

REFERENCE: SNIJIB 2016/3

15 December 2016

NOTICE OF PROMULGATION TO THE INDUSTRY IN SCOTLAND & NORTHERN IRELAND
AMENDMENT TO NATIONAL WORKING RULE 19

The Scottish & Northern Ireland Joint Industry Board for the Plumbing Industry (SNIPEF & UNITE) has agreed the following amendment to National Working Rule 19 (Industry Pension Scheme and Death-in-Service) with immediate effect.

RULE 19 - PENSION PROVISION AND DEATH-IN-SERVICE

19.1 RIGHT TO BE ENROLLED IN THE INDUSTRY PENSION SCHEME OR AN “AUTO ENROLMENT” OR “QUALIFYING” PENSION SCHEME

As a result of the implications of current pension legislation the Plumbing Industry Pension Scheme (hereinafter referred to as the Scheme) was closed to **new** employer members in March 2014. Only employers operating the Scheme prior to March 2014 are able to continue to operate the Scheme and enrol their new employees in the Scheme. As a result employers who do not currently operate the Scheme must seek an alternative pension arrangement which complies with **(19.1.4)** below.

19.1.1 Employers currently operating the Plumbing Industry Pension Scheme

All employers currently operating the Scheme shall continue to operate the Scheme at the current contribution rates of the Basic Benefit Scale for their operatives and apprentices (hereinafter referred to as employees).

Employees contributing on the current Basic Benefit Scale shall after consultation with their employer either retain the right to remain on the current Basic Benefit Scale, or on reaching agreement, move to the 2017 Benefit Scale paying the applicable contribution rate. Such agreement shall be recorded in writing.

The applicable contribution rates are as detailed in the table below.

Plumbing Industry Pension Scheme - Basic Benefit and 2017 Benefit Scale Contribution Rates

Benefit Scales	Contributions	Current	Combined employer/employee	From April 2017	Combined employer/employee	From April 2018	Combined employer/employee
Basic	Employee	3.75%	11.25	4.6%	13.8%	5.3%	15.9%
	Employer	7.5%		9.2%		10.6%	
2017	Employee	N/A	N/A	3.75%	11.25%	3.75%	11.25%
	Employer	N/A		7.5%		7.5%	

19.1.2 Employers currently operating the Plumbing Industry Pension Scheme who recruit new employees

All employers currently operating the Scheme shall enrol their newly recruited employees in the Scheme on either the Basic Benefit Scale or the 2017 Benefit Scale or alternatively into an “auto enrolment” or a “qualifying pension” scheme into which they must contribute **at a minimum** the 2017 Benefit Scale combined employer/employee contribution rates currently as shown in the table at **(19.1.1)**.

19.1.3 Employers currently operating the Plumbing Industry Pension Scheme but not for all their existing employees

All employers currently operating the Scheme shall enrol existing employees previously not in the Scheme into the Scheme on either the Basic Benefit Scale or the 2017 Benefit Scale or alternatively

into an “auto enrolment” or a “qualifying pension” scheme contributing **at a minimum** the 2017 Benefit Scale combined employer/employee contribution rates currently as detailed in the table at (19.1.1).

19.1.4 **New employers NOT currently operating the Plumbing Industry Pension Scheme**

All employers that are subject to the National Working Rules of the Plumbing Industry and who do **NOT** currently operate the Scheme shall enrol **ALL** employees in their employment and who are under State Pension Age, into an “auto enrolment” or a “qualifying” pension scheme. The employer and employee contributions to any “auto enrolment” or “qualifying pension” scheme shall, **at a minimum**, be equal to the Scheme’s 2017 Benefit Scale contribution rates as detailed in the table at (19.1.1).

19.1.5 **STATUTORY RIGHTS**

Nothing in NWR19 is intended to interfere with or compromise the statutory rights of any individual with regard to pension provision.

19.2 **DEATH-IN-SERVICE BENEFIT**

19.2.1 **Employees in membership of the Plumbing Industry Pension Scheme**

In circumstances where the death of an employee occurs, no matter how caused, an employee shall be covered for a death-in-service benefit amounting to a lump sum calculated in accordance with (19.2.3).

19.2.2 **Employees NOT in membership of the Plumbing Industry Pension Scheme**

All employers that are subject to the National Working Rules of the Plumbing Industry must provide and pay for death-in-service cover for **ALL** employees providing a lump sum equal at a minimum to the death-in-service benefit payable under the Basic Benefit Scale of the Scheme as per the table below.

Grade	Current SNIJIB Hourly Rate	Weekly hours	Number of weeks	Amount of Death-In-Service
Plumber	£12.02	37.5	104	£46,878
Advanced Plumber	£13.68	37.5	104	£53,352
Technician Plumber	£15.15	37.5	104	£59,085

19.2.3 **Benefit amount**

The amount of death-in-service payable to an employee on the **Basic Benefit Scale** shall be equal to the GREATER OF TWO times earnings:

- a) The amount of the employee’s total annual earnings in the last complete year to the 5th of April prior to the employee’s death.

OR

- b) The amount equivalent to the employee’s annual basic rate of pay applicable to the grade of the employee at the time of death calculated on a 52 weeks basis.

The amount of death-in-service payable to an employee on the **2017 Benefit Scale** shall be equal to the GREATER OF THREE times earnings as (a) and (b) above.

19.2.4 **Benefit entitlement**

An employee’s entitlement to the death-in-service benefit shall cease where an employee is absent from work through sickness or accident for a continuous period of 104 weeks or more calculated from the date pension contributions were last paid on behalf of the employee.

Gordon Matheson — Chairman
John Allott — Vice-Chairman
Duncan Wilson — Chief Executive