumbHeat issues will return in 2023.

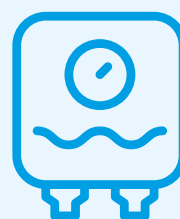
Website

The SNIPEF website has continued to evolve since its relaunch in 2020. In 2022, there was an average of 2,468 visitors to the website each month, up 2% from 2021 (2,418). Of those visitors, 91% were new to the site, indicating high non-member activity. The number of sessions has decreased by 3% since 2021, with an average of 3,133 monthly.

The most popular sections were apprenticeships, contractor schemes and news, which accounted for 58% of website usage.

Social Media

Twitter and LinkedIn remain the leading social media platforms for SNIPEF. Work has continued to improve content output through this channel, helping to increase the average number of tweets per month to 46.



Schemes and Certification

Approved Certifier of Construction Scheme (ACCS)

The ACCS scheme continues to grow, with 291 SNIPEF members becoming Approved Bodies and 400 approved certifiers within their employ. This relates to almost 40% of SNIPEF's membership. Throughout 2022, 15,910 ACCS certificates were ordered by Approved Bodies and 17,440 certificates issued to customers.

The introduction of the online Building Standards training course in 2020 has not only improved how members can access the course but significantly increased the numbers attending the course, helping to increase ACCS's membership. The same can be said for the online refresher course, which can be taken at any time of the day.

Part of ACCS membership criteria is the requirement for certifiers to hold a Water Byelaws/Regulations qualification. To address this requirement, an online Water Byelaws training course was developed by SNIPEF's Technical department. The course is also attractive to firms wishing to join the renewables sector as many colleges/training centres require the individual to hold this qualification before being accepted onto the course. WaterSafe operatives must also have this qualification before registering for this scheme.

To improve how members of the Approved Certifier of Construction Scheme can access their certificates, SNIPEF began developing a new website in 2022 for launch in 2023. Although the website will be very similar to the current one, additional functionalities will include credit card facilities and login details for both the approved certifier and coordinator to enhance security. The ability to copy a certificate when dealing with multiple plots will remove the need to enter the same information, making these processes quicker and easier.

SNIPEF meets regularly with other scheme providers and the Building Standards Division to discuss matters relating to the Scottish Building Regulations and other issues that may affect the scheme.

WaterSafe

The approved contractor scheme is open to all members who meet the Watersafe criteria. As well as promoting approved plumbers, WaterSafe also promotes the Water Supply Pipe Installer Scheme (Scotland only). This scheme caters for individuals who, although not plumbers, possess a qualification which enables them to install external pipework per the appropriate water supply regulations. Finally, although popular, the development of the scheme is being hindered due to the required qualification only being available in England.

Another scheme that both Scottish & Northern Ireland Water already recognise, and will hopefully soon be approved by WaterSafe, is the RPZ Valve tester scheme. This scheme is still in its infancy but aims to cover testing and commissioning work on backflow devices (RPZ valve). SNIPEF intends to investigate how this could be delivered in Scotland and Northern Ireland to increase scheme membership. Currently, the qualifications necessary to join the scheme are only available in England.

Schemes available to SNIPEF Members

- Approved Catering Scheme (Scotland only)
- Approved Certifier of Construction Scheme
- Approved Point of Use Scheme (Scotland only)
- Legionella Risk Assessment & Disinfection Scheme
- WaterSafe (Approved Contractor Scheme)
- Water Supply Pipe Installer Scheme (Scotland only)

Visit
www.snipef.org/schemes for more information

Technical and Advisory Services

SNIPEF's Technical and Advisory team provides various services to members, including technical enquiries, inspections, and training for its associated schemes, such as the Approved Certifier of Construction Scheme (ACCS).

In 2022, the team answered 94 technical enquiries, mainly from members but also architects, building standards departments of local authorities and the public. Contact with non-members allows the team to promote the importance of only using SNIPEF members.

One hundred seventy-three technical inspections took place in Scotland and Northern Ireland to support the schemes operated by SNIPEF, maintain high standards in the industry and provide technical support to members. These inspections are essential as they allow SNIPEF to engage with members while ensuring the highest standards are being met, an important criterion of its membership.

On training, the team delivered 12 courses to 69 delegates in 2022, 10 ACCS and two Water Byelaws. The ACCS course continues to attract the highest demand.

There were 11 complaints received against SNIPEF members during 2022, with six cases requiring the Complaints Panel to be convened to adjudicate.

Externally, the team attended and input into various industry stakeholder meetings on topics such as net zero, skills, health and safety and the supply chain. They also represented SNIPEF at the Green Homes Festival at the Edinburgh Festival in 2022, with a seminar aimed at demystifying heat pumps in the home. Other activities included supporting the industry consultation to create a national progression award for the Building Service Engineering sector and meetings of the Low Carbon Forum.

At a glance: Technical and Advisory Services

Technical services

173 technical inspections

94 technical enquiries +13% on 2021

11 complaints against SNIPEF members processed

6 complaint panel cases

Training delivered

10 ACCS online courses

2 Water Byelaws online courses

Training and Skills

Apprentice Recruitment

SNIEF Training Services (STS) continues to attract new apprentices to plumbing & heating, helping to address the industry's ongoing skills shortages.

The STS 2021/22 apprenticeship contract with Skills Development Scotland (SDS) ended in March with 311 new apprentices funded to begin training. Added to the 91 apprentices from the 2020/21 SDS Apprentice Employer Grant, 402 apprentices started their training during this period.

The current SDS contract for 2022/23 will end in March 2023. Due to the increasing popularity of plumbing apprenticeships, STS exceeded its 296-funded allocation with 361 new apprentices recruited. Obtaining additional apprenticeship spaces has been challenging, but STS was awarded additional funding for 56 apprentices and will continue to campaign for the extra funding needed for the nine unfunded apprentices.

Equality, Equity, Diversity and Inclusion

Over the 2021/22 and 2022/23 training years, 763 (100%) apprentices commenced their training. Of this total, 17 were women (2%), 69 (9%) had a recorded disability, and 12 (1.5%) came from Black, Asian and Minority Ethnic backgrounds. Although these numbers may only show a modest increase compared to previous years, they are encouraging, nonetheless. We will continue to promote plumbing as a profession with no barriers to ensure our sector can attract the best talent and is fairly and equally represented.

In 2023, SNIEF will publish its first Equality, Equity, Diversity, and Inclusion Action Plan with proposals on how the plumbing industry can attract more people from the broader population, specifically those with identified protected characteristics.



Over the 2021/22 and 2022/23 training years, 763 apprentices commenced their training.

SkillPlumb 2022

After a two-year break due to the pandemic, STS was able to stage its annual apprentice of the year competition in association with SkillPlumb and WorldSkills.

Staged at Glasgow Clyde College in June, apprentices from 18 colleges competed in pipework and lead exercises, aiming to be crowned the best in Scotland for their disciplines.

Three STS pipework apprentices reached the benchmark for the WorldSkills UK Final. Competing at November's event, Sean Esslemont from McDonald & Munro won a silver medal in a closely contested competition.

STS apprentice Connor Cruden from Cowie Plumbing & Heating competed for Team UK at the WorldSkills final in Lahr, Germany, where he was awarded a Medallion of Excellence and achieved world-class status in plumbing & heating.

STS is proud of all its apprentices who competed at the various competitions and wishes to thank the employers and college lecturers for their support. Without them, these events could not happen.

Modern Apprenticeship Framework

The plumbing and heating industry continuously evolves with new technologies, skills requirements and challenges, particularly in areas such as the net zero transition. Therefore, the next generation of plumbing and heat engineers must be equipped with the required skills.

Throughout 2022, meetings were held with Skills Development Scotland (SDS) and the Scottish Qualifications Authority (SQA) to discuss the future of the Modern Apprenticeship in Plumbing & Heating, with an agreement to review the National

Occupation Standards (NOS), Framework and Qualification. This review will ensure the framework continues to meet industry needs and contain the future technologies, methodologies and skills needed to maintain our status as a plumbing world leader.



SNIPEF Training Services in numbers 2021/22 and 2022/23:

218 (150 in 2021) apprentices completed their Modern Apprenticeship.

361 (311 in 2021) new apprentices commenced their Modern Apprenticeship.

57 (41 in 2021) apprentices from underrepresented groups started a Modern Apprenticeship.

1,054 (957 in 2021) apprentices live on the Modern Apprenticeship programme.

Industrial Relations

Employment Support

In 2022, our in-house experts on industrial relations, Stephanie Lowe and Rosie Ritchie, offered remote one-to-one advice and ongoing support to over 200 SNIPEF members. The support provided aims to help members manage their employees and run their businesses.

The main concerns of members were redundancy and sickness absence. Both the SNIPEF 'Redundancy & Temporary Lay Off Employer Guide' and the SNIPEF 'Managing Sickness Absence Employer Guide' supported employers in managing their workforce.

Engagement Surveys

Four engagement surveys were issued in 2022 to establish the views of SNIPEF members on various issues. The survey responses help SNIPEF employees and negotiators with SNIJIB and the Scottish Government to influence support for the industry.

Unite the Union approached SNIPEF twice in 2022, requesting SNIPEF re-open wage negotiations in light of the sharp increase in inflation and the cost of living. SNIPEF members' response to the survey was clear that they would not change the SNIJIB wage and allowance agreement (providing a 3% increase), which had previously been decided in 2020 as part of a two-year agreement. The SNIPEF negotiators faced several challenging discussions with Unite the Union on this issue.

While a survey on members' use of agency workers provided low engagement from SNIPEF members, consultation with members on whether they wished to recognise an additional holiday for HM The Queen's funeral received a high level of interest from SNIPEF members, who supported an extra holiday to commemorate the passing of Queen Elizabeth II.



Four engagement surveys were issued in 2022 to establish the views of SNIPEF members on various issues.

Written advice was issued to all members by way of SNIPEF Guides and articles on:

- How to pay an apprentice correctly: National Minimum Wage, National Living Wage, and Industry Wage
- Family-friendly procedures (maternity and paternity payments and leave eligibility)
- Day work rates
- Industry wage rates
- Recruitment
- Leave management (holiday and special leave)
- Absence management

Scottish and Northern Ireland Joint Industry Board (SNIJIB)

The Scottish & Northern Ireland Joint Industry Board for the Plumbing Industry (SNIJIB) is a Board of equal parties of SNIPEF members and Unite the Union officers, representing the industry's best interests.

The Board agrees, maintains, and revises the National Working Rules and pay agreements (the collective agreement) which offer a degree of certainty and stability to employers and the industry.

SNIPEF members raised the difficulties they experience in sourcing skilled operatives. Concerns that the plumbing and heating industry recruits a substantially lower number of apprentices with lower wage rates than the electricians and builders

can make it an undesirable career. The plumbing industry must do more to be seen as an excellent workplace regarding wages and allowance.

The SNIPEF negotiators used this feedback to support an enhanced increase in apprentice wage rates in August 2022. The rates will help the industry be the career of choice for new individuals and lead to more skilled operatives.

	Pre 2022	August 2022 3%	Increase	July 2023 3%	Increase
1st Year Apprentice	£4.33	£4.96	0.63	£5.11	0.15
2nd Year Apprentice	£5.72	£6.39	0.67	£6.58	0.19
3rd Year Apprentice	£6.92	£7.63	0.71	£7.86	0.23
4th Year Apprentice	£8.93	£9.70	0.77	£9.99	0.29



**SNIPEF's Unique
Selling Point remains
in managing the entire
apprenticeship process.
This includes source
funding, apprentice,
employer, and education
provider liaison.**



SNIPEF

Plumbing and heating association

SNIPEF Financial Review 2022



Financial Review

Income statement for SNIPEF Management Ltd, the management company of SNIPEF, for the year ended 31 December 2022.

	2022	2021
	£	£
Turnover	1,229,070	1,052,805
Cost of sales	(959,742)	(840,414)
Gross profit	269,328	212,391
Administration expenses	(273,068)	(187,828)
Operating (loss)/profit	(3,740)	24,563
Income from shares in group companies	61,542	105,200
Other interest receivable	-	-
Profit on ordinary activities before taxation	57,802	129,763
Tax on profit on ordinary activities	-	-
Profit for the financial year	<u>57,802</u>	<u>129,763</u>

Statement of financial position

Balance sheet of SNIPEF Management Limited, the management company of SNIPEF, for the year ended 31 December 2022.

	2022	2021
£	£	£
Fixed assets		
Tangible assets	747,490	773,616
Investments	282,153	352
	1,029,643	773,968
Current assets		
Debtors	264,661	124,709
Bank current account	1,162,029	1,162,321
	1,426,690	1,287,030
Creditors (amounts falling due within one year):		
Sundry creditors	(269,051)	(193,019)
Accruals and deferred income	(86,454)	(87,443)
	(355,505)	(280,462)
Net current assets	1,071,185	1,006,568
Total assets less current liabilities	2,100,828	1,780,536
Provisions		
Taxation including deferred tax	(61,750)	-
Total assets	2,039,078	1,780,536
Capital and reserves		
Called up share capital	100	100
Other reserves	390,215	195,741
Profit and loss account	1,648,763	1,584,695
Equity shareholders' funds	2,039,078	1,780,536

These financial statements have been prepared in accordance with the provisions applicable to companies subject to small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Approved by the Board and signed on their behalf by:

Director: J Butter Director: R Hall

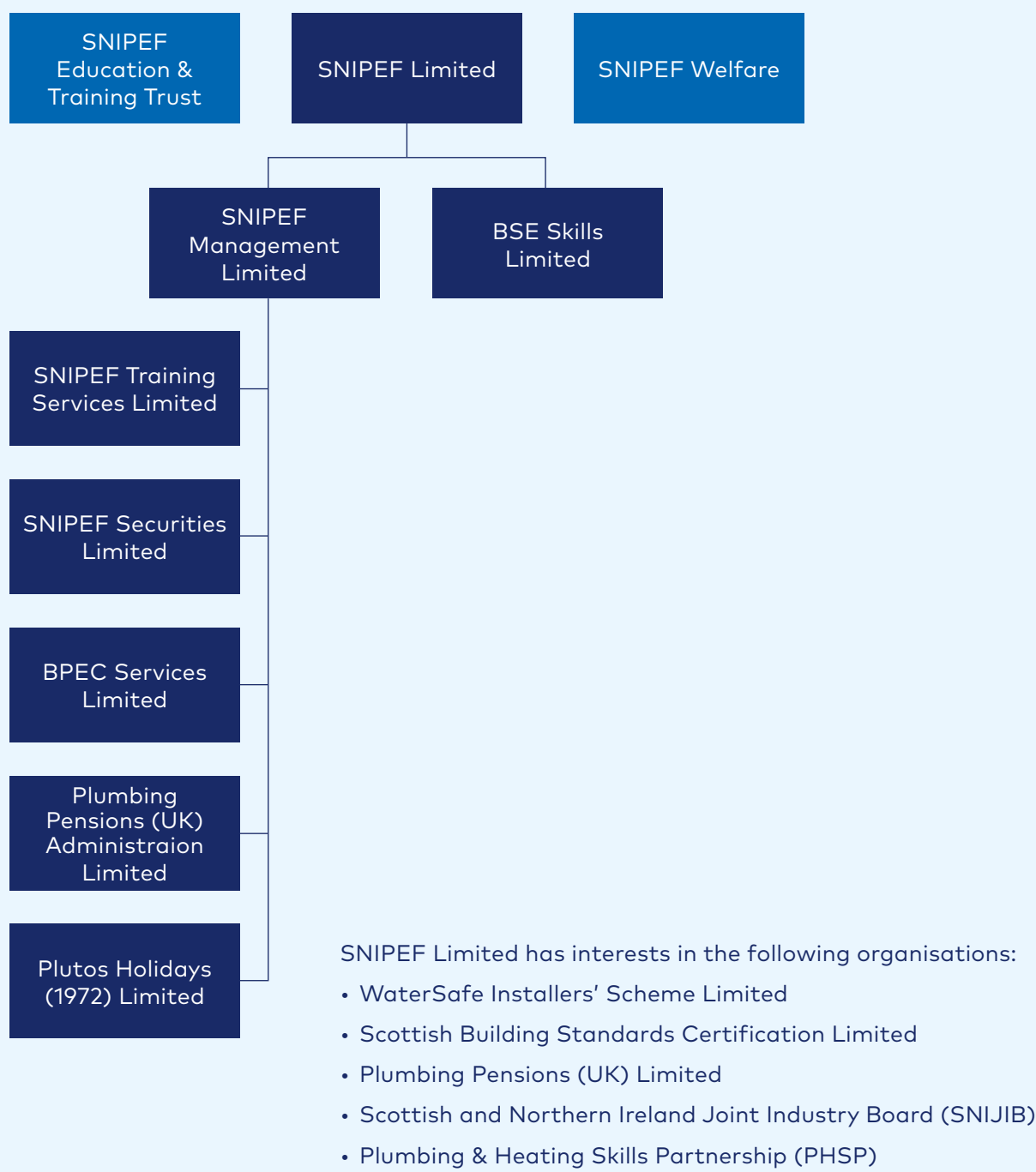
Date: 28 April 2023

Company No: SC056633

Governance: Structure and management

Structure

The following shows the relationship between SNIPEF and other organisations and stakeholders.



Management

Office Bearers 2022/23

Jim Butter	President
George Baxter	Vice President
Robin Hall	Immediate Past President
John Doherty	Junior Vice President

SNIPEF Board 2022/23

Representatives from each association have a position on the SNIPEF Board.

The Board meets four times a year and is chaired by the President.

Barry Sharp	Director	Edinburgh & District
Gerry Woods	Director	Glasgow & West of Scotland
John Blyth	Director	Fife & Kinross
Mike Stuart	Director	Aberdeen & District
Neil Hadden	Director	Banff & Moray
Tony Addyman	Director	Dundee & District
William MacMillan	Director	Inverness & District Master Plumber's Association

Management 2022/23

Fiona Hodgson	Managing Director and Chief Executive Officer
Stephanie Lowe	Acting Managing Director and Chief Executive Officer, Industrial Relations Manager
Leslie Fox	Certification Manager
Richard Campbell	Marketing and Communications Manager
Gail Hume	Membership Manager
Martyn Raine	Technical and Skills Manager
Denis Anke	Finance Manager
Dale Thomson	Apprentice Training Manager

SNIPEF

Bellevue House
22 Hopetoun Street
Edinburgh
EH7 4GH

W: www.snipef.org

T: 0131 556 0600

Twitter: @SNIPEFNews

Published: May 2023

