From the Chair

30 April 2019

Guy Opperman MP
Parliamentary Under Secretary of State for Pensions and Financial Inclusion
Department for Work and Pensions

Dear Guy,

Huge thanks for your response to my letter about the Plumbing and Mechanical Services (UK) Industry Pension Scheme.

In your letter you clarify that your understanding is that the scheme is not winding up but to be closed to future accrual. For some employers this will have a similar effect, as the Section 75 debts are crystallised. A number of those unable to sell or pass on their business remain at a risk of personal bankruptcy, due in part to other employers leaving the Scheme without meeting their full Section 75 debts.

Employers—who rely on trustees to manage the scheme effectively—do not appear to have been sent Section 75 Debt figures for many years. Nor were they alerted to the problems they would face. It is very disappointing that many of these employers might have been in a better position, or at a minimum better informed, if they had received better support from the scheme. Your letter rightly highlights that this is a difficult case with no easy solutions, but much more needs to be done to ensure the employers in this scheme are properly supported and the trustees carry out their duties effectively.

I am copying this letter to the Chief Executive of the Pensions Regulator and to the scheme’s trustees in the hope that a good outcome for employers and members of the scheme can still be reached.

Rt Hon Frank Field MP
Chair, Work and Pensions Committee

cc. Charles Counsell, Chief Executive, The Pensions Regulator
Trustee Directors, Trustee Company Plumbing Pensions (UK) Limited