

JANUARY 2018

Welcome to your industry newsletter



Message from LEIA President



As I start my term as LEIA President, the industry faces a mix of challenges and opportunities.

The liquidation of Carillion is not good news and I hope that members have not been badly affected. It is a reminder that as an industry we need to keep pushing for a reform of cash

retentions and for the use of Project Bank Accounts (PBAs) to be extended to protect sub-contractors' cash. We need to be vigilant on negotiating and accepting contract terms so that we can manage risk. We will be highlighting these issues at the next LEIA Council meeting (15 February) and the Contracts & Legal Seminar (9 May) will be essential for members. Also a reminder that the LEIA Distance Learning unit for Contract Management has been revised and was launched for the January start.

The "Liam Loves Escalators" childrens' safety campaign has been a great success, building on the achievements of the "Liam Loves Lifts" campaign in 2016. The "Liam Loves" campaigns show our strong commitment to safety. The use of social media was

crucial to engaging with children, their families and the public. We will be looking at how we can build on this momentum in the future. The campaign materials are available to download from the LEIA website and members are encouraged to continue the campaign through their networks.

Building on the success of the "Liam Loves" campaigns, we will reach out more beyond our members and the industry. I believe that this is an attractive and exciting industry and offers a range of rewarding career opportunities at all entry points from school and college leavers and, to seasoned engineers. In particular, I look forward to seeing more from LEIA to engage and help enthuse youngsters and to explain the training, qualifications and careers they could have in our industry.

As ever, we live in interesting times. Best wishes for 2018.

Warren Jenchner, LEIA President

Distance Learning Course – units updated

Three core units of our Distance Learning Course have been updated to reflect current legislation and practices:

IOSH Managing Safely for LEIA

Management of a Lift/Escalator Contract – Part 1: Commercial Management of a Lift/Escalator Contract – Part 2: Site

Our next semester starts 1 May, so don't delay, register today!

Industry News

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New items

Carillion

LEIA members at the LEIA Council meeting in October heard about the under-capitalisation of UK Construction Companies – most notably Carillion. It was still very bad news that Carillion's had gone into liquidation. Media reports and analysis since then have shone the spotlight on their business model and operational practices. These practices were not restricted to Carillion and other companies might be at risk.

The Carillion debacle is a wake-up call for our industry to watch the financial strength of all main contractors, tier 1 sub-contractors and large facilities management companies. While some of our members will emerge relatively unscathed – either because they did not tender for Carillion work owing to their onerous terms or because they have been fortunate with their projects - many may not be so lucky.

LEIA continues to work with the Specialist Engineering Contractors' (SEC) Group, of which LEIA is a member, to inform the Department for Business, Energy and Industrial Strategy (BEIS) on the impacts on the construction industry supply chain. If any member has been affected, please let us know. Further advice and guidance is available from:

The Insolvency Service

PwC (the Official Receiver)

These issues are sure to feature strongly at the next LEIA Council meeting on 15 February and at the Contracts and Legal Seminar on 9 May.



Momentum builds to reform Cash Retentions in Construction Industry

LEIA has joined fellow <u>Specialist</u> <u>Engineering Contractors' Group</u> members in mobilising support to address the practice of cash retentions in the construction industry. An estimated £7.8 billion in retentions has been unpaid in the construction sector over the last three years, and in the same period £700 million of retentions were lost due to upstream insolvencies. This is a critical issue affecting the viability and productivity of SMEs in the construction supply chain. Following the publication of a consultation document on cash retention by the Department for Business, Energy & Industrial Strategy (BEIS) in October 2017, LEIA has been delighted by the response from its members in expressing their concerns with cash retentions.

Submissions have been made to the BEIS consultation and experiences were shared at a recent SEC Group meeting with BEIS Deputy Director for Construction, Fergus Harradence.

Members have written to their local MPs to seek their support for the Construction (Retention Deposit Schemes) Bill 2018. The Bill seeks to protect cash retentions by requiring them to be placed in a retention deposit scheme. Peter Aldous MP presented this Bill under the 10 Minute Rule Motion in the House of Commons on 9 January. A second reading date has been set for Friday 27th April.

Watch Peter Aldous' presentation of the Bill



Don't forget to follow the LEIA LinkedIn page for weekly industry news and updates

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Industry News



New Board & Committee members

We are delighted to announce two new appointments to the LEIA Board - Craig Pilkington, Managing Director of <u>Wessex Lifts</u> and Martin Chapman, Head of Field Operations at <u>KONE</u>. Both appointments are effective 1 January 2018.



Craig has been active in the industry for more than 15 years and is Chairman of the LEIA Personal Lift Group. Martin, who has been with KONE for 20 years, replaces Rob Squires also of KONE who stepped down from the Board having served a three-year term.



We are also pleased to welcome Karis Walker, Operations Director (2nd

Brands OU BBN) at <u>thyssenkrupp</u> <u>elevator</u> to the Contracts & Legal Committee (CLC). Karis has held a variety of senior commercial roles within large corporates in both the lift and aerospace industries. Karis attended her first CLC meeting in November.

LIFTEX 2019 in high demand 45% sold

Since its launch last autumn more than 45% of exhibition space for LIFTEX 2019 has been snapped up.

LIFTEX is the UK's leading event for the lift, escalator and access industry and is going from strength-to-strength. The 2016 event was, according to exhibitor feedback, the best ever in the event's 28 year history.

Held every three years and organised by LEIA, the 2016 event welcomed 2,614 attendees from over 35 -countries. With over 100 exhibitors and a world-class speaker line-up, LIFTEX 2016 set new standards for the industry.

Oliver Greening, Show Director said: "High demand and significant interest for the 2019 event [15-16 May], particularly from previous exhibitors, demonstrates that LIFTEX is once again the exhibition of choice for the UK industry".

View the latest floor plan

Exhibition space enquiries & bookings

2018 Seminar Series announced

Our Seminar Series for 2018 has been announced. The seminars are open to members-only and feature experts and guest speakers who deliver informative, educational and insightful presentations on key aspects of the industry. This year's seminars are:

14 March – Safety Seminar:

Manage your employee safety with LEIA

9 May - Contracts & Legal Seminar:

Manage your contract, protect your cash!

31 October – Annual Technical Seminar with a strong modernisation theme

Further information, including booking instructions, can be found on the <u>LEIA website</u>.



LEIA members only

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Email: enquiries@leia.co.uk

www.leia.co.uk

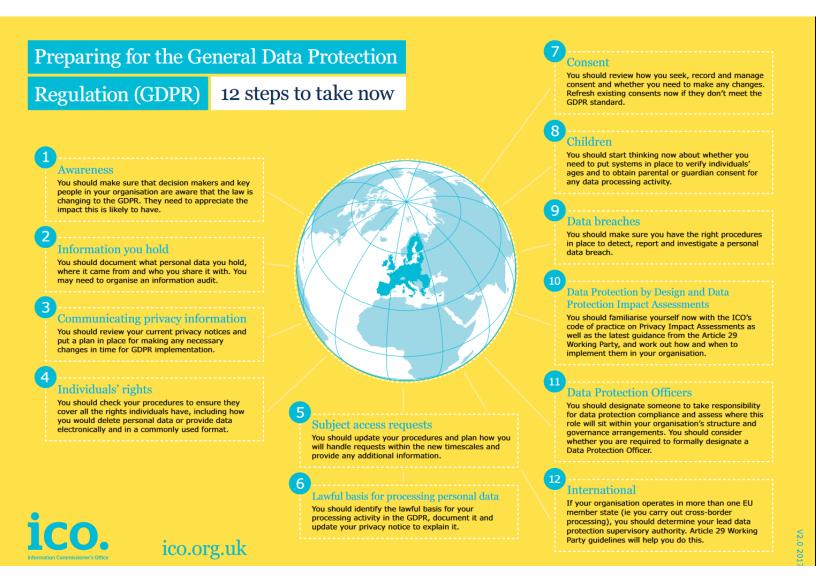
Are you prepared?

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Are you prepared for GDPR?

UK data protection law is changing. The General Data Protection Regulation (GDPR) comes into effect from 25 May 2018 and your business needs to be thoroughly prepared. Your data handling procedures may need to change. GDPR builds on current legislation, but provides more protections for consumers and more privacy considerations for organisations.



Further information, including practical guidance on preparing for GDPR, is available from the Information Commissioner's Office website

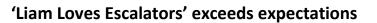
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Tel: 020 7935 3013

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Updates



More than 20,000 books and posters were distributed to members, parents, schools, nurseries, Brownie and Rainbow groups across the UK to deliver the message of safe use of escalators.

Lawrence Dooley, LEIA Safety & Training Manager said "We are absolutely delighted at the positive response we've received to the 'Liam Loves Escalators' children's safety campaign.

The level of interest in 'Liam Loves Escalators' since the campaign launch in September has far exceeded our expectations and the fantastic feedback we've received from parents about how useful they are finding the books and colouring posters as an educational tool has undoubtedly made the campaign worthwhile.

The campaign has been given an extra boost thanks to the overwhelming support LEIA have received from our members, which we are extremely grateful for".



Liam Loves Escalators!

The 'Liam Loves' safety campaign has built a community of 650 followers on social media.



Industry

Technical Standards under revision

As the last Annual Technical Seminar heard, there are many standards under revision which LEIA members have commented on and others whose publication is keenly awaited.

In our last newsletter we announced the publication of BS 8486-3 for testing lifts designed to BS EN 81-20. This is being followed by BS 8486-8 (to test firefighters lifts to BS EN 81-72) and BS 8486-9 (to test fire recall to BS EN 81-73). These are currently under comment (LEIA members are invited to comment) and scheduled to be published in April.

Other standards which we expect to be published in the next few months are:

- BS EN 81-21:2018 which, once published, will provide a solution for new lifts in existing buildings with restricted pit depths and headrooms to avoid derogation. For more details see the <u>BEIS/ NB/ LEIA Guidance on EHSR 2.2</u>.
- BS EN 81-28:2018 for emergency alarm systems for lifts.
- BS EN 81-70:2018 with new car sizes, new light reflectance values (LRVs) and updated requirements for accessibility.
- BS EN 81-71:2018 for vandal resistant lifts.

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