

30<sup>th</sup> November 2018

## **2019 – 2020 NAECI SETTLEMENT**

Subsequent to NJC Communique 12(18) which reported the Signatory Trades Unions' acceptance of the Employers' offer, this Communique details the NAECI 2019 & 2020 Agreement in full:

### **SCHEDULE OF RATES, ALLOWANCES AND OTHER REVISIONS**

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

From 7<sup>th</sup> January 2019, hourly pay rates will increase by 2.53%.

Hourly pay rates will increase further by 2.0% (or if CPI, taken as an average measured over July, August, September 2019, exceeds 2%, the increase offered will be that average figure, subject to a maximum capped at 3.5%) from 6<sup>th</sup> January 2020.

#### **2. Radius Allowance & Accommodation Allowance (NAECI 9.1 & A.4, 9.2 & A.5)**

From 7<sup>th</sup> January 2019, radius and accommodation allowances will increase by 2.53%.\*

Radius and accommodation allowances will increase further by 2.0% (or if CPI, taken as an average measured over July, August, September 2019, exceeds 2%, the increase offered will be that average figure, subject to a maximum capped at 3.5%) from 6<sup>th</sup> January 2020.\*\*

#### **3. Permanent Total Disablement (NAECI 11.3 & A.7(a))**

From 7<sup>th</sup> January 2019, Permanent Total Disablement Benefit (NAECI A.7(a)4(h)), from resuming any occupation for remuneration or reward, (payable as soon as practicable after 27 weeks consecutive disability) will increase to £50,000. In exceptional circumstances, when permanent disability can be formally diagnosed and certified earlier than 27 weeks, the payment can be made as soon as practicable.

#### **4. Conditional Death Benefit & Death Benefit (NAECI 11.3 & A.7(a))**

From 7<sup>th</sup> January 2019, Conditional Death Benefit (Death by any cause) (NAECI A.7(a)3) will increase to £35,000.

From 6<sup>th</sup> January 2020, Death Benefit (Death by any cause) (NAECI A.7(a)1) will increase to £35,000.

## 5. NJC Working Parties

Separate NJC Working Parties will be formed to address:

- Occupational Health surveillance to make recommendations to the NJC for implementation from 6<sup>th</sup> January 2020
- Ways to increase productivity and flexibility

## 6. Conditions of the 2019 – 2020 Settlement

It is a condition of the 2019 – 2020 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 2021.

The current NAECI 2016 – 2018 will be revised in accordance with this NJC Communique, re-printed in hard copy and published on the NJC website. Should any issue of interpretation arise before then, the authority for resolution will be the Employers' offer letter of 23<sup>rd</sup> October 2018. Any rates and allowances not referred to in this NJC Communique remain unchanged.

The following attachments (1a to 1e) detail the new rates and allowances for 2019 based on the above. Rates and allowances for 2020 will be confirmed by NJC Communique later in 2019 following the review of the CPI average as detailed in points 1 and 2.

\* ***HMRC have confirmed their approval of the continuation of the existing taxation treatment of these allowances for 2019.***

\*\* ***HMRC will be approached for their approval to continue the existing taxation treatment of these allowances for 2020.***

**2019 CATEGORISED WORK RATES OF PAY (1 – 3)**  
**From Monday 7<sup>th</sup> January 2019**

	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	£11.10	£8.58	£12.74	£9.82	£14.46	£11.10	£17.11	£17.83	£18.58
Night	£14.04	£10.85	£16.12	£12.42	£18.29	£14.04	£21.64	£22.55	£23.50
Afternoons	£13.09	£10.12	£15.02	£11.58	£17.05	£13.09	£20.17	£21.02	£21.91
Double day – Morning	£12.89	£9.96	£14.79	£11.40	£16.79	£12.89	£19.86	£20.70	£21.57
Double day – Afternoons	£13.75	£10.63	£15.78	£12.17	£17.92	£13.75	£21.20	£22.09	£23.02
3 shifts 5 days	£13.58	£10.49	£15.58	£12.01	£17.68	£13.58	£20.93	£21.81	£22.72
3 Shifts 7 days	£13.75	£10.63	£15.78	£12.17	£17.92	£13.75	£21.20	£22.09	£23.02
Rolling Shifts Days	£13.32	£10.30	£15.29	£11.78	£17.35	£13.32	£20.53	£21.40	£22.30
Rolling Shifts Nights	£14.65	£11.33	£16.82	£12.96	£19.09	£14.65	£22.59	£23.54	£24.53
Overtime A	£15.54	£12.01	£17.84	£13.75	£20.24	£15.54	£23.95	£24.96	£26.01
Overtime B	£19.98	£15.44	£22.93	£17.68	£26.03	£19.98	£30.80	£32.09	£33.44

**2019 NATIONAL GUARANTEED WORK RATES OF PAY**  
**From Monday 7<sup>th</sup> January 2019**

	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	£9.95	£7.70	£11.40	£8.77	£12.92	£9.95	£15.13	£15.89	£16.63
Night	£12.59	£9.74	£14.42	£11.09	£16.34	£12.59	£19.14	£20.10	£21.04
Afternoons	£11.73	£9.08	£13.44	£10.34	£15.23	£11.73	£17.84	£18.73	£19.61
Double day – Morning	£11.55	£8.94	£13.24	£10.18	£15.00	£11.55	£17.57	£18.45	£19.31
Double day – Afternoons	£12.33	£9.54	£14.12	£10.87	£16.01	£12.33	£18.75	£19.69	£20.60
3 shifts 5 days	£12.17	£9.42	£13.94	£10.73	£15.80	£12.17	£18.50	£19.43	£20.34
3 Shifts 7 days	£12.33	£9.54	£14.12	£10.87	£16.01	£12.33	£18.75	£19.69	£20.60
Rolling Shifts Days	£11.94	£9.24	£13.68	£10.52	£15.50	£11.94	£18.16	£19.07	£19.96
Rolling Shifts Nights	£13.13	£10.16	£15.05	£11.58	£17.05	£13.13	£19.97	£20.97	£21.95
Overtime A	£13.93	£10.78	£15.96	£12.28	£18.09	£13.93	£21.18	£22.25	£23.28
Overtime B	£17.91	£13.86	£20.52	£15.79	£23.26	£17.91	£27.23	£28.60	£29.93

**A.4 RADIUS ALLOWANCE (NAECI 9.1)**  
**From Monday 7<sup>th</sup> January 2019**

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	£2.81	£0.00	£2.81	£1.85
11	14	£4.59	£1.10	£5.69	£3.70
14	17	£7.44	£1.57	£9.01	£5.99
17	20	£8.27	£3.59	£11.86	£7.84
20	25	£9.55	£4.87	£14.42	£9.57
25	30	£10.57	£5.89	£16.46	£10.83
30	35	£11.42	£6.72	£18.14	£12.10
Over 35		£12.20	£7.52	£19.72	£13.22

**A.5 ACCOMMODATION ALLOWANCE (NAECI 9.2)**  
**From Monday 7<sup>th</sup> January 2019**

(a) Daily and weekly rates:

	From 07/01/19
Daily Rate	£40.37
Weekly Rate	£282.59

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

	From 07/01/19
Daily Rate	£11.85

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

	From 07/01/19
Daily Rate	£6.83
Weekly Rate	£47.81

**A.7 BENEFITS SCHEDULE (NAECI 11.3)  
From Monday 7<sup>th</sup> January 2019**

A.7(a)	From 07/01/19
1. DEATH BENEFIT Death by any cause	£30,000
2. ACCIDENT LUMP SUM BENEFITS 2.1 Accidental Death Fatal accident due to occupational or site accident (including accidents which occur whilst an operative is undertaking daily travel between home/lodgings and site and return). <i>Note: death benefit will be payable in addition to any Fatal Accident benefit that may become payable</i>	£40,000
3. CONDITIONAL DEATH BENEFIT Death by any cause ONLY payable providing there is NO related sympathy stoppage/walkout on any NAECI project or site	£35,000

**A.7 BENEFITS SCHEDULE (NAECI 11.3)  
From Monday 6<sup>th</sup> January 2020**

A.7(a)	From 06/01/20
1. DEATH BENEFIT Death by any cause	£35,000
2. ACCIDENT LUMP SUM BENEFITS 2.1 Accidental Death Fatal accident due to occupational or site accident (including accidents which occur whilst an operative is undertaking daily travel between home/lodgings and site and return). <i>Note: death benefit will be payable in addition to any Fatal Accident benefit that may become payable</i>	£40,000
3. CONDITIONAL DEATH BENEFIT Death by any cause ONLY payable providing there is NO related sympathy stoppage/walkout on any NAECI project or site	£35,000

**A.7 BENEFITS SCHEDULE (NAECI 11.3)  
From Monday 7<sup>th</sup> January 2019**

A.7(a)4(h)	From 07/01/19
(h) Permanant total disablement from resuming any occupation for remuneration or reward	£50,000 Payable as soon as practicably possible after 27 weeks

**NAECI A.8(b)**  
**CATEGORISED WORK (1 – 3) RATES FOR EMPLOYED APPRENTICES**  
**From Monday 7<sup>th</sup> January 2019**

	1 <sup>ST</sup> YEAR	2 <sup>ND</sup> YEAR	3 <sup>RD</sup> YEAR	4 <sup>TH</sup> YEAR
Basic Pay	£6.90	£8.94	£11.58	£13.94
Night	£8.73	£11.31	£14.65	£17.63
Afternoons	£8.14	£10.54	£13.65	£16.44
Double day – Morning	£8.01	£10.38	£13.44	£16.18
Double day – Afternoons	£8.55	£11.08	£14.35	£17.27
3 shifts 5 days	£8.44	£10.93	£14.16	£17.05
3 Shifts 7 days	£8.55	£11.08	£14.35	£17.27
Rolling Shifts Days	£8.28	£10.73	£13.90	£16.73
Rolling Shifts Nights	£9.11	£11.80	£15.29	£18.40
Overtime A	£9.66	£12.52	£16.21	£19.52
Overtime B	£12.42	£16.09	£20.84	£25.09

**NAECI A.2(b)**  
**NATIONAL GUARANTEED WORK RATES FOR EMPLOYED APPRENTICES**  
**From Monday 7<sup>th</sup> January 2019**

	1 <sup>ST</sup> YEAR	2 <sup>ND</sup> YEAR	3 <sup>RD</sup> YEAR	4 <sup>TH</sup> YEAR
Basic Pay	£6.87	£8.89	£10.99	£12.85
Night	£8.69	£11.25	£13.90	£16.26
Afternoons	£8.10	£10.48	£12.96	£15.15
Double day – Morning	£7.98	£10.32	£12.76	£14.92
Double day – Afternoons	£8.51	£11.01	£13.62	£15.92
3 shifts 5 days	£8.40	£10.87	£13.44	£15.72
3 Shifts 7 days	£8.51	£11.01	£13.62	£15.92
Rolling Shifts Days	£8.24	£10.67	£13.19	£15.42
Rolling Shifts Nights	£9.07	£11.73	£14.51	£16.96
Overtime A	£9.62	£12.45	£15.39	£17.99
Overtime B	£12.37	£16.00	£19.78	£23.13

**A.9 SALARIED EMPLOYEES (NAECI 17)****(a) Entitlement**

Employees who accept an offer of salaried status from their employer in accordance with NAECI 17 shall be entitled to receive a monthly, 4 weekly, fortnightly or weekly salary calculated in accordance with the following provisions. This salary shall be payable for each such period (including periods of annual and/or public holiday), except where the provisions of NAECI 17.5(b) apply.

**(b) Base salary**i) Salaried employees permanently engaged on Categorized Work (1-3)

Periodic base salaries (i.e. for basic working hours) shall be derived from the following figures, which represent the annualised values of NAECI Categorized Work (1-3) basic hourly rates 2019.

**From Monday 7<sup>th</sup> January 2019**

Categorised Work Rates (1-3)	<b>Grade 2</b>	<b>Grade 3</b>	<b>Grade 4</b>	<b>Grade 5</b>	<b>Grade 6</b>
Cats 1-3 Basic Hourly Rate	£12.74	£14.46	£17.11	£17.83	£18.58
Annualised Base Salary (38hrs x 52 wks)	£25,174.24	£28,572.96	£33,809.36	£35,232.08	£36,714.08

ii) Salaried employees permanently engaged on National Guaranteed Rates

Periodic base salaries (i.e. for basic working hours) shall be derived from the following figures, which represent the annualised values of NAECI National Guaranteed basic hourly rates 2019.

**From Monday 7<sup>th</sup> January 2019**

National Guaranteed Rates	<b>Grade 2</b>	<b>Grade 3</b>	<b>Grade 4</b>	<b>Grade 5</b>	<b>Grade 6</b>
NGR Basic Hourly Rate	£11.40	£12.92	£15.13	£15.89	£16.63
Annualised Base Salary (38hrs x 52 wks)	£22,526.40	£25,529.92	£29,896.88	£31,398.64	£32,860.88

iii) Salaried employees normally engaged on National Guaranteed Rates, but transferred periodically onto Categorised Work

Periodic base salaries (i.e. for basic working hours) shall normally be derived from National Guaranteed Rates, set out in (ii) above. These shall be enhanced, during the period of the transfer onto Categorised Work, by a supplementary payment representing the difference between the applicable National Guaranteed and Categorised Work basic hourly rates for that period.

*Example: Grade 5 salaried employee in receipt of 4 weekly salary derived from National Guaranteed Rates. Transferred on to Categorised Work rates during a 3 week Category 3 Event. 2019 rates applicable.*

<i>Base 4 weekly salary (annualised base salary divided by 13)</i>	<i>£2,415.28</i>
<i>PLUS</i>	
<i>Supplementary payment for Categorised Work ((Categorised Work basic rate – NGR basic rate) x (38hrs x 3 wks))</i>	<i>£221.16</i>
<b><i>TOTAL SALARY (basic working hours only)</i></b>	<b><i>£2,636.44</i></b>

iv) Supplementary payments for shift working

Where a salaried employee is engaged either permanently or periodically on shift work, his/her base salary calculated as above shall be enhanced, during the period of shift working, by a supplementary payment representing the difference between the applicable basic and shift rates for that period.

*Example: Grade 5 salaried employee in receipt of 4 weekly salary, derived from Categorised Work (1-3) rates. Engaged on permanent night shift. 2019 rates applicable.*

<i>Base 4 weekly salary (annualised base salary divided by 13)</i>	<i>£2,710.16</i>
<i>PLUS</i>	
<i>Supplementary payment for night shift ((Cats 1 -3 night shift rate – Cats 1 – 3 basic rate) x (38 hrs x 4 wks))</i>	<i>£717.44</i>
<b><i>TOTAL SALARY (basic working hours only)</i></b>	<b><i>£3,427.60</i></b>

**(c) Other payments**

Salaried employees shall remain entitled to overtime, incentive bonus and welding proficiency payments, where applicable, in accordance with the relevant NAECI provisions.

In applying the holiday pay provisions of NAECI 10 to salaried employees, full account shall be taken of the fact that payment for annual and public holidays is already included in the calculation of periodic base salaries above.

**(d) Part-time work**

Where a salaried employee is engaged on a part-time basis in accordance with NAECI 7.1(e), the salary figures listed above must be reduced pro rata.