

4th February 2008

The British Woodworking Federation response to the National Payments Plan Consultation

THE BRITISH WOODWORKING FEDERATION

The British Woodworking Federation is the leading representative body for the woodworking and joinery manufacturing industry in the UK. The BWF currently has over 500 members drawn from manufacturers, distributors and installers of timber doors, windows, conservatories, staircases, all forms of architectural joinery including shopfitting, timber frame buildings and engineered timber components, as well as suppliers to the industry. The total turnover of the BWF's membership in 2005 was approximately £625 million.

MANAGING THE DECLINE OF CHEQUE PAYMENTS

The BWF appreciates the benefits of migrating from paper to electronic payments and the costs associated with cheque processing. We are content to further assist our members in the transition to electronic payments, however, the woodworking and joinery industry represents a major area where cheques remain heavily used and some of these companies in this sector would not be comfortable with a rapid transition to new payment services.

Many of our members, especially the smaller companies, find that electronic alternatives to payment by cheque are not always convenient or may not meet the needs of payers or payees. We concur with the view of the user forums that it would be necessary to raise awareness among SMEs of the advantages of electronic payments and that all users would have to feel comfortable with new payment services in order to make best use of them. At the moment this would not be the case for some of our members and such a change could not be made overnight. The 'numerous organisations and initiatives' that the Payments Council intends to draw upon in developing its role in education on payment matters would be of little help to our membership unless the information given was well targeted, easy to digest and made practical business sense.

Electronic payments are widespread amongst our larger members, but the nature of some member businesses and the work they carry out means that we would urge the Payments Council to proceed diligently if it decides to pursue the proactive option of phasing out cheques within a set timescale.

Matt Mahony
BWF Policy Executive