

Pensions - Auto Enrolment

The Pensions Act 2008 involves changes to the way the Government is approaching pensions and we want to make sure that you are aware of this. You may have already heard about these changes and a new term –‘automatic enrolment’. Here is a brief outline of what automatic enrolment will mean for you.

The government has introduced a new law to make it easier for people to save for their retirement. It requires all employers to enrol their workers into a qualifying workplace scheme if they are not already in one. This is called automatic enrolment. At present, many workers fail to take up valuable pension benefits because they do not make an application to join their employer's scheme. Automatic enrolment is meant to overcome this.

This law was introduced for the largest employers to begin enrolling staff from the 1st October 2012. Pennine Acute will begin to auto enrol certain staff members from the 1st June 2013.

The NHS Pension Scheme is a qualifying scheme which means all eligible NHS employees will be enrolled into that scheme. However some workers are not eligible to join the NHS Scheme, for example re-employed pensioners, in which case an alternative scheme must be made available to ensure we comply with the law. The criteria for Auto Enrolment is set below.

- Are not already in a qualifying workplace pension scheme;
- Are at least 22 years old;
- Are below state pension age;
- Earn more than the set limits per year; and
- Work or ordinarily work in the UK (under their contract)

If you do not wish to be a member of a pension scheme you can choose to opt out at any time following auto enrolment. You are also free to join the scheme at any time should you wish.

We will write to you in more detail when it is time to enrol you into a pension scheme and will make details of our new pension scheme available for individuals to consider.

I hope you have found this information helpful and would like to point out that more information is available on the finance pages of our intranet, or alternatively on the DWP and The Pensions Advisory Service Websites which can be found at www.dwp.gov.uk and www.pensionsadvisoryservice.org.uk.