

SNIPEF & APHC MANIFESTO

SNIPEF and APHC are the trade bodies for the plumbing and heating industry representing 1,770 businesses and 25,155 plumbing and heating operatives. This manifesto is aimed at the incoming Government and highlights four key areas that we believe to be critical to building a resilient and sustainable construction landscape in which plumbing and heating firms can develop, compete and thrive.

Payment abuse

Poor payment practices continue to be the bane of the construction sector and need to be urgently addressed. Payment abuse causes insolvencies across the sector and encourages poor standards of work and a reduction in investment. It is affecting the mental health of business owners worried about not only when but if they will get paid.

We call on the government to:

- Mandate 30-day payment terms on all public sector contracts and sub-contracts;
- Impose penalties on serial late payers;
- Legislate for the use of project bank accounts in the public sector;
- Legislate to protect cash retentions.

Pensions

The 2019-20 Pension Schemes Bill does not address the unintended consequences of legislation currently affecting hundreds of UK plumbing and heating businesses who provided a pension to their employees in a multi-employer industry scheme.

Under Section 75 of the Pensions Act 1995 and subsequent amendments, Section 75 places a legal liability on the employer to meet the cost of buying annuity policies for all the employer's current and former employees who are members of the Scheme.

Section 75 debt is triggered when an employer withdraws from the Scheme which has resulted in employers in retirement now facing personal bankruptcy. Those still trading not only have responsibility for the pension liabilities of their own employees but also for employees whose employer left prior to the introduction of the legislation or through insolvency thereafter – "orphan liabilities".

These unintended consequences are having a significant detrimental effect on the mental health of the affected employers.

We call on the government to:

- Amend current legislation for this type of Scheme;
- Introduce an exemption for unincorporated businesses now facing personal bankruptcy;
- Change the way in which section 75 debts are calculated.

Green economy

We welcome the UK government's targets to move to a clean economy and net zero greenhouse gas emissions by 2050 however for this to be successful we need clear guidance on how this will be achieved and assurances that support will be provided to upskill the current workforce and ensure only those suitably qualified are able to do the work. There is also a need to incentivise consumers to invest in low carbon technologies.

We call on the government to:

- Provide more clarity on the ambition for net zero greenhouse gas emissions;
- Support employers to upskill existing workforce;
- Introduce a Licensing Scheme to ensure those working in the industry demonstrate a minimum level of competence;
- Incentivise consumers to invest in renewable technologies.

Skills

Plumbing and heating apprentice levels have not recovered from those pre-recession, during which levels dropped by 50%. The industry is now facing the challenges of a skills shortage with employers struggling to find suitably qualified and skilled staff. In the light of Brexit the position is likely to get worse, and with the existing workload and government targets for a green economy and increase in the UK housing stock there is an immediate need to invest further in skills.

We call on the government to:

- Prioritise funding for apprenticeships in our sector;
- Provide financial support or incentives to employers to employ apprentices;
- Provide support for older entrants to the industry. Often funding is different for this category and the cost for employers is higher;
- Support upskilling not only for those currently in the industry but for those seeking employment from other sectors which are in decline.



SNIPEF



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