

Workplace Pensions are coming.... why wait for a £400 fine?

Have you heard about workplace pensions? Maybe you've seen the advertising campaigns running in the media? However, are you aware that as an employer you have a legal requirement to provide and contribute to a workplace pension scheme for all eligible staff working within your business?

Workplace pensions are part of a Government initiative to increase private retirement savings within the UK. It is the process where all eligible employees are automatically enrolled into their employer's qualifying pension scheme if they meet certain criteria:

- They are aged between 22 and State Pension age
- They earn more than £10,000 a year
- They work in the UK

With workplace pensions already underway for a number of larger businesses in the UK, it's important that you act now and start preparing – there's a lot that can be put in place earlier. As part of your duty as an employer, taking some initial steps now will certainly help you along the way. For example;

- Make sure you know your 'Staging Date' – this is the date on which auto-enrolment goes live for your business.
- Determine which employees in your practice are eligible to join the scheme.
- Benefit from cost savings by putting plans in place early.
- Start to tell your staff as much as you can about auto-enrolment beforehand.
- Make sure your systems/processes are in place, ready for when auto-enrolment takes place.
- Get the right advice.

With this in mind, that's where we can help.

Who are we?

At HPG we have recently introduced a workplace pension service for our clients. This service is available to clients throughout England, Wales and Scotland.

What do we do?

Our comprehensive service sits **under one roof**. We provide all the knowledge, tools and solutions necessary to educate and implement a compliant workplace pension scheme for the SME/Micro employer. We provide either a direct service to the employer or sit between an accountant/payroll and their clients. From our experience, we have found that the average accountant, even though they feel obliged to assist their clients, do not want to get heavily involved in workplace pensions themselves.

If you don't work in workplace pension schemes, the rules and regulations will appear less than straightforward. The majority of smaller employers, accountants and their payroll departments will not have the resource to deal with the volume of enquiries which may become extremely time consuming as we get deeper into workplace pensions.

What do we provide?

We advise on the most appropriate pension scheme for any small business. We also provide workplace pensions compliance and communication. We can provide either:

- A pension scheme, exclusively
- OR
- Pension scheme, compliance and communication
- OR
- Pension scheme, compliance, communication and salary exchange

A pension scheme, formal communications and compliance are all required to deliver workplace pension scheme. Whether a business or payroll department chooses to use their payroll package for compliance, they still require a qualifying workplace pension scheme and formal communications. Large insurance firms (e.g. Standard Life, Scottish Widows) are closing their doors because dealing with small companies with small premiums is unprofitable for them. This leaves the smaller employer with a range of trust-based pension schemes to choose from of which there are many, each one with its own strengths and weaknesses. We have worked with the majority of schemes on offer and continue to review new offerings. We are best placed to find the most appropriate set-up for the accountant and/or business owner. So, if you're an accountant, by offering this auto enrolment service to your clients now will ensure you've flagged up a very important business area that all employers need to address sooner rather than later. What's more, the service is also a great business development tool that will enhance any accountant's payroll service.

Within our bundled package, we offer advice and implementation on salary exchange. Salary exchange can operate very differently from business to business and it requires professional advice to stay within the confines of employment law.

Even though HPG Business Sales is not regulated by the FCA for this business, we have a regulated Partner in House of Pensions. We recognise that from time-to-time, there may be questions raised by a business owner or employee that requires investment advice.

What makes us different?

We have a specialist team who have experience of implementing large schemes from day one, or worked for an accountancy/payroll. This means we understand workplace pension schemes from every possible angle.

We are here to deliver the most efficient and 'value for money' service available.

Some businesses will run workplace pension schemes themselves from start to finish. Others will outsource some or all of the process – for example they may undertake the administration and record-keeping themselves but outsource the payroll function or pensions advice.

We do everything under one roof which is illustrated in the table, below.

What is included	Payroll Provider	IFA	HPG
Helping with checking staging date, assessing workforce and categorising workers	✓	✓	✓
Sorting workers into groups and identifying what is required for each group	✓	✓	✓
Advising on selecting pension provider	✗	✓	✓
Advising on selecting pension investment default fund	✗	✓	✓*
Helping to decide on salary exchange	✓	✓ <i>Usually</i>	✓
Preparing written communications to provide for workers	✓	✓	✓
Meeting workers to advise them	✗	✓	✓*
Auto enrolment registration	✓	✓	✓
Ongoing administration including opt-outs, record keeping and diary management (e.g. for future joiners)	✓	✓	✓
Producing reports	✓	✓	✓
Running payroll	✓	✗	✓
Annual pension scheme and fund review	✗	✓	✓*
Economies of scale pricing on ALL services	✗	✗	✓

**Please note that HPG is not regulated by the FCA to give investment advice. All regulated advice is provided by our regulated Partner, House of Pensions.*

It is in your best interests to get your workplace pension scheme organised as soon as possible. It is predicted that there will be a last minute rush to enrol and at this time fees could rise by three or four-fold.

For more information on how we can help you and your business prepare in time, simply call **01707 291824** today or email **info@hpgroup.co.uk**

www.hpgroup.co.uk

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