

REFERENCE: SNIJIB 2010/6

30 July 2010

NOTICE OF PROMULGATION
TO THE INDUSTRY IN SCOTLAND & NORTHERN IRELAND

PURCHASE OF HOLIDAY CREDITS DURING PERIODS OF SICKNESS OR TEMPORARY LAY-OFF

The Scottish & Northern Ireland Joint Industry Board for the Plumbing Industry has agreed the following amendments to the rules of the Plumbing Industry's Annual & Public Holidays with Pay and Sick Pay Schemes operated on behalf of the industry by Plutos Holidays (1972) Limited and SNIPEF Welfare and to Working Rule 9 "Guaranteed Week" of the JIB National Working Rules. These shall be retrospective and will have effect from the start of the contribution year commencing, Monday 10 May, 2010 for Plutos Holidays (1972) Ltd and SNIPEF Welfare.

ANNUAL AND PUBLIC HOLIDAYS WITH PAY SCHEME (page 37 National Working Rules)
(The existing wording is deleted and is replaced by the following)

1. OBJECT

The title of the Scheme will be the Annual and Public Holidays with Pay Scheme (hereinafter referred to as "The Scheme"). The object of the Scheme is to secure for operatives and apprentices 29 days of holiday (or such other amount as determined by the JIB) with pay and not a means whereby an employee can receive double pay for work if he does not take the prescribed holidays.

2. EMPLOYERS AND EMPLOYEES COVERED BY THE SCHEME

All employers shall operate and enroll all operatives and apprentices in their employment in the Scheme except where with the agreement of their employees an employer may operate a scheme other than the industry scheme provided the benefits and contributions are at least equal to those provided by the industry scheme. The Scheme shall be managed by Plutos Holidays (1972) Ltd (hereinafter referred to as the Management Company). Where for whatever reason an employer does not operate the Scheme or equivalent then the employer is obliged to make good the benefits which would otherwise be due to their employees.

3. AMOUNTS TO BE CREDITED - ACCOUNTING PERIODS

Each employee covered by the Scheme shall be credited by the employer employing him in each calendar week during which a contract of employment exists, including weeks of absence due to sickness or accident or weeks of temporary lay-off under Working Rule 9 "Guaranteed Week", with a sum (known as a holiday credit) the value of which will be fixed from time to time by the JIB.

The periods during which holiday credits fall to be made to employees under this Agreement shall be termed "Accounting Periods" and shall be the period of 52 weeks commencing on the second Monday in May each year or as near thereto as possible or such other period as determined by the JIB.

4. NOTIFICATION OF NEW STARTS/LEAVERS

Each employer operating the Scheme shall, immediately notify the Management Company of all new starts and leavers eligible to be covered by the Scheme by completing a Plutos 45 form (Notification of Employee Leaving Employment) or a Plutos 60 form (Notification of New Employee).

5. STATEMENT OF HOLIDAY CREDITS DUE

The making of holiday credits as provided for in this Agreement shall be met by the employer purchasing a credit from the Management Company in accordance with the 4 weekly statements issued by the Management Company which shall detail the names of the employees included on the statements and the value of the holiday credit to be purchased for each employee listed. The employer is required to check that the information detailed on each statement is correct, and if not, amend accordingly and return a Plutos 44 form (Notification of Adjustment) stating the required changes to be made (including where an employee has a change of grade). Additionally the employer shall attach to the pink statement copy the a company cheque made payable to Plutos Holidays (1972) Ltd for the total value of credits due and post to the Management Company or pay by BACS electronic banking. The white statement copy should be retained by the employer.

6. PAYMENT OF HOLIDAY CREDITS

The sum to be paid to an employee shall be the equivalent of the total amount of holiday credits held by the Management Company for an employee less the appropriate administration charge. This amount shall be paid to the current employer or direct to the employee should the said employee no longer have a current employer. It shall be the responsibility of the employer to ensure that the Scheme holds current bank and address details for the employer and their employees. The holiday pay due shall be made to the employee by the employer in whose employment he is at the date of the holiday. Payment shall be made by the employer to the employee on the last customary pay-day prior to the commencement of the holiday.

In the event of the employer failing to fulfill this obligation it shall be open to the employee to make application to the Management Company for payment at the time of the holiday in the manner and under the conditions laid down in the immediately succeeding paragraph of this section.

At any time after the pay day in which payment of holiday credits would normally have been made and the following 31st March it shall be open to any employee unemployed or incapacitated or employed in other than the Plumbing Industry at the time of such holiday to make application to the Management Company for payment of the holiday credits purchased (less administration charges) in respect of that holiday. Each such application must be accompanied by evidence satisfactory to the Management Company.

7. EMPLOYEE ACCOUNT

Holiday credits purchased by an employer will be held by The Scheme in an employee account to be repaid to the employee via his employer at the time of a holiday or direct to the employee where he does not have a current employer at the time of a recognised Industry holiday.

8. PAYMENT OF HOLIDAY CREDITS TO INDIVIDUALS NO LONGER IN EMPLOYMENT

A sum equivalent to the total amount of holiday credits purchased on behalf of and not paid to an employee during any relevant Accounting Period less the appropriate administration charge for that period shall be paid to an individual who no longer has a current employer. Applications must be accompanied by evidence satisfactory to The Scheme.

9. REIMBURSEMENT TO EMPLOYERS OF HOLIDAY CREDITS PAID BY THEM

The full value of holiday credits (less administration charges) shall be paid to the employer by the Management Company.

The reimbursement of holiday credits due to operatives and apprentices for the fixed plumbing holidays will be paid automatically without the need for employers to request reimbursement. The repayment of holiday credits will be paid through BACS into the current employer's bank account on the pre-determined holiday payment dates of the contribution year. It shall be the responsibility of the employer to ensure that The Scheme holds current bank and address details for the employer and their employees. Reimbursement shall be made by the Management Company to the employer, on application, of all holiday credits properly paid by him in accordance with the terms of this Agreement.

Where an individual is not in current employment at the time of a 'payout period' then the Scheme will pay the credits due direct to the employee, to his bank account or by cheque if the Scheme does not hold an individual operative's bank details.

10. NO CARRYING FORWARD OF HOLIDAYS OR OF HOLIDAY CREDITS FROM ONE YEAR TO ANOTHER

Holidays cannot be carried forward from one holiday period to the next. No employee shall in any circumstances be eligible to receive in any holiday period payment of holiday credits except those made on an employee's behalf during the relevant Accounting Period for that holiday.

11. PAYMENT OF HOLIDAY CREDITS TO THE LEGAL REPRESENTATIVE OF A DECEASED EMPLOYEE

A sum equivalent to the total amount of holiday credits made on behalf of an employee during any relevant Accounting Period less the appropriate administration charges for that period shall in the event of an employee's death be paid to his legal representative by the Management Company upon receipt of proof of death.

12. ABSENCE FROM WORK DUE TO SICKNESS, ACCIDENT OR OTHER CAUSES

Each employee shall be entitled to a holiday credit for each calendar week during which he is wholly absent from work due to sickness or accident in any contribution year or on temporarily lay-off under Working Rule 9 Guaranteed Week .

The liability of the employer under this clause to purchase a holiday credit when an employee is absent from work due to sickness or accident but not on temporary lay-off (for which the employer remains wholly responsible to purchase holiday credits) shall be borne by The Scheme in respect of the first 8 full weeks of absence due to sickness or accident in any contribution year. Thereafter the employer is liable to purchase a holiday credit, at the appropriate value, for all weeks of absence in excess of 8 weeks in any contribution year or linked period of absence as determined under the Statutory Sick Pay and Industry Sick Pay rules.

13. ANNUAL LEAVE YEAR

The Annual Leave Year for all employees who are subject to the National Working Rules of the Plumbing Industry shall be the 52 weeks commencing on the second Monday in May each year or as near thereto as possible or such other period as determined by the JIB or such other period as may be mutually agreed between the employer and their employees.

14. LIMITATION OF CLAIMS

No claims for reimbursement from The Scheme by either an employer or an employee in respect of any holiday credits shall be valid after the expiration of one year from the date of the holiday to which the credits relate.

15. DEFINITION AND LENGTH OF HOLIDAYS

Each employee covered by The Scheme shall be granted holidays as laid down by the JIB.

16. EMPLOYEES NOT TAKING A HOLIDAY

An employee who is unable to take a recognised holiday either because of accident or sickness, or because by arrangement with the employer with whom he is working during that period, shall be granted his holiday by the employer as soon thereafter as mutually agreed.

17. ADMINISTRATION AND INTERPRETATION OF SCHEME

Responsibility for the administration and interpretation of the Scheme and for settlement of all questions arising out of the Scheme shall be vested in the Management Company. All disputes arising out of this Agreement shall be dealt with in accordance with the JIB National Working Rules.

18. EXPENSES OF ADMINISTRATION

The administration charges under this Scheme shall be paid into a general fund and the expenses of

administration shall be borne out of the said fund.

19. VARIATION OR AMENDMENT OF SCHEME

The Scheme may be varied or amended at any time by agreement of the JIB.

20. TERMINATION OF SCHEME

The operation of The Scheme may be terminated at any time by agreement of the JIB. Either side of the JIB may terminate the operation of The Scheme as at the end of the Accounting Period in any year by giving at least six months notice of termination in writing. In the event of termination of the operation of the Scheme both sides of the JIB and the Management Company shall continue to operate the Scheme for as long as may be necessary to fulfill the rights acquired by employees in respect of holiday credits made to them before the date upon which the operation of the Scheme is terminated.

INDUSTRY SICK PAY SCHEME (page 45 – National Working Rules) (The existing wording is deleted and is replaced by the following)

1. OBJECT

The title of the Scheme will be the "Industry Sick Pay Scheme" and the object of the Industry Sick Pay Scheme (hereinafter referred to as "The Scheme") is to enable employers who are operating the Scheme and all grades of their employees to receive payment of industry sick pay during absence from work due to sickness or accident in addition to any Statutory Sick Pay (SSP) to which an employee may be entitled.

2. EMPLOYERS COVERED BY THE SCHEME

All employers shall operate and enroll all operatives and apprentices in their employment in the Scheme except where with the agreement of their employees may operate a scheme other than the industry scheme provided the benefits and contributions are at least equal to those provided by the industry scheme. The Industry Scheme shall be managed by SNIPEF Welfare (hereinafter referred to as the Management Company). Where for whatever reason an employer does not operate the Annual Holidays with Pay and Industry Sick Pay Scheme or equivalent then the employer is obliged to make good the benefits which would otherwise be due to their employees.

3. EMPLOYEES COVERED BY THE SCHEME

The Scheme shall apply to all operatives and apprentices employed in the Plumbing Industry in Scotland and Northern Ireland.

4. SICK PAY CONTRIBUTION

The rate of sick pay contribution shall be fixed by the Scheme and will be wholly payable by the employer in respect of all employees in each calendar week during which a contract of employment exists.

5. METHOD OF COLLECTION

Sick pay contributions will be collected through the Annual & Public Holidays with Pay Scheme. The amount of the holiday credit to be purchased weekly for any employee under the Scheme shall be increased by the amount of the sick pay contribution as laid down by the JIB. A holiday credit must be purchased by the employer for each calendar week during which an employee is wholly absent from work due to sickness or accident. All absence must be certified to the satisfaction of the employer. The liability of the employer to purchase a holiday credit in respect of an employee who is absent from work due to sickness or accident shall be borne by the Scheme in respect of the first 8 full weeks of absence in any contribution year or linked period of sickness and thereafter purchased by the employer for the duration of the absence in excess of 8 weeks in any contribution year.

6. SICK PAY FUND

Sick pay contributions shall be paid into a central fund out of which industry sick pay will be paid in accordance with the terms of the Scheme.

7. CONTRIBUTION YEAR

The Contribution Year during which contributions fall to be made under the Scheme shall be the same as the Accounting Period under the Annual and Public Holidays with Pay Scheme and shall be the period of 52 weeks commencing on the second Monday in May each year or as near thereto as possible or such other period as determined by the JIB.

8. INDUSTRY SICK PAY YEAR

The Sick Pay Year during which industry sick pay falls to be paid as provided under the Scheme shall be the period of 52 weeks commencing on the second Monday in May each year or as near thereto as possible or such other period as determined by the JIB.

9. RULES FOR PAYMENT OF SICK PAY

The rules for payment of industry sick pay during a Sick Pay Year shall be as follows:

- (a) An employee must be in the employment of a firm operating the Scheme during the period of absence from work through sickness or accident in respect of which industry sick pay is claimed.
- (b) Industry Sick Pay will not be payable for the first 3 qualifying days of absence which will be deemed to be waiting days.
- (c) The qualifying days for payment of industry sick pay are Monday to Friday each week.
- (d) Industry Sick Pay is only payable when an employee has formed a period of incapacity for work (PIW) of at least 4 consecutive days (including Saturdays and Sundays).
- (e) Periods of incapacity for work are linked to form one period of incapacity providing each one is at least 4 consecutive days and are separated by not more than 56 days (including Saturdays and Sundays).
- (f) The maximum entitlement of an operative/apprentice to Industry Sick Pay in any one period of incapacity for work is 28 weeks (140 days) (28 times the appropriate weekly operative/apprentice rate of sick pay).
- (g) An operative/apprentice does not qualify for Industry Sick Pay unless the employee has a minimum of 26 weeks credits purchased on his behalf in respect of the 26 weeks immediately prior to the PIW, for which statements have been issued by Plutos Holiday (1972) Ltd and paid by the employer who is operating the Holiday Credit Scheme in accordance with the requirements of the National Working Rules.
- (h) A first year apprentice during the period from the commencement of training up to the time he would otherwise qualify for sick pay shall be regarded as being in a full sick pay credit position provided he is employed by an employer operating the Scheme.

10. RATES OF SICK PAY

The rates of Sick Pay to be paid in respect of absence due to sickness and accident shall be fixed from time to time by the JIB.

11. CLAIMING AND PAYMENT OF SICK PAY

An employee shall submit to his employer and his employer shall send immediately to the Management Company a Welfare 1 Form (Sickness Benefit Claim) accompanied by a self or medical certificate at the commencement of incapacity and further medical certificates weekly for as long as incapacity shall continue. Payment of industry sick pay shall be made by the Management Company to the employee weekly via the employer.

12. CIRCUMSTANCES IN WHICH INDUSTRY SICK PAY IS NOT PAYABLE

The Scheme reserves the right to refuse industry sick pay in the following circumstances:

- (a) Undue delay by an employee in submitting medical certificates to his employer.
- (b) Chronic illness from which excessive and regular claims for sick pay have arisen.
- (c) Medical or other conditions considered by the Scheme to be either self inflicted or as a result of negligence.
- (d) Accident not arising out of or in the course of normal employment.
- (e) Strikes, riots, or civil disturbances or anything arising therefrom.

(f) War, civil war and naval, military or airforce service or operations.

13. PROVISION OF INDUSTRY SICK PAY TO EMPLOYERS

Partners and directors of firms who operate the Scheme in respect of all plumbing employees in their employment to whom the Scheme applies shall be entitled at no extra cost to themselves to payment of such sick pay as shall be fixed by the Scheme. Partners and directors must comply with all the requirements of the Scheme in order to be eligible to receive payment of industry sick pay.

14. MEDICAL REFEREE

If an employee's incapacity continues for an unusually long period or if the Scheme is not satisfied with the circumstances surrounding any claim the Scheme shall have the power to require the claimant to present for examination by a medical referee chosen by the Scheme to enable the Scheme to determine the eligibility of the claimant to industry sick pay.

15. ADMINISTRATION AND INTERPRETATION OF SCHEME

Responsibility for administration and interpretation of the Scheme and for settlement of all questions arising out of the Scheme shall be vested in the Management Company.

16. EXPENSES OF ADMINISTRATION

The expenses of administration of the Scheme shall be borne out of the Central Sick Pay Fund.

17. VARIATION OR AMENDMENT OF THE SCHEME

The Scheme may be varied or amended at any time by the Scheme but no alteration shall result in the main purpose of the Scheme ceasing to be the provision of sick pay or other benefits for employers operating the Scheme and their employees.

18. TERMINATION OF SCHEME

The operation of the Scheme may be terminated at any time by SNIPEF in which event the Scheme shall continue to operate for as long as may be necessary to dispense the Sick Pay Fund in compliance with these Regulations.

WORKING RULE 9 – GUARANTEED WEEK (page 69 of National Working Rules)

Working Rule 9 enables employers to lay-off employees without pay for a temporary period of time due to lack of work during which time the employee remains available for work during the period of lay-off. Employers are however liable to purchase a holiday credit for all weeks of temporary lay-off including the Guaranteed Week notwithstanding that although no work has been carried out the employee has remained available for work and the contract of employment remains in place.

Rule 9 - GUARANTEED WEEK

(The existing wording is deleted and is replaced by the following)

1. Availability for Work

- (a) Unless otherwise specifically instructed by the employer or his representative, each operative or apprentice will present himself for work each week day at the normal starting time of the firm and will there remain available for work throughout his normal working hours. Decisions as to when during the normal working hours work is to be carried out, interrupted and resumed, and as to whether some or all of the operatives/apprentices will work at any particular time, will be made by the employer or his representative and will be implicitly observed.
- (b) If in the premises or on the job work is temporarily not available for any operative or apprentice, the employer will make every endeavour to provide employment for an operative or apprentice in his own occupation elsewhere within the employment of that employer.

- (c) Subject to (b) above, if an employer temporarily has no work for an operative or apprentices in his own trade, the operative or apprentice will hold himself ready and willing to perform work in any building industry occupation of which they are capable, either in the shop or on the job or elsewhere within the employment of that employer.
- (d) An operative/apprentice who complies with instructions given in accordance with 1(a) and 1(c) above will be deemed to have been “available for work” during the relevant period.
- (e) In cases where abnormal weather conditions or other causes interrupt work over a period, the employer may make suitable arrangements appropriate to the circumstances of each case, by which operatives and apprentices can establish that they are available for work on each day.

2. Guaranteed Weekly Wage

An operative and apprentice is guaranteed payment of his current weekly graded rate of wages for the normal working hours of each complete pay-week during the period of employment, whether or not work is provided by the employer. This is regardless of temporary stoppages through inclement weather or other causes beyond the control of the parties.

This guarantee is subject to the following conditions:

- (a) that the operative/apprentice is available for work during the normal working hours of the pay-week as defined in Working Rule 1 – Working Hours;
and,
- (b) where an operative/apprentice is:
 - prevented by sickness or other cause beyond their control from being available for work throughout the normal working hours of each day of a pay-week;
 - or,
 - is in the employer’s employment for only part of the pay-week;
 - or,
 - is absent on a holiday recognised under Working Rule 4(a) above;

then the operative/apprentice will only be entitled to such proportion of the guaranteed weekly minimum as is represented by the time that the operative/apprentice was available for work compared with the total number of working hours of that week.

3. Loss of Guarantee

Where an operative/apprentice fails to be available for work during any part of the normal working hours on any day for any reason other than those stated in 2(b) above, then the operative/apprentice will only be entitled to payment of the operative’s/apprentice’s current, weekly, graded rate of wages for half the number of hours during which, although available, the operative/apprentice has been prevented from working.

4. Temporary Lay-Off

If work is temporarily stopped or is not provided by the employer and a pay-week during which an operative/apprentice works is followed by a complete pay-week during which the operative/apprentice is prevented from working, although available, then the operative/apprentice will be paid the operative’s/apprentice’s guaranteed weekly graded rates of wages for **that** pay-week, as defined in clause 2 above. While the stoppage of work continues the operative/apprentice may be eligible to apply for state benefit to cover the period where no payment of wages is available. In such event the whole period of employment, including the period when the operative/apprentice is available for work will be deemed to be continuous employment.

5. Potential redundancy

Following a period of temporary lay-off which ceases to be a temporary measure, the matter of redundancy should be considered by employers, who must follow the Statutory Redundancy Procedure and consult the

relevant employee representatives. Appropriate representatives are either representatives of Unite the Union or other elected representatives of the affected employees. Employers must consult appropriate representatives when it is proposed to dismiss or temporarily lay-off 20 or more employees at one establishment over a period of 90 days or less. Operatives or apprentices who are made redundant are entitled to a statutory guaranteed payment of notice and may qualify for a redundancy payment.

6. Purchase of holiday credits during temporary lay-off

An employee who is laid-off in accordance with this working rule shall continue to accrue holiday entitlement during any period of lay-off in terms of this rule. Each employee covered by the Annual & Public Holidays with Pay Scheme shall be credited by the employer employing him in each calendar week during which a contract of employment exists, including all weeks of temporary lay-off under Working Rule 9 "Guaranteed Week", with a sum (known as a holiday credit) the value of which will be fixed from time to time by the JIB.

Gordon Matheson — Chairman
John Allott — Vice-Chairman
Robert D Burgon — Director & Secretary