Dear Frank,

Thank you for your further response to my letter about the Plumbing and Mechanical Services (UK) Industry Pension Scheme.

Since our exchange of correspondence the Trustee and the Organisations responsible for managing the scheme have made a further announcement. On the 2 May the scheme's website published an update for employers informing them that they are still considering what action to take next and the scheme may not close on the 30 June 2019.

I would also like to highlight that even if the scheme does close to future accrual this is different to a winding up event. Unlike in a winding up event, employers can still take advantage of the mechanisms set out in the Employer Debt Regulations whereby only part of the debt, or no debt, may be payable.

I share your frustrations that since 2005 the Trustees have been unable to calculate or collect debts, nor has the scheme been able to provide any accurate estimates. Since becoming the Minister for Pensions and Financial Inclusion I have put what pressure I can on the scheme to complete this work, I have made it very clear that this work is long overdue and I have stated this in Parliament.

In the run up to the White Paper considerable resource was devoted to reviewing this area of legislation and the White Paper clearly sets out the Governments position on this issue. Section 75 legislation provides crucial protection for members and remaining employers in a multi-employer schemes and the Government has no plans to make any further changes.

Yours Sincerely,

GUY OPPERMAN MP
MINISTER FOR PENSIONS AND FINANCIAL INCLUSION