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Welcome to your industry newsletter



Welcome to the fourth issue of the LEIA newsletter in which we examine Project Bank Accounts, take a look at the innovations on show at LIFTEX 2016 and discuss the latest BREEAM and environmental impact.

Countdown to LIFTEX 2016!

With only two months to go, the countdown has begun to LIFTEX 2016 – the UK's only meeting place for the escalator and lift industry. It has been three years in the making and we have worked hard to create an event which reflects the dynamism and innovation in our industry.

We're also delighted to report that this year's event is the biggest yet – with more exhibitors than ever before. What's more, it's a truly international line up with more than 10 different countries represented.

See page 3 for just some of the highlights you will find at this year's show.

If you haven't already, there is still time to register for LIFTEX which runs from 25 – 26 May at London's ExCeL at www.liftex2016.com.

Follow us!

Don't forget that we are also on LinkedIn, so please **follow us** for industry updates and news.



Solving cash-flow issues: Project Bank Accounts

It has been a long standing issue within the construction industry for suppliers to wait up to 120 days to be paid. Whilst various initiatives have been introduced since Michael Latham’s 1994 ‘Constructing the Team’, none of them have made a breakthrough impact across the industry. Project Bank Accounts (PBAs) are slowly starting to change that, says Terry Potter, Managing Director of LEIA.

How does it work?

PBAs are ring-fenced accounts from which payments are made directly and simultaneously to a lead contractor and members of the supply chain. Essentially, the PBA account holds the money in trust for the supply chain. This helps to protect the money in the event of administration or receivership and accelerates payment. Suppliers, and the main contractor, are paid simultaneously, usually within five days of the client depositing funds into the PBA. This provides:

- The client with visibility of payment performance in the supply chain.
- Prevents payments to the supply chain being unfairly delayed.
- Promotes prompt payment to the supply chain, thereby reducing financing costs to sub-contractors that can be passed on in sub-contractors tending prices.
- Gives all parties the reassurance that monies due from the account are safe should a contractor become insolvent.

Where are they being used?

Highways England, the Ministry of Justice (Cookham, Wrexham and nine new prisons), FCO (one new Embassy), the Environment Agency and Defence Infrastructure Organisation (DIO) are all using PBAs at present. In particular, Highways England is using them on all of its work. Currently there are over 35 PBAs in operation across a suite of major road schemes and maintenance contracts, and by 2020 £20bn worth of highway work will have been paid through PBAs. On average tier 3 contractors are being paid within 19 days of the assessment date in the main contract and this is a huge achievement.

What are the misconceptions around PBAs?

Theory	Reality
Complicated and time consuming to set up	It’s actually no different to a conventional bank account
Expensive, and only viable on large schemes	Costs are modest, below £1,000

The future

There is growing awareness of the benefits that PBAs can bring amongst both central and local government and from further afield, such as the Western Australian State who have decided to implement a trial.

Overall, it is clear that PBAs are having a positive impact upon the industry and go some way to address the perceived view of poor payment practices. PBAs should be considered both within the public and private sectors as a tool to drive further efficiencies, protect both the client and supply chain from insolvency and to encourage collaborative and innovative behaviour between all parties.

PBAs will be discussed during the [seminar programme](#) at the forthcoming LIFTEX event on Wednesday 25th May.

Innovation in action at LIFTEX 2016



Energy-saving compact gearless lift motors, wireless lift controls powered by apps, portable lifts and safety devices are just some of the innovative solutions being demonstrated by more than 100 exhibitors at this year's LIFTEX 2016 (25 -26 May, ExCeL, London).

"LIFTEX only takes place once every three years, so this is an ideal opportunity for architects, owners, managers, specifiers, installers, manufacturers and designers of lifts to see the latest ground-breaking technology in action" according to Show Director Nick Mellor. "Products to save energy, prevent accidents and address crucial accessibility issues faced by many, will be available to view first hand. This is the place to be if you're looking to save time, money and energy on your equipment."

Highlights on the show floor include:

- Terry Lifts is bringing live exhibits of its Melody 3 Platform Lift, S7 Inclined Platform Stair Lift and the Portable Platform Lift to the show.
- Apex Lifts will be unveiling its new customer management portal, which delivers a secure customer login area and management service providing real-time 'live' and accurate updates of lift and escalator servicing, maintenance and repairs.
- Digital Advanced Control will showcase the MEC32 Lift Controller Microprocessor system, which utilises the latest microcontroller technology to bring 32Bit processing to the lift industry.
- Docensas S.L will be promoting its Elevator Business Management Programme, the first training programme in business administration for lift companies, officially expanding into the UK at LIFTEX.
- With its accredited lift training courses for the healthcare market, Eastwood Park is exhibiting at LIFTEX for the first time promoting its lift training portfolio.
- A new range of energy-efficient, compact gearless motors designed to eliminate the space and high maintenance challenges of conventional electric motor/gearbox and hydraulic systems, will be shown for the first time in the UK by Lafert.
- On the ALGI Alfred Giehl GmbH & Co. KG stand, Meiller will be demonstrating its FingerGuard® which prevents fingers becoming trapped in lift doors and is currently available for centrally opening doors as well as telescopic lift doors.
- SafeLine Elevator Parts UK will be using the event to launch its new SL6+, the latest updated version of the popular and fully featured autodialler unit. It will also be displaying and demonstrating the SafeLine EVAC lift evacuation intercom system, and the SafeLine CANopen lift control panels which includes features such as a Smartphone APP, that connects directly to the control panel both locally when on site via Bluetooth, or remotely using a 3G/4G connection or by WiFi.

For more information, or to pre-register for LIFTEX, visit www.liftex2016.com

BREEAM & energy – life cycle assessment



Background to BREEAM

What is “BREEAM”?

BREEAM is the Building Research Establishment’s Environmental Assessment Method and was updated in the UK New Construction non-domestic buildings technical manual, which was published in 2014 replacing earlier guidance. It can be downloaded from the [BREEAM website](#). Section *Ene 06 Energy efficient transportation systems* includes the requirements for lifts and escalators, and these are concerned with the energy performance of equipment during the *usage phase*.

What has changed with the latest BREEAM?

This is a significant improvement over the previous document as it includes references to BS EN ISO 25745 which provide methods for the measurement and classification of the energy performance for lifts, escalators and moving walks (it also dropped some earlier erroneous guidance). BS EN ISO 25745 is concerned with the energy *usage*, where many producers have made fantastic improvements resulting in much of the industry now providing very energy efficient equipment. This, especially for intensively used lifts and escalators operated for many years, can play a significant part in the overall environmental impact of this equipment.

Does the BREEAM guidance make sense for low usage equipment?

Following BREEAM recommendations, especially for the fitting of variable voltage variable frequency (VVVF) drives, might make sense on intensively used traction lifts. However, it may not be as appropriate on low usage hydraulic lifts where energy savings over the life of the lift might not justify the higher environmental impact (and cost).

Similarly, it might make little sense to fit regenerative drives (which return energy to the mains supply). Fortunately, the new guidance does not now require this unless it can be demonstrated that it saves energy.

What about modernising lifts?

If BREEAM requirements are applied inappropriately to the specification of modernisation work, it can lead to situations including the expensive removal of machines and drive systems which might have many years of useful life – purely on the basis of savings in energy usage. Such a modernisation might not make sense if the full environmental impact of the new equipment, and removal of the replaced equipment, is taken into account.

How can the environmental impact be assessed over the whole life cycle?

Product Category Rules (PCR) for lifts was a document published in October 2015 which specifies the rules for the underlying Life Cycle Assessment (LCA) of lifts and escalators. LCA looks over the whole life of the lift or escalator, not only the usage phase, and can help to address the situations raised earlier.

What are the implications of using a LCA on new lifts?

The use of LCA may have a bearing on the questions raised earlier. Taking into account the whole life cycle impact, there might be little or no benefit by specifying VVVF drives and regenerative drives to some new equipment especially where the usage is low. When looking at a long building life, beyond the expected life of the new equipment, questions of replacement and modernisation could be considered using LCA.

What are the implications of using a LCA on old lifts?

LCA could be a useful tool for assessing modernisation solutions. Where its condition allows, or it is possible for the equipment to be reconditioned, it might make sense to retain equipment based on LCA. It could provide a basis for a progressive modernisation approach, and therefore selecting equipment on the basis of longevity.

The background to the PCR for lifts will be explored in a seminar presentation at the forthcoming LIFTEX 2016 event (25 – 26 May 2016, ExCeL, London) as part of the free seminar programme. To register for free visit: www.liftex2016.com