

Pensions Reform: What you need to know and do

Milton Keynes and Bedford businesses joined **Jacky Perkins**, Reward Manager at **Essentra PLC** for a plain-english explanation of how pensions reform is affecting firms across the UK. Delegates from firms of all sizes met at the Cranfield Innovation Centre offices to find out what companies need to do to meet their all-important auto-enrolment deadlines.

Round Up:

Here are Jacky's top tips on how to navigate the ups and downs of pension reform.

Know your terminology (or keep a list handy)

- Pensions is a complicated business and it pays to keep a list of acronyms handy to avoid getting your Defined Contributions (DC) confused with your Defined Benefits (DB)....
- Your workforce is more complicated than you think, so make sure you're clear on the differences between your Entitled Workers and Jobholders and their sub-categories

Auto-enrolment

- Auto-enrolment is the key reform that has been put in place to make sure people have sufficient pension in the future
- Businesses have a responsibility to sign up their employees to a pension scheme and employees then need to actively 'opt-out' if they don't want to be part of it. By making a pension an employees' default position, the Government hopes to reduce reliance on the State Pension as people live longer

Start planning now

- All businesses have been set a staging date by the government depending on its size and turnover. By 2018 this will include all businesses.
- To check your staging date log on to thepensionsregulator.gov.uk with your PAYE number and the number of employees paid by the at PAYE number on 5 April 2012
- Even if the staging date seems a long way off, it can take at least twelve months to prepare and you can't start too soon....

Choosing your scheme

- Your existing pension scheme (if you have one) may or may not meet the new requirements so you will need to contact them to check. If not then start looking as soon as possible, as many providers are already at capacity so the earlier you can choose your scheme the better
- NEST (National Employment Savings Trust) is a Government fund which is obliged to accept all employers, though better rates may be had elsewhere. Alternatives include Master Trusts and Group Personal Pensions
- Ask the right questions - what will it cost you/ your employees? How much administration and resources will you have to dedicate to running the scheme?

Communicate with your workforce

- Make sure that everyone knows what they need to do to rollout the reforms, and why
- Be clear that a good pension regime is of benefit to the company to attract the best employees not just a burden on your business.

The Speaker:

Jacky Perkins

Essentra PLC

JackyPerkins@essentra.com

Jacky's full presentation is available to download at:

[cranfieldtechnologypark.co.uk/
latest_news/pensions](http://cranfieldtechnologypark.co.uk/latest_news/pensions)

Autumn Seminars 2014

For more information on our Autumn events email Matt Lloyd at: info@cranfieldtechnologypark.co.uk

In partnership with:



SEMLEP

South East Midlands
Local Enterprise Partnership

Cranfield
UNIVERSITY

 **ST.MODWEN**

• Office Suites

• Hot Desk Pods

• Virtual Offices

• Conference Facilities

cranfieldtechnologypark.co.uk | 01234 756 000