

Auto-enrolment

Automatic enrolment (auto-enrolment) is a government initiative designed to engage more people in saving for a pension with the help of their employer. We have signed a declaration of compliance confirming that the Affinity Water Pension Plan meets our auto-enrolment duties. 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 three months of joining the company. If you are below these limits you can still join the Plan but would need to write to the Payroll department and ask 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. Currently a total of at least 8% must be contributed, with at least 3% from the employer. However, Affinity Water has agreed to improve this minimum for members, so that you pay 3% and the company pays 6%. You also benefit from tax relief on pension contributions up to specific limits.

The Government currently has no plans to make any changes to this minimum level of contribution.

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%. If you opt to pay in 5%, for example, Affinity Water will pay in 10%.

Can I opt out?

Yes. You can write to the 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, so 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 three years, but you can of course opt out again [see the *Opting out* factsheet].

Where can I find more information?

All information about the Plan and your Personal Account can be found at
www.affinitywaterpensions.co.uk