



# Automatic (Auto) Enrolment

## What is Auto Enrolment?

Auto Enrolment is a government initiative that has been designed to engage more people in saving for a pension with the help of their employer. The Affinity Water Pension Plan is an auto enrolment compliant arrangement for Affinity Water. Your benefits in this plan are additional to any income from the state pension or from other pension sources.

## What are the basics?

Auto Enrolment defines the minimum contributions that employers and employees must make to a workplace pension plan. It means that all eligible employers must operate a workplace pension plan and automatically enrol members into this. It also defines who must be enrolled to the scheme by an employer, when this must happen and when re-enrolment must occur.

## Who does the scheme cover?

Currently if you are over age 22, and earn more than £10,000, Affinity Water must enrol you into the company pension scheme within 3 months of joining the company. Even if you are below these limits you can still join the Plan but would need to write to your payroll department and request to join.

## How much do you pay in?

The government stipulates the minimum contributions that must be paid into the Plan by the employer and employee, as a percentage of salary. As of April 2018, a total of at least 5% must be contributed, with at least 2% from the employer. However, Affinity Water have agreed to improve this minimum for members, so that you pay 2.5% and the company pays 2.5%. You also benefit from tax relief on pension contributions up to specific limits.

By April 2019, the minimum contribution rates will rise to 8% total, with at least 3% from employees. Affinity Water has opted for a more generous alternative, where you contribute 3% and the company pays 6%. The Trustees and Affinity Water have agreed to make this change from October 2018, ahead of the deadline of April 2019. This is the last increase so far planned in the phasing in of minimum auto-enrolment contributions by the government.

Within the Affinity Water Plan, you are able to increase your contributions beyond the auto-enrolment minimum and Affinity Water will double your contributions up to a maximum of 12%. So, if you opt to pay in 5%, Affinity Water will pay in 10%.

## Can I Opt Out?

Yes. You can write to your payroll department asking to opt out of the Plan at any time. However, please note that if you do this you will lose any contribution from the company and we suggest you think very carefully before making this decision. If you do opt out, the scheme requires the company to re-enrol you every 3 years but you can of course opt out again.

## Where Can I Get More Information?

All information about the Plan and your Personal Account can be found at [www.affinitywaterpensions.co.uk](http://www.affinitywaterpensions.co.uk)