

## **NEST - NATIONAL EMPLOYEE SAVING SCHEME – THE FACTS**

**In October 2012 – just over two years time - the Government is proposing to introduce a national workplace pension scheme which will have a significant impact on every employer in the UK.**

### **Key facts**

The framework for these new laws is already in place in the shape of the Pensions Act 2008:

- The new laws will be phased in over a 4 year period 2012 to 2016 depending on the size of employer
- **All employers** will, for the first time, be required to automatically enrol all eligible employees into a pension scheme.
- Employees who do not want to be enrolled will have to be enrolled then opt out
- Eligible employees are those aged between 22 and State Pension Age who are earning between £5,035 per annum and £33,540 per annum (in 2006/2007 earnings terms)  
Employers will, for the first time, be required to pay pension contributions for any employees who join and stay in a pension scheme.
- **The employer must pay contributions** equal to or more than 3% of the amount of the employees qualifying earnings. The employee will pay 4% and 1% will be paid by the Government. The total minimum contribution will be 8%.
- Employees who have opted out will have to be automatically re-enrolled 3 years later
- A new Government department, focusing on employers, will be set up to enforce these new laws. Employers can either use their own pension scheme to comply with these new laws or rely on a Government controlled national pension scheme.  
Even if you have an existing workplace pension scheme, you may have to make changes so that it complies with the new rules. A qualifying workplace pension scheme can be occupational or personal (group stakeholder, group personal or group self invested)

### **How we may be able to help**

As independent financial advisers with many years experience in the pensions industry, we're familiar with the challenges that businesses will face in light of these new laws and regulations.

We can:

- Help you review your existing workplace pension to make sure it will comply with, or exceed the new requirements
- If you haven't got a pension scheme yet, we can help you put one in place.
- Provide an ongoing service as your workplace pension consultant to monitor and maintain the administration of auto enrolment, opt outs and employees joining and leaving the company
- We can help with arrangements such as salary sacrifice that can save you money and offset the impact that these new laws will have on your business

### **How are you going to get fit for 2012?**

**Contact Jay Financial to arrange a meeting to discuss the new laws, how your business will be affected and how we can potentially help you implement the strategy and guide you through the countdown to 2012 and beyond.**

#### **Jay Financial**

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Partners: Jacqueline Fancourt and William George Fancourt (non-advising)  
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