

United Kingdom

B&CE Benefit Schemes

Country United Kingdom
Name of Organization B&CE Benefit Schemes



Main activity Pensions, Paid Holiday Schemes

General Information

Presentation

B&CE is the UK's largest provider of financial benefits to construction industry employers and individuals. Since their launch in 1942, all their efforts have gone towards achieving one goal: improving the financial security of construction employers and their staff.

As industry specialists, they have created a range of financial products to try and help meet the needs of everyone working in construction, including a stakeholder pension, annuities, accident cover, life cover, holiday pay, and personal injury insurance

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Contact details

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Organigram

Board composition

6 employer representatives, 6 union appointed., Independent Chairman

Regulatory framework

Financial Services Authority (FSA)

Employee Group Covered

All employees can be covered and part-timers are included. On retiring individuals can choose to have a single or lower surviving spouse pension.

Eligibility

Immediate eligibility for employees between ages 16 and 77 with no waiting period. Voluntary coverage.

Benefits

- **Retirement**

The stakeholder pension is based on a fixed amount contribution or a percentage of the employee's weekly or monthly pay.

- **Life**

Life cover provides a discretionary tax-free lump sum to the employee's financial dependant(s) if they die for any reason whilst in active service. There is also discretionary cover for cases where death was preceded by certain periods of unemployment or continuous ill health up to age 65. The maximum sums payable double if the employee dies as a result of an accident at work or travelling to or from work.

- **Disability**

Accident cover provides a tax-free lump sum up to £23,000 to injured employees as a result of a qualifying accident at work or whilst travelling to or from work.

- **Healthcare**

This cover provides cash benefits towards routine healthcare (dental, vision, therapies, chiropody, consultations, etc.) plus access to diagnostic scanning and employee assistance programme.

- **Holiday pay**

The Holiday pay scheme is approved by the HM Revenue and Customs and allows employers in the construction industry to save the National Insurance on holiday pay provided to their employees.

Cost Sharing

Administratoin cost is paid by individual – fee taken from pension fund each month (0.8% per annum)

Employee contributions

Employee contributes up to 100% of earnings. Employees can also choose to make their own contributions, which are easily managed by payroll deductions. Contributions are taken from pay after Income tax and National Insurance Payments.

Employer contributions

Employer contributes £5 per week (approximately 1% of average earnings)

Employer Matching contributions

Under the industry wide agreement employers should offer to match employee's contributions up to £10 per week (approximately 2% of average earnings)

Vesting and Withdrawal

Between age 55 to 77

Financing

Contributions are invested in funds managed by an investment manager "Legal & General" Limited on behalf of B&CE.

The Managed fund invests in a mix of shares, bonds and cash and aims to provide capital growth over the medium to long term.

Funded type of fund – each individual has his or her own pension fund. Value depends on investment performance

Cost-of-living adjustment

No cost-of-living adjustments.

Individuals can choose between a fixed or lower escalating pension on retirement.

Preservation, portability, transferability

Individuals can transfer their fund to another scheme, or transfer other funds into our Scheme, at any time at no cost. Individuals can make their own contributions up to revenue limits.

Information to Employees

- Annual statement sent to each member outlining fund value and projection plus any other relevant information
- Welcome pack
- Online National Insurance calculator through www.bandce.co.uk/Nlcalculator

Additional Information

B&CE provides a defined contribution personal pension scheme for workers in the UK Construction industry.

Under an industry wide agreement, which is not compulsory, employers should offer to match employee contributions up to £10 per week. For new employees, employers should offer to pay a minimum contribution of £5 per week, but only if the employee matches it. For existing employees, employers should pay at least £5 per week.

When the employee retires he/she can take 25% of the pension fund as a tax-free lump sum and convert the rest into a pension for life.