

Presentation for Employers

Part 1: Automatic Enrolment Explained:

What you need to do

Part 2: Automatic Enrolment Solved:

How we can help you

What is Automatic Enrolment?

Pension Law has changed to make it easier for millions more people to build up a pension, particularly those on lower incomes.



New Legislation



All UK Companies

The Pensions
Regulator

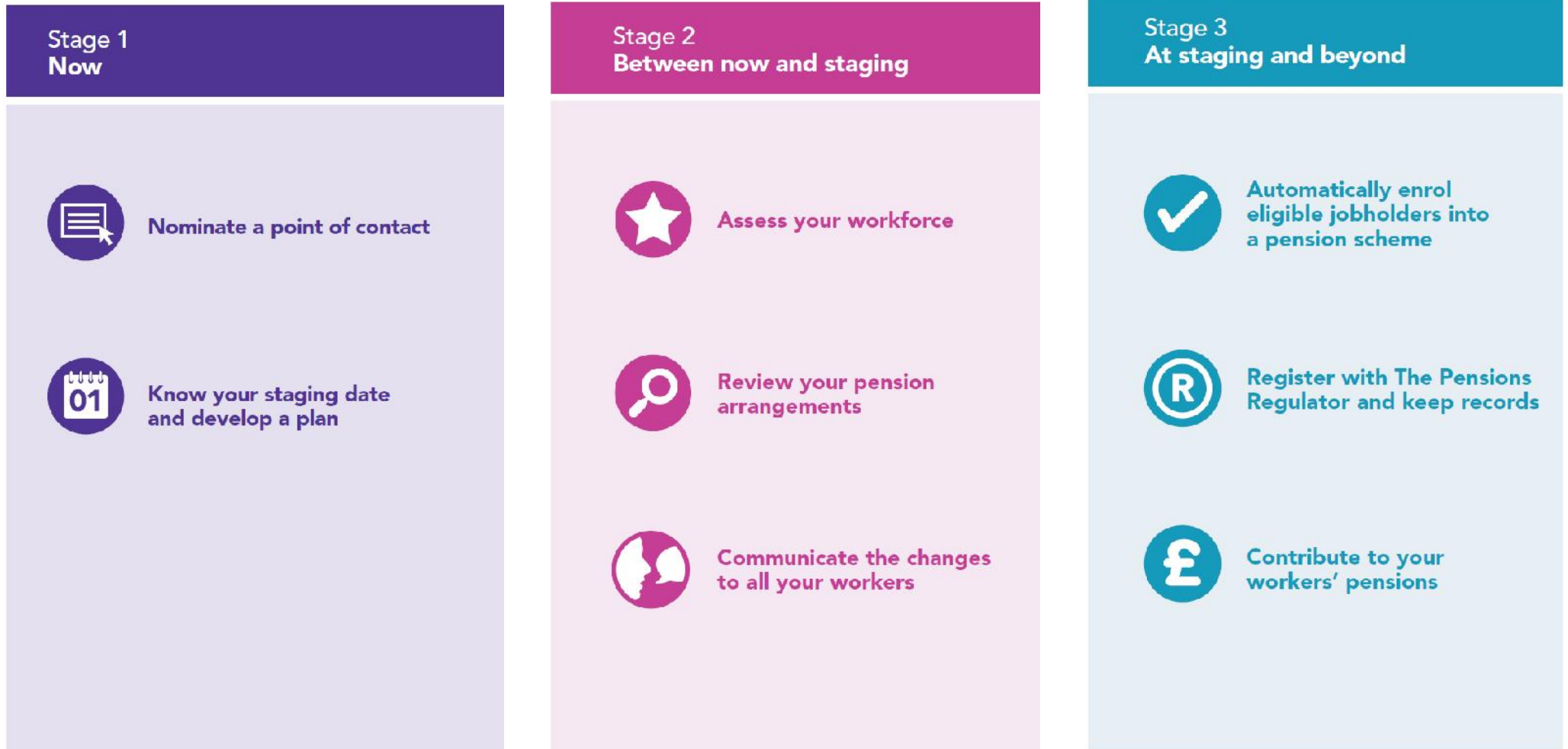
Enforcer

Automatic enrolment means that, rather than having to actively choose to join a pension scheme, workers are put into one by their employer as a matter of course.

If they don't want to be in the pension scheme, they must actively choose to opt out. It's to encourage people to stay in pension saving.

Employers will need to automatically enrol certain workers into a pension scheme and contribute towards it.

What are employers new duties?



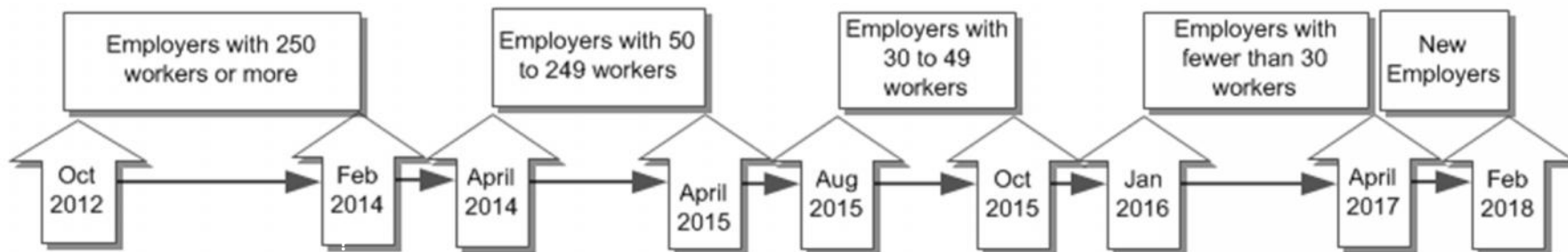
Stage1: Now

Know your Staging Date. When do I need to comply?



The date from which the new law applies to your company is called your '**staging date**'.

Your **staging date** is based on the number of persons in your largest PAYE scheme as at 1 April 2012.



The Pensions Regulator will send you a letter with a summary of the main steps you need to take 12 months before your **staging date**.

Use The Pensions Regulator's interactive tool to check your staging date at: www.tpr.gov.uk/employers/tools



Stage 2: Between now and staging

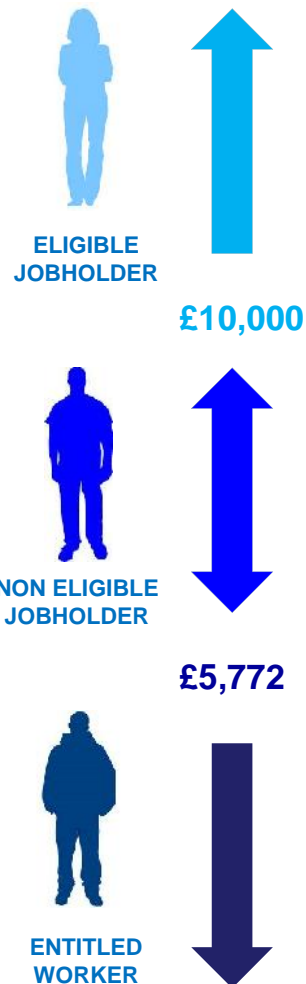
Who'll be enrolled? Assess your workforce

You will need to assess your workforce

- Employers will have to **automatically enrol 'Eligible Jobholders'**.

- Employers will have to enrol **'Non-Eligible Jobholders'** if they ask you to.

- Employers will need to enrol, **'Entitled Workers'** if they ask you to, but you can **choose** whether or **not to make employer contributions**.



A jobholder who:

- is aged between 22 and state pension age
- has qualifying earnings above £10,000 trigger for automatic enrolment.

A jobholder who:

- is aged between 16 and 21 or state pension age and 74
 - has qualifying earnings above the £10,000 earnings trigger for automatic enrolment
- OR
- is aged between 16 and 74
 - has qualifying earnings but below the £10,000 earnings trigger for automatic enrolment.

A worker who:

- is aged between 16 and 74
- is working or ordinarily works in the UK under their contract
- does not have qualifying earnings.

Figures for the 2014/2015 tax year

Stage 2: Between now and staging

Review your pension arrangements

- You will need to enrol into a pension that meets the government's new standards, known as a Qualifying Workplace Pension Scheme.
- If you have an existing pension scheme, you will need to check if it meets the criteria to qualify as an automatic enrolment scheme.
- If you do not have a qualifying scheme in place, you will need to find a workplace pension scheme that is suitable for automatic enrolment.

Stage 2: Between now and staging

Communicate the changes to all your workers

- Employers need to tell all their workers in writing about the pension changes and how it affects them personally.
- You need to provide the right information to the right individual, at the right time.
- This includes all your workers (except those aged under 16, or 75 or over), which can include fixed-term contract workers.
- The first step is to get your workers' personal e-mail addresses.

Opting Out

- Eligible jobholders** and **non-eligible jobholders** can opt out within one month of their enrolment. If they opt out you'll need to refund any contributions they have made and treat them as if they were never enrolled.
- Employers have to automatically enrol all workers who have opted out or have left the scheme (as long as they are eligible) every three years after the original staging date.

Stage 3: At Staging and beyond

Automatically enrol eligible jobholders into a pension scheme

Register with the Pensions Regulator and keep records

- You will need to keep your pension provider up to date with member information.
- You will need to register this information with the The Pensions Regulator and keep records shortly after your staging date.
[You can register online at www.tpr.gov.uk/autoenrol](http://www.tpr.gov.uk/autoenrol)
- You will need to maintain specified records about your qualifying scheme and the workers enrolled into it, including:
 - the workers' earnings
 - contributions paid
 - opt out records for eligible jobholders.

Ongoing Duties

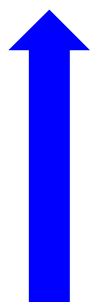
- You will need to monitor the age and earnings of all workers who are not eligible jobholders and not already in a qualifying scheme.
- If any worker's circumstances change in a pay period so that they become an eligible jobholder, they will need to be automatically enrolled.

Stage 3: At Staging and beyond

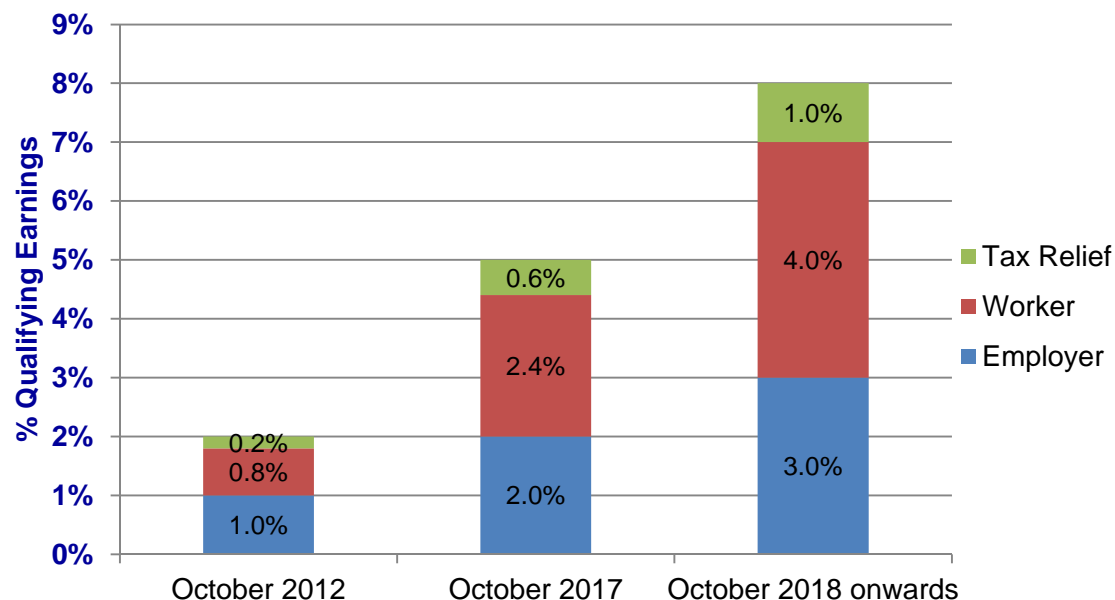
Contribute to your workers' pension

Qualifying earnings:
Workers earnings in a year between:

£41,865



£5,772

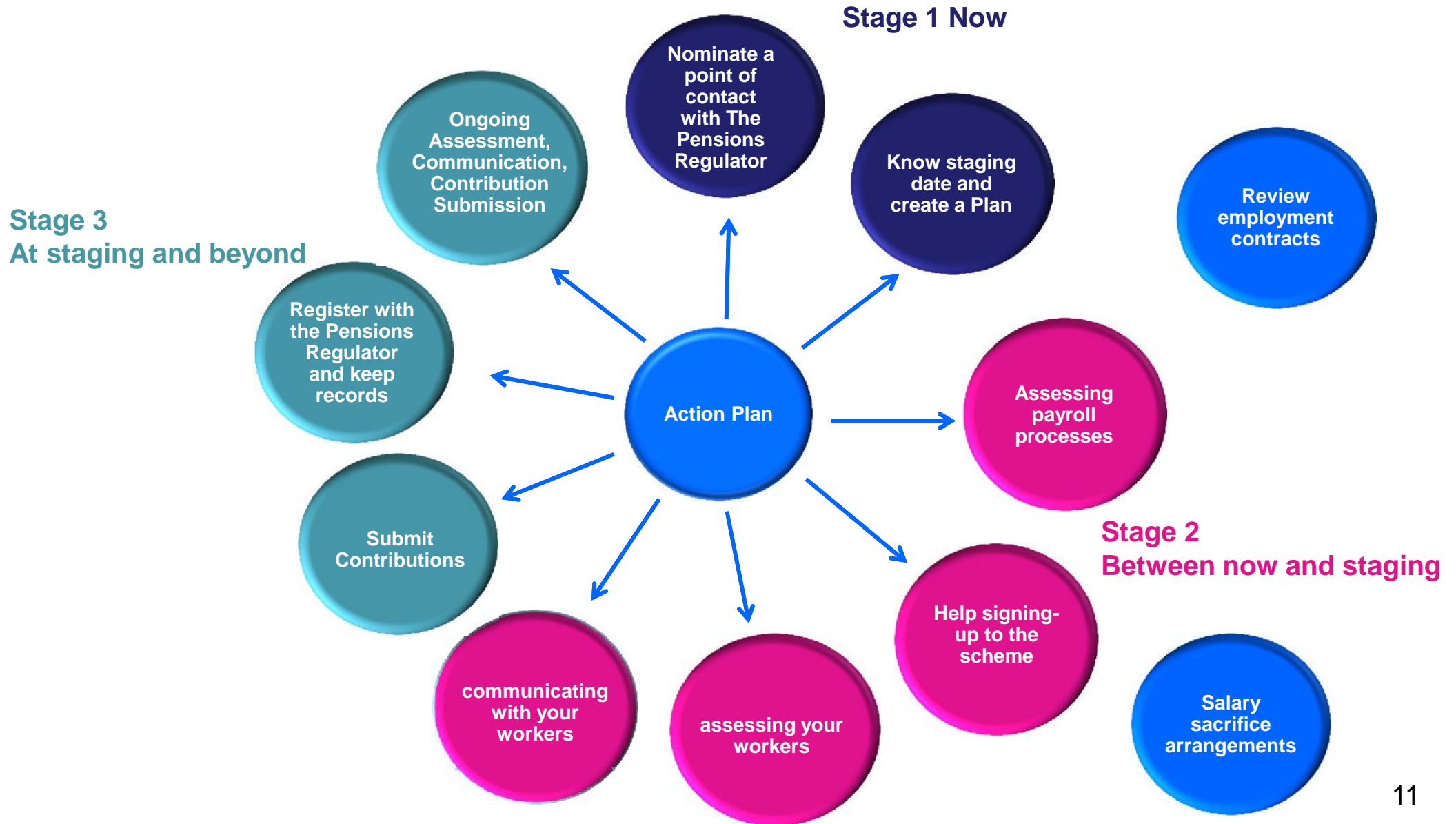


- The government has set a minimum amount of money that has to be put into the pension by employers and in total. This minimum is starting low and will go up gradually over a number of years.
- The legal minimum for all jobholders is currently 2 per cent of their 'qualifying earnings'. Of this, the employer will have to pay at least 1 per cent, but you can pay more if you want to.
- Qualifying earnings** are your worker's earnings in a year between £5,772 and £41,865 for the 2014/2015 tax year.
- The total legal minimum contribution will increase between now and October 2018.

Part 2: Automatic Enrolment Solved:

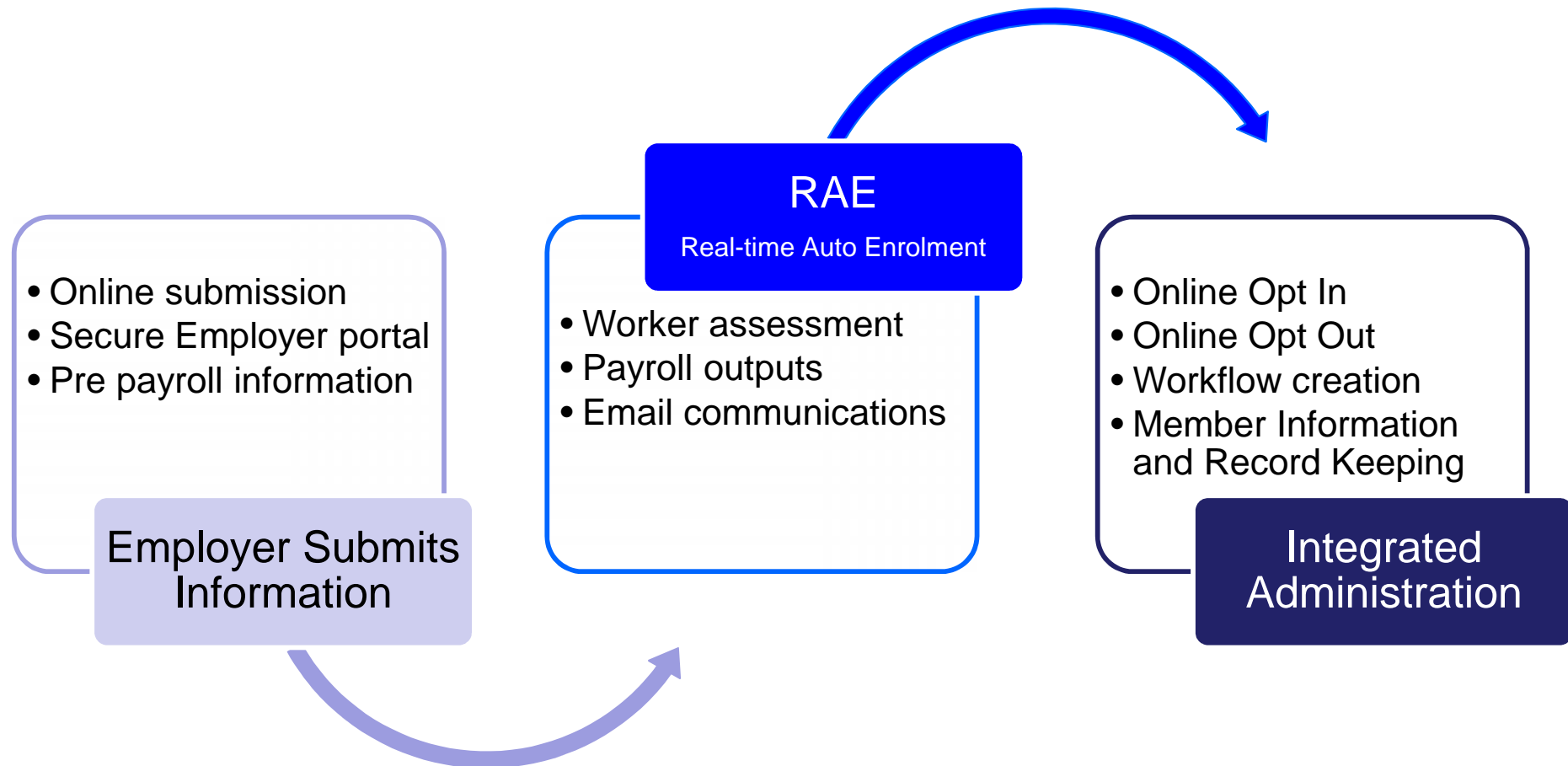
How we can help you.

What an adviser can take off your hands...



Automatic enrolment comprehensive compliance

Helps you comply with your responsibilities for contributions, communication and administration



Hassle free processing using your online account:

Real time Automatic Enrolment and Employer Access Portal

Using the Real-time Auto Enrolment (RAE) compliance Hub, you can:

- Manage your contributions
- Upload your data
- Send statutory communications to your workers according to a set timeline
- Update worker records
- View previous reports



Using the Employer Access Portal, you can:

- View scheme membership data
- Review set-up data
- Manage leavers
- View all previous assessment reports
- View employee and earnings data

Stage 2: Between now and staging

Our compliance software helps you assess your workforce

Automatic Enrolment compliance software



Secure log in to Employer
Access Portal

Upload Qualifying
Earnings Data

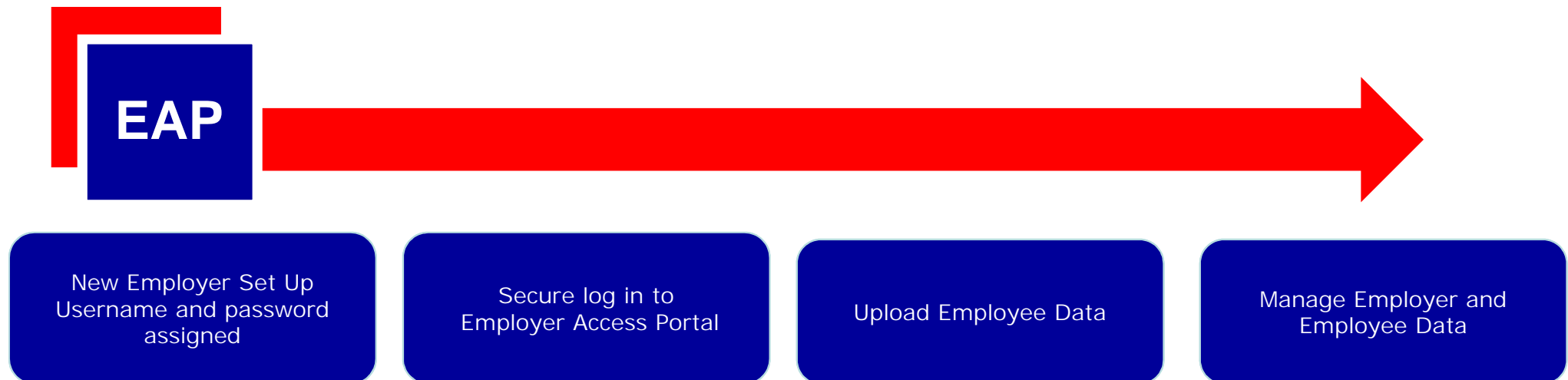
Automated Daily
Assessment Routines,
Reports and
Communications

Download Assessment
report for payroll

Stage 2: Between now and staging

We help you to manage your employee data with your online account

Set Up and management through your secure online account the Employer Access Portal



Stage 3: At Staging and beyond

Helping you to process your contributions

Contribution Submission



Employer payroll
completed

Contributions report
emailed to Scheme
administrator

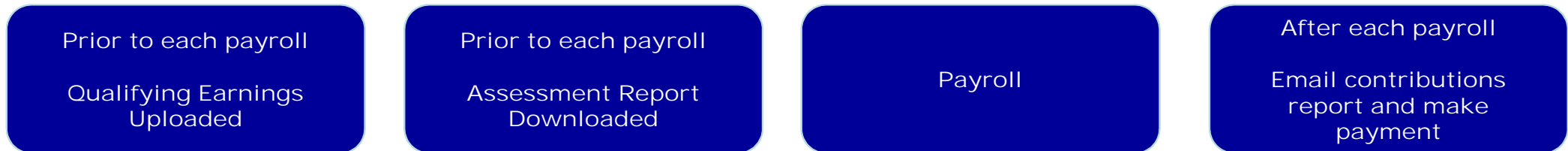
Contribution payment to
Scheme administrator

Scheme administrator
validates and invests
contributions

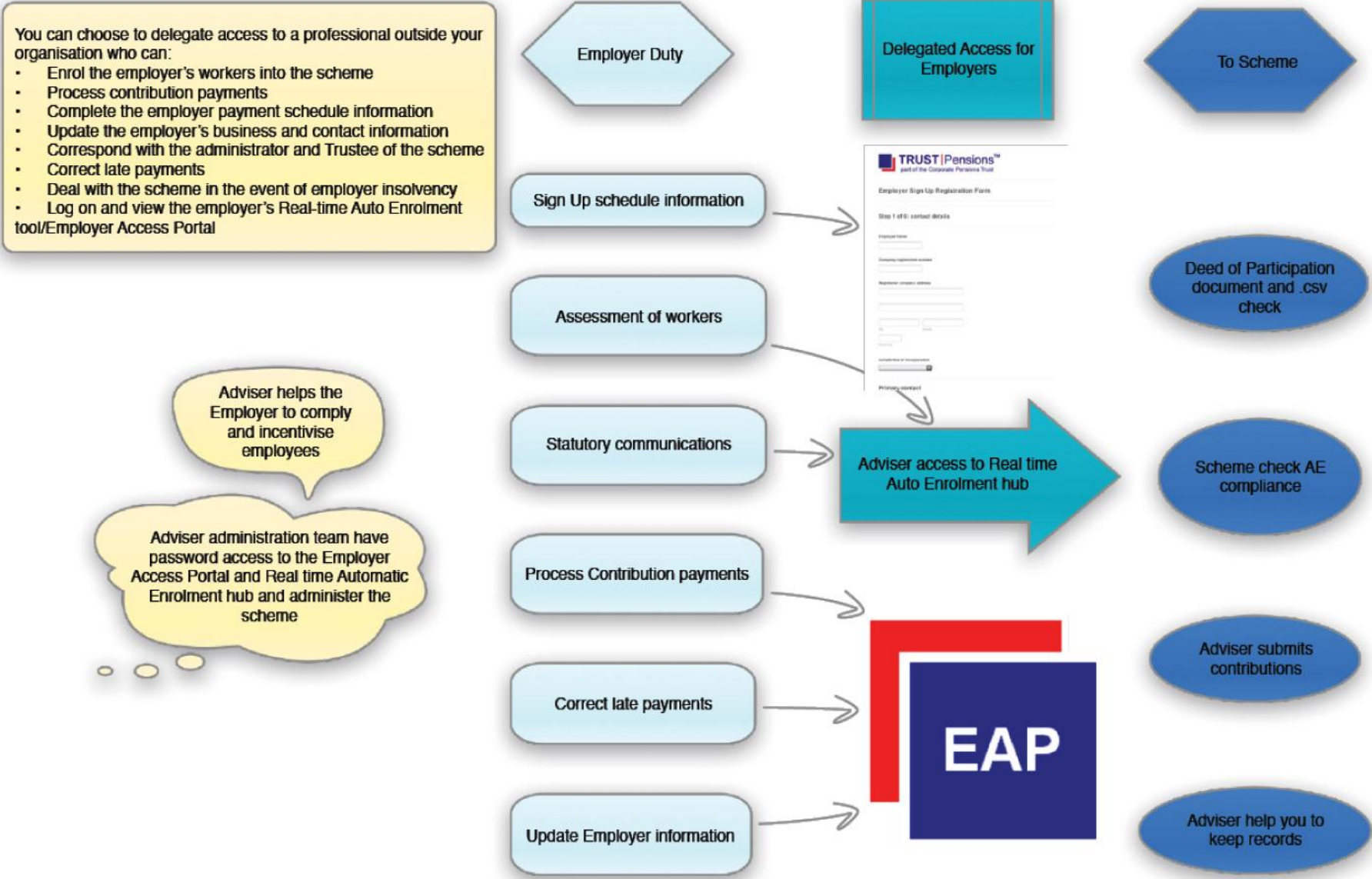
Stage 3: Ongoing

Helping you to process your contributions

Ongoing Requirements



Delegated Access: a professional to take processing off your hands



Helping you engage with your team

Members' online account and our App for members and employers



- Members can manage their account
- See the value of their retirement pot
- Use the 'My Illustrator' tool to see how much they might get when they retire (below).

Member and Employer App

All the Information members need and more.

The screenshot displays the 'Retirement Planner' interface. On the left, there are sliders for 'Retirement age' (set to 68), 'Fund balance' (£3,000), and 'Contribution rate' (8.0% (£133)). Below these is an 'Investment option' dropdown set to 'BirthStar TDF'. A 'State benefit at age 68' section is also visible. On the right, the 'Forecast at 68' section shows a bar chart and a table of income scenarios. The table includes 'Target' (£13,400), 'High' (£36,800), 'Average' (£15,500), and 'Low' (£9,600). A note at the bottom states 'Income includes State benefit of £7,488'.

Income	Target reached?	
Target	£13,400	
High	£36,800	✓
Average	£15,500	✓
Low	£9,600	✗

Average tax free cash: £1,270

The forecast is adjusted for inflation so you can view the values as if it were money received today.

Income includes State benefit of £7,488

Designed for automatic enrolment

Our answers to The Pensions Regulator's questions:

See the Pensions Regulator's Guide to Selecting a Good quality pension scheme for automatic enrolment



How does the Scheme compare to Nest?

Designed as a best practice alternative to Nest

- Like NEST, our Scheme is designed to meet 'best practice' in governance, investment, administration & communication
- We offer optional integration with Automatic Enrolment Compliance software
- Our Scheme is more flexible than NEST

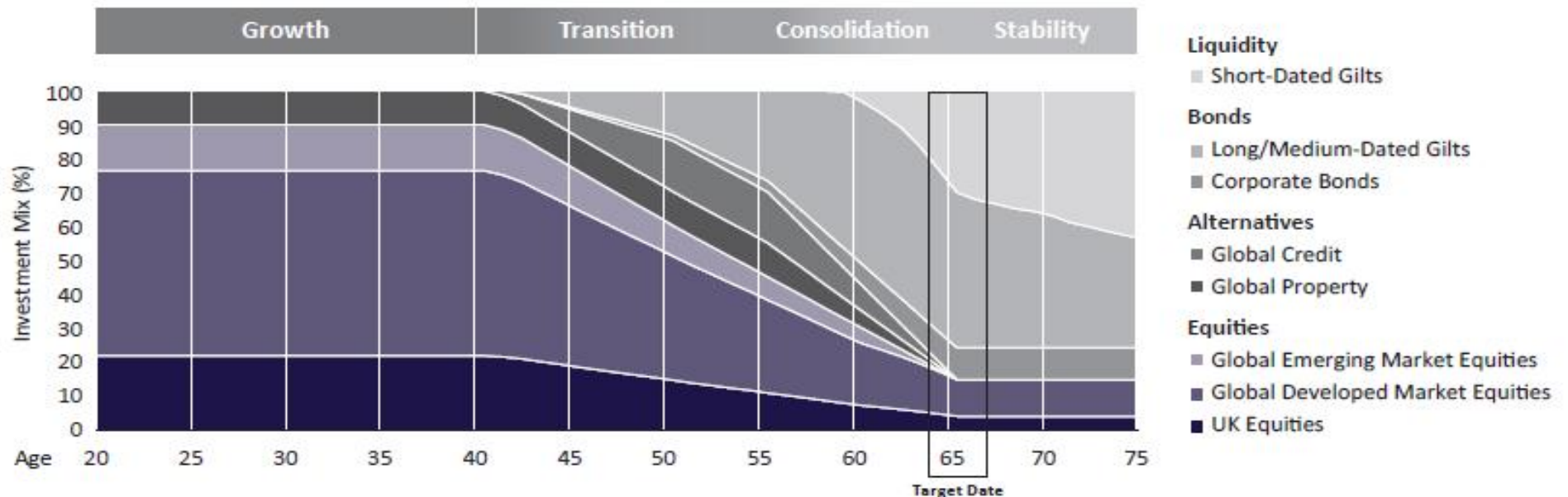
	NEST	Our Scheme
Investment governance	DWP-appointed trustees In-house investment management Outsourced administration	Professional independent trustees Third-party investment management Third-party administration contract
Charges	1.80% contribution charge 0.30%pa Annual Management Charge	0.75%pa Annual Management Charge
Do It For Me Investment option (Default fund)	Dynamically managed Target Date Funds 'best practice' compliance with DWP/TPR guidance, launched July 2011	Dynamically managed Target Date Funds 'best practice' compliance with DWP/TPR guidance, launched October 2012
Investment manager experience	NEST has been managing Target Date Funds since 2011	AllianceBernstein has been managing Target Date Funds since 2005 (US) and 2009 (UK)
Transfers in & out	Not allowed under current rules	Fully allowed with no penalties.
Contribution limits	Maximum £4,400pa	No restriction
Dedicated relationship manager	None	Provided
Fund administration	State Street Global Advisers	AXA Wealth

Designed to help you comply

BirthStar® age-based funds: Do It For Me (default) investment strategy

- The Scheme's investment options are specifically designed to help you comply with the government's new laws on automatic enrolment, to meet the pensions regulator's guidelines.
- Unless members tell us otherwise, we invest their money in BirthStar® age-based funds, labelled by members' year of birth.
- BirthStar® Plans are designed to be suitable on an on-going basis for most savers.
- Each BirthStar® plan is managed according to the stage of life of the members in it.

Age-Based Investment Strategy



Helping members to choose:

Do It Myself options help members to make investment decisions

- Some members may want their money to be invested in a way that aims to grow it differently from the **Do it for Me** option the scheme offers carefully selected alternative funds for members to choose from:
- Risk profiled funds
- Ethical and Sharia options
- Full information is available at members' online account, the MAP (Member Access Portal).

www.trustpensions.org.uk

Pension Scheme Details

TRUST|Pensions is part of the Corporate Pensions Trust a multi-employer defined contribution only master trust (HMRC Pension Scheme Tax Reference **00805962RF**)

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