

12<sup>th</sup> December 2012

## **NAECI REVIEW 2013 – 2015 AGREEMENT**

Subsequent to NJC Communique 12(12) which reported the Signatory Trade Unions' acceptance of the Employers' offer, this Communique details the NAECI 2013 – 2015 Agreement in full. In summary:

- Basic pay for a Grade 5 Advanced Craftsman will increase to £15.25 in 2013, to £15.60 in 2014 and £16.10 in 2015. Pay for other Grades will increase on a pro rata basis in accordance with the attached schedules of rates
- Radius Allowance, Accommodation Allowance and Welders' proficiency pay will increase in line with the increases in basic rate, in accordance with the attached schedule of allowances
- The timing of recalculation of severance payment rates will be in line with any Statutory change to the level of the "week's pay"
- Up to 10 working days bereavement leave may be granted to those employees in receipt of accommodation allowance, in the event of the death of a spouse, civil partner, child parent or sibling
- Individuals who successfully complete welding skills tests, accept employment with that employer and complete the first week of employment, will be entitled to 8 hours at basic rate for the time taken to undertake the test
- Incentive Bonus Arrangements for Apprentices on Categorized Work - From 5<sup>th</sup> January 2015 the word "may" will be replaced by "shall": "Apprentices employed under the NAECI shall be paid in the 3<sup>rd</sup> year of apprenticeship up to 25% of the incentive bonus payment applicable to Grade 4 (Craft) employees and in the 4<sup>th</sup> year up to 50%."
- Elements of the NAECI Disablement Benefits table (NAECI A.7(b)2.2) increase in line with NJC Joint Working Party Recommendations
- An NJC Working Party will be formed to review NAECI Weekly Sickness and Accident Benefit Provisions
- An NJC Guidance Note on "Site Transport to and from the Car Park and Welfare Village" will be agreed and issued

The full schedule of revised rates and allowances, and details of additional revisions are attached.

An updated schedule of rates for directly employed Apprentices and Salaried Employees will be detailed in forthcoming NJC Communiques. The NAECI 2013 – 2015 will be revised in accordance with this Communique, re-printed in hard copy and published on the NJC website.

## **NAECI 2013 – 2015 SETTLEMENT SCHEDULE OF RATES, ALLOWANCES AND OTHER REVISIONS**

### **1. Pay Rates (NAECI A.8 & A.2)**

Basic pay for a Grade 5 Advanced Craftsman increases to £15.25 in 2013, to £15.60 in 2014 and £16.10 in 2015. All other Grades increase on a pro rata basis. **Attachments 1a – 1c** contain Categorised and National Guaranteed rates tables for each year.

### **2. Radius Allowance (NAECI 9.1 & A.4)**

The radius allowance increases in line with the increase in basic rates. **Attachment 1d** contains tables for each year. \*

### **3. Accommodation Allowance (NAECI 9.2 & A.5)**

The accommodation allowance increases in line with the increase in basic rates. **Attachment 1e** contains tables for each year. \*

### **4. Proficiency Pay for Welding (NAECI 6.4 & A.3)**

The welders' proficiency payments increase in line with the increase in basic rates. **Attachment 1e** contains tables for each year.

### **5. Severance Payments (NAECI 16.5)**

The timing of recalculation of severance payments will be in line with any Statutory change to the level of the "week's pay". See **Attachment 2a** for the revised NAECI text.

### **6. Bereavement Leave (NAECI 11.4)**

Up to 10 working days bereavement leave may be granted to those employees in receipt of accommodation allowance, in the event of the death of a spouse, civil partner, child parent or sibling. See **Attachment 2b** for the revised NAECI text.

### **7. Welding Skills Tests (NAECI 6.4(c))**

An individual who has been invited to a welding skills test and who duly: completes the test successfully; accepts the first offer of employment from that employer; commences employment as instructed; and completes the first week of employment, will be entitled to be paid 8 hours at basic rate only (as payment for the time taken for the welding test), when the first week's wages are paid.

See **Attachment 2c** for the revised NAECI text.

**8. Incentive Bonus Arrangements for Apprentices on Categorical Work (NAECI A.8(b)(ii) & A.8(c)(vii))**

From 5<sup>th</sup> January 2015, the word "may" to be replaced by "shall":

"Apprentices employed under the NAECI shall be paid in the 3<sup>rd</sup> year of apprenticeship up to 25% of the incentive bonus payment applicable to Grade 4 (Craft) employees and in the 4<sup>th</sup> year up to 50%."

**9. Disablement Benefits Table (NAECI A.7(b)2.2)**

Elements of the NAECI Disablement Benefits table increase in line with NJC Joint Working Party Recommendations. **Attachment 1f** contains the updated table.

**10. Joint Working Party to Review NAECI Weekly Sickness and Accident Benefit Provisions**

An NJC Working Party will be formed to review NAECI Weekly Sickness and Accident Benefit Provisions.

**11. Site Transport to and from the Car Park and Welfare Village**

A Guidance Note on this subject will be agreed and issued by the NJC.

**12. Conditions of the 2013 – 2015 Settlement**

Subject to (5.) above, it is a condition of the 2013 – 2015 NAECI settlement that there will be no further improvements in the rates, benefits or any other terms and conditions of the NAECI beyond those agreed in this settlement prior to Monday 4<sup>th</sup> January 2016.

\* ***HMRC to be approached regarding the continuation of the previously agreed taxation treatment of this allowance***

**2013 CATEGORISED WORK RATES OF PAY (1 – 3)**  
**From Monday 7<sup>th</sup> January 2013**

	Grade 1 Adult	Grade 1 16 / 17 y	Grade 2 Adult	Grade 2 16 / 17 y	Grade 3 Adult	Grade 3 16 / 17 y	Grade 4	Grade 5	Grade 6
Basic Pay	9.50	7.34	10.90	8.41	12.36	9.50	14.61	15.25	15.89
Night	12.03	9.28	13.83	10.63	15.66	12.03	18.48	19.29	20.13
Afternoons	11.20	8.66	12.89	9.91	14.61	11.20	17.25	17.98	18.76
Double day – Morning	11.04	8.51	12.66	9.74	14.35	11.04	16.95	17.70	18.43
Double day – Afternoons	11.78	9.11	13.57	10.43	15.32	11.78	18.12	18.89	19.69
3 shifts 5 days	11.63	9.00	13.36	10.27	15.15	11.63	17.89	18.65	19.45
3 Shifts 7 days	11.78	9.11	13.57	10.43	15.32	11.78	18.12	18.89	19.69
Rolling Shifts Days	11.41	8.80	13.12	10.08	14.83	11.41	17.53	18.30	19.05
Rolling Shifts Nights	12.54	9.69	14.44	11.09	16.33	12.54	19.28	20.13	20.98
Overtime A	13.30	10.27	15.29	11.76	17.34	13.30	20.45	21.34	22.25
Overtime B	17.09	13.20	19.65	15.12	22.29	17.09	26.29	27.43	28.61

**2013 NATIONAL GUARANTEED WORK RATES OF PAY**  
**From Monday 7<sup>th</sup> January 2013**

	Grade 1 Adult	Grade 1 16 / 17 y	Grade 2 Adult	Grade 2 16 / 17 y	Grade 3 Adult	Grade 3 16 / 17 y	Grade 4	Grade 5	Grade 6
Basic Pay	8.65	6.71	9.92	7.63	11.24	8.65	13.18	13.83	14.47
Night	10.96	8.49	12.56	9.68	14.23	10.96	16.71	17.52	18.33
Afternoons	10.21	7.92	11.73	9.01	13.24	10.21	15.56	16.31	17.08
Double day – Morning	10.04	7.77	11.54	8.86	13.03	10.04	15.28	16.03	16.81
Double day – Afternoons	10.73	8.30	12.32	9.48	13.93	10.73	16.37	17.14	17.94
3 shifts 5 days	10.61	8.21	12.14	9.34	13.76	10.61	16.15	16.91	17.72
3 Shifts 7 days	10.73	8.30	12.32	9.48	13.93	10.73	16.37	17.14	17.94
Rolling Shifts Days	10.39	8.04	11.92	9.17	13.49	10.39	15.83	16.58	17.37
Rolling Shifts Nights	11.40	8.86	13.12	10.09	14.82	11.40	17.40	18.26	19.12
Overtime A	12.12	9.37	13.89	10.69	15.72	12.12	18.45	19.35	20.25
Overtime B	15.59	12.07	17.87	13.74	20.22	15.59	23.73	24.87	26.05

**2014 CATEGORISED WORK RATES OF PAY (1 – 3)**  
**From Monday 6<sup>th</sup> January 2014**

	Grade 1 Adult	Grade 1 16 / 17 y	Grade 2 Adult	Grade 2 16 / 17 y	Grade 3 Adult	Grade 3 16 / 17 y	Grade 4	Grade 5	Grade 6
Basic Pay	9.72	7.51	11.15	8.60	12.64	9.72	14.95	15.60	16.26
Night	12.31	9.49	14.15	10.87	16.02	12.31	18.91	19.73	20.59
Afternoons	11.46	8.86	13.19	10.14	14.95	11.46	17.65	18.39	19.19
Double day - Morning	11.29	8.71	12.95	9.96	14.68	11.29	17.34	18.11	18.85
Double day - Afternoons	12.05	9.32	13.88	10.67	15.67	12.05	18.54	19.32	20.14
3 shifts 5 days	11.90	9.21	13.67	10.51	15.50	11.90	18.30	19.08	19.90
3 Shifts 7 days	12.05	9.32	13.88	10.67	15.67	12.05	18.54	19.32	20.14
Rolling Shifts Days	11.67	9.00	13.42	10.31	15.17	11.67	17.93	18.72	19.49
Rolling Shifts Nights	12.83	9.91	14.77	11.35	16.71	12.83	19.72	20.59	21.46
Overtime A	13.61	10.51	15.64	12.03	17.74	13.61	20.92	21.83	22.76
Overtime B	17.48	13.50	20.10	15.47	22.80	17.48	26.89	28.06	29.27

**2014 NATIONAL GUARANTEED WORK RATES OF PAY**  
**From Monday 6<sup>th</sup> January 2014**

	Grade 1 Adult	Grade 1 16 / 17 y	Grade 2 Adult	Grade 2 16 / 17 y	Grade 3 Adult	Grade 3 16 / 17 y	Grade 4	Grade 5	Grade 6
Basic Pay	8.85	6.86	10.15	7.81	11.50	8.85	13.48	14.15	14.80
Night	11.21	8.69	12.85	9.90	14.56	11.21	17.09	17.92	18.75
Afternoons	10.44	8.10	12.00	9.22	13.54	10.44	15.92	16.69	17.47
Double day - Morning	10.27	7.95	11.81	9.06	13.33	10.27	15.63	16.40	17.20
Double day - Afternoons	10.98	8.49	12.60	9.70	14.25	10.98	16.75	17.53	18.35
3 shifts 5 days	10.85	8.40	12.42	9.55	14.08	10.85	16.52	17.30	18.13
3 Shifts 7 days	10.98	8.49	12.60	9.70	14.25	10.98	16.75	17.53	18.35
Rolling Shifts Days	10.63	8.22	12.19	9.38	13.80	10.63	16.19	16.96	17.77
Rolling Shifts Nights	11.66	9.06	13.42	10.32	15.16	11.66	17.80	18.68	19.56
Overtime A	12.40	9.59	14.21	10.94	16.08	12.40	18.87	19.80	20.72
Overtime B	15.95	12.35	18.28	14.06	20.69	15.95	24.28	25.44	26.65

**2015 CATEGORISED WORK RATES OF PAY (1 – 3)**  
**From Monday 5<sup>th</sup> January 2015**

	Grade 1 Adult	Grade 1 16 / 17 y	Grade 2 Adult	Grade 2 16 / 17 y	Grade 3 Adult	Grade 3 16 / 17 y	Grade 4	Grade 5	Grade 6
Basic Pay	10.03	7.75	11.51	8.88	13.05	10.03	15.43	16.10	16.78
Night	12.71	9.79	14.60	11.22	16.53	12.71	19.52	20.36	21.25
Afternoons	11.83	9.14	13.61	10.47	15.43	11.83	18.22	18.98	19.81
Double day - Morning	11.65	8.99	13.37	10.28	15.15	11.65	17.90	18.69	19.46
Double day - Afternoons	12.44	9.62	14.33	11.01	16.17	12.44	19.14	19.94	20.79
3 shifts 5 days	12.28	9.51	14.11	10.85	16.00	12.28	18.89	19.69	20.54
3 Shifts 7 days	12.44	9.62	14.33	11.01	16.17	12.44	19.14	19.94	20.79
Rolling Shifts Days	12.04	9.29	13.85	10.64	15.66	12.04	18.51	19.32	20.12
Rolling Shifts Nights	13.24	10.23	15.24	11.71	17.25	13.24	20.35	21.25	22.15
Overtime A	14.05	10.85	16.14	12.42	18.31	14.05	21.59	22.53	23.49
Overtime B	18.04	13.93	20.75	15.97	23.53	18.04	27.75	28.96	30.21

**2015 NATIONAL GUARANTEED WORK RATES OF PAY**  
**From Monday 5<sup>th</sup> January 2015**

	Grade 1 Adult	Grade 1 16 / 17 y	Grade 2 Adult	Grade 2 16 / 17 y	Grade 3 Adult	Grade 3 16 / 17 y	Grade 4	Grade 5	Grade 6
Basic Pay	9.13	7.08	10.48	8.06	11.87	9.13	13.91	14.60	15.28
Night	11.57	8.97	13.26	10.22	15.03	11.57	17.64	18.50	19.35
Afternoons	10.78	8.36	12.39	9.52	13.97	10.78	16.43	17.23	18.03
Double day - Morning	10.60	8.21	12.19	9.35	13.76	10.60	16.13	16.93	17.75
Double day - Afternoons	11.33	8.76	13.00	10.01	14.71	11.33	17.29	18.09	18.94
3 shifts 5 days	11.20	8.67	12.82	9.86	14.53	11.20	17.05	17.86	18.71
3 Shifts 7 days	11.33	8.76	13.00	10.01	14.71	11.33	17.29	18.09	18.94
Rolling Shifts Days	10.97	8.48	12.58	9.68	14.24	10.97	16.71	17.50	18.34
Rolling Shifts Nights	12.03	9.35	13.85	10.65	15.65	12.03	18.37	19.28	20.19
Overtime A	12.80	9.90	14.67	11.29	16.60	12.80	19.48	20.44	21.39
Overtime B	16.46	12.75	18.87	14.51	21.35	16.46	25.06	26.26	27.51

**A.4 RADIUS ALLOWANCE (NAECI 9.1)**  
**From Monday 7<sup>th</sup> January 2013**

BRACKET MILES		Scale 1			Scale 2
Over	Not exceeding	Taxed	Tax Free	TOTAL	
2	8	£0.00	£0.00	£0.00	£0.00
8	11	£2.44	£0.00	£2.44	£1.61
11	14	£4.00	£0.95	£4.95	£3.22
14	17	£6.48	£1.37	£7.85	£5.22
17	20	£7.20	£3.13	£10.33	£6.82
20	25	£8.31	£4.24	£12.55	£8.33
25	30	£9.20	£5.12	£14.32	£9.42
30	35	£9.94	£5.85	£15.79	£10.52
Over 35		£10.62	£6.55	£17.17	£11.51

**A.4 RADIUS ALLOWANCE (NAECI 9.1)**  
**From Monday 6<sup>th</sup> January 2014**

BRACKET MILES		Scale 1			Scale 2
Over	Not exceeding	Taxed	Tax Free	TOTAL	
2	8	£0.00	£0.00	£0.00	£0.00
8	11	£2.50	£0.00	£2.50	£1.65
11	14	£4.09	£0.97	£5.06	£3.29
14	17	£6.63	£1.40	£8.03	£5.34
17	20	£7.37	£3.20	£10.57	£6.98
20	25	£8.50	£4.34	£12.84	£8.52
25	30	£9.41	£5.24	£14.65	£9.64
30	35	£10.17	£5.98	£16.15	£10.76
Over 35		£10.86	£6.70	£17.56	£11.77

**A.4 RADIUS ALLOWANCE (NAECI 9.1)**  
**From Monday 5<sup>th</sup> January 2015**

BRACKET MILES		Scale 1			Scale 2
Over	Not exceeding	Taxed	Tax Free	TOTAL	
2	8	£0.00	£0.00	£0.00	£0.00
8	11	£2.58	£0.00	£2.58	£1.70
11	14	£4.22	£1.00	£5.22	£3.40
14	17	£6.84	£1.45	£8.29	£5.51
17	20	£7.61	£3.30	£10.91	£7.20
20	25	£8.77	£4.48	£13.25	£8.79
25	30	£9.71	£5.41	£15.12	£9.95
30	35	£10.50	£6.17	£16.67	£11.11
Over 35		£11.21	£6.91	£18.12	£12.15

**A.5 ACCOMMODATION ALLOWANCE (NAECI 9.2)**  
**From 7<sup>th</sup> January 2013, 6<sup>th</sup> January 2014 and 5<sup>th</sup> January 2015**

(a) Daily and weekly rates:

	From 07/01/13	From 06/01/14	From 05/01/15
Daily Rate	£35.14	£35.95	£37.10
Weekly Rate	£245.98	£251.65	£259.70

(b) Accommodation retainer for public holidays and periodic leave:

	From 07/01/13	From 06/01/14	From 05/01/15
Daily Rate	£10.32	£10.56	£10.90

(c) Accommodation retainer for annual holidays and sickness absence:

	From 07/01/13	From 06/01/14	From 05/01/15
Daily Rate	£5.94	£6.08	£6.28
Weekly Rate	£41.58	£42.56	£43.96

**A.3 PROFICIENCY PAYMENTS FOR WELDING (NAECI 6.4)**  
**From 7<sup>th</sup> January 2013, 6<sup>th</sup> January 2014 and 5<sup>th</sup> January 2015**

	From 07/01/13	From 06/01/14	From 05/01/15
Category A	Nil	Nil	Nil
Category B	14p	14p	15p
Category C	21p	22p	23p
Category D	32p	33p	34p
Category E	42p	43p	44p



**A.7 OTHER PAYMENTS AND BENEFITS (NAECI 11.3)**  
**A.7 (b) Disablement Benefits Table**  
**From 7<sup>th</sup> January 2013**

<b>2.2 DISABLEMENT</b>	<b>FROM 07/01/13</b>	
Due to an occupational or site accident		
a) Loss of sight –	1 eye	£10,000
	2 eyes	£25,000
Total loss by amputation or permanent loss of the use of:		
b) i) 1 limb (hand, arm, foot or leg)	£10,000	
ii) 2 or more limbs	£25,000	
c) Big toe	£1000	
d) Any other toe	£500	
e) 4 fingers or a thumb	Right Hand	Left Hand
	£2000	£2000
f) Index finger	£1250	£950
g) Any other finger	£750	£450
Note: Payment in respect of a left handed person will be reversed where the claim is under f) or g).		
h) Permanent total disablement from resuming any occupation for remuneration or reward.	£25,000 Payable after 52 weeks of consecutive disability	

**Maximum lump sum benefit formulae for any one employee:**

Death due to any cause Death benefit	Benefit 1
Accidental death due to occupational or site accident Fatal Accident benefit Death benefit	Benefit 2.1 and Benefit 1
Accident NOT resulting in death Permanent Disablement benefit	As per scale (Benefits 2.2(a) – (h)) Up to a maximum for any one accident of £25,000

**Amendments to NAECI 16.5 REDUNDANCY PAYMENTS**

16.5 REDUNDANCY PAYMENTS

(a) Contractual severance payment

Upon termination of employment because of redundancy a contractual severance payment will be made for each complete week of continuous employment up to a maximum of 103 weeks at the rate in NAECI Appendix A7(c).

The NJC will be responsible for any recalculation of the values and the base data used for the recalculation will be the current statutory cap on a "week's pay" as used in the calculation of Statutory Redundancy Pay.

Following any announcement by the Government of changes to the level of the "week's pay" figure, the NJC will recalculate Contractual severance payment rates and promulgate them. The revised Severance Payments shall be implemented by Employers on either:

(i) The implementation date of the Statutory Payment change;

or

(ii) 4 weeks after the Government announcement of the change, whichever is the latter.

Additional note to be added below table A.7 (c)

"Note: These rates may be subject to increase following changes to statutory payment values. The NJC website contains up-to-date information about current values of Contractual severance payments"

**Amendments to NAECI 11.4 BEREAVEMENT LEAVE**

11.4 BEREAVEMENT LEAVE

(a) Entitlement

Upon application, supported by evidence satisfactory to the employer, up to 5 days bereavement leave may be granted upon the death of a spouse, civil partner, child, parent or sibling.

It is recognised that, for lodging employees, the entitlement outlined above may not be sufficient. Therefore, upon application, supported by evidence satisfactory to the employer, up to 10 working days bereavement leave may be granted to those employees in receipt of accommodation allowance, in the event of the death of a spouse, civil partner, child, parent, or sibling. In these circumstances, employers will give consideration to the payment of an additional standard class return rail fare between the station nearest the site and the employee's place of residence. If the period of bereavement leave includes and/or is attached to a scheduled periodic weekend leave, only one return fare will be payable.

In the event of the death of the parent of a spouse or civil partner up to 3 days leave may be granted.

Where an employee has a special responsibility towards a deceased person in another category of relationship, supported by satisfactory evidence, bereavement leave may also be granted.

Employers should be mindful of the effects of grief upon personal behaviour and should treat sympathetically all applications that meet the conditions laid down above.

(b) Payment for bereavement leave

For each day of bereavement leave so granted the employee will be paid for basic working hours at the appropriate basic hourly rate.

**Amendment to Clause 6.4 – PROFICIENCY PAY FOR WELDING**

c) Welding skills test

Where a company invites a prospective employee to attend a welding skills test, it should indicate, so far as is reasonably practicable at the time, the likely start-date of the employment to which the test relates. This information should normally be given at the time the company issues the invitation.

The company should make clear that it is supplying a start date for information purposes only, with no contractual commitment.

An individual who has been invited to a welding skills test and who duly: completes the test successfully; accepts the first offer of employment from that employer; commences employment as instructed; and completes the first week of employment, will be entitled to be paid 8 hours at basic rate only (as payment for the time taken for the welding test), when the first week's wages are paid.