

Pension information sheet



Making Space pension scheme

Making Space operates automatic pension's enrolment in line with the Pensions Act 2008.

To help people save more for their retirement, the government requires employers to enrol their workers into a workplace pension scheme. This applies to those who aren't already in one and who:

- earn over £10,000 a year (£833.33 a month)
- are aged 22 or over; and
- are under State Pension age.

The outcome will be that you will fall into one of the following categories:

- Eligible jobholder (age 22 or over but less than state pension age, earning more than £833.33 per month)
- Non-eligible jobholder (age 16-21 or State Pension Age-74, earning more than £833.33 per month) OR (age 16-74, earning more than £520 per month but less than £833.33 per month)
- Entitled Worker (age 16-74, earning £520 or less per month)

Entitled worker/non-eligible jobholder

If you are assessed as an entitled worker or a non-eligible jobholder you will not be automatically enrolled into the pension scheme. However, if you meet the required conditions at a later date, the automatic enrolment process will be followed.

If you don't wish to wait until you become eligible, you can ask to join the pension scheme by emailing payroll@makingspace.co.uk with your request. If you have a permanent contract with Making Space you will be enrolled into the Aegon pension scheme. If you have a Bank Worker Agreement with Making Space you will be enrolled into The Peoples Pension. An alternative way of joining the Aegon pension scheme would be to opt-in (non-eligible jobholder) or create a request to join (entitled worker) electronically on the Aegon website. This is a simple procedure and is outlined in the email sent to you by Aegon following your assessment.

We will contribute 3% of your pensionable earnings into the scheme and, even if you earn no more than the income tax personal allowance (£12,500 a year in 2020/21)

and do not pay tax, you will still get the 20% tax relief (even though you haven't paid any income tax on your contributions).

If you pay more than the basic rate of tax, you can claim the extra tax relief direct from HMRC through your tax return.

If you are assessed as an entitled worker, or a non-eligible jobholder and you are earning, for example, £6000 per annum, you will contribute £240 per year into your pension scheme (at a rate of £20 per month), we will contribute £180 and the government will contribute £60, giving a total of £480 paid into your pension pot by the end of the year. Pensionable earnings consist of payments such as basic pay and bank hours but do not include others such as travel expenses or holiday pay.

Eligible jobholder

If you are assessed as an eligible jobholder and have a permanent position with Making Space, you will automatically be enrolled into the Aegon Pension Scheme. If you are assessed as an eligible jobholder and have a Bank Worker Agreement only with Making Space, you will automatically be enrolled into The Peoples Pension. We operate an initial assessment deferral of up to two months on new starters. This is to ensure that the assessment is made on a typical month's earnings, particularly for those employees who commence mid-month.

You can choose to opt out of the scheme if you wish to, but if you stay in you will have your own personal pension which you will get when you retire. The pension provider will provide you with details on how to opt out if you decide pension membership is not right for you at the time, but before you make your decision you may wish to consider the following benefits:

- When you pay into your pension, Making Space and the government will too. Don't miss out on this additional money.
- As we will automatically enrol eligible jobholders into the Aegon scheme, it's a hassle free way of saving while you earn.
- Saving into a workplace pension means you can continue to enjoy the things you like when you retire.
- Average life expectancy is increasing and living longer means a longer retirement to fund.
- The state pension is a foundation for your retirement, but you may want more.

- Starting sooner means your pension will be bigger – the earlier you start, the more time your money has to grow.
- Starting sooner makes saving more manageable – saving smaller amounts over a longer time period has less impact on your current lifestyle.
- Your pension belongs to you even if you decide to leave Making Space in the future.

If you still decide that you wish to opt out of the pension scheme, any payments you have already made will be refunded to you in your pay provided that you comply with the opt-out process.

The pension provider will stipulate the start and end dates of a four week period during which your opt-out must be processed. If you are a member of the Aegon pension scheme, this can be done either electronically on the Aegon website, or by requesting an opt-out form from Aegon which must be completed and received in the payroll office no later than the last day of the opt-out period. The Peoples Pension will communicate with you directly and provide payroll with opt out information for processing. Pension regulations do not allow for the employer to become involved in the opt-out process.

If you complete the opt-out process between the start of the opt-out period and the completion date of the next payroll, your contributions will be refunded to you in that month's pay. However, if you complete the process between the payroll completion date and the end of the opt-out period, the refund of contributions will be delayed until the following month. Once the opt-out has been processed you will not be enrolled as an active member of the scheme. *Applications to opt-out received before the start date or after the end date of the relevant opt-out period will not be accepted.*

If you decide to stop your pension contributions after the end of the opt-out period, you can do this by emailing your instruction to payroll@makingspace.co.uk. However, the payments you have already made will not be refunded to you and you may wish to discuss your options with an independent financial adviser.

If you opt-out of the pension scheme, you can re-join at any time by emailing payroll@makingspace.co.uk with your instruction. Alternatively, if you are a member of the Aegon pension scheme, you can opt-in electronically by logging into your account on the Aegon website. This is a simple procedure and is outlined in the email sent to you by Aegon following your assessment. You can re-join the pension scheme only once in a twelve month period. However, if you are experiencing

financial difficulty, you can go on a payment holiday for a period not exceeding twelve months. This means that you can suspend your pension contributions for a period of time without leaving the pension scheme.

Pension regulations state that re-assessment of your eligibility should be carried out every three years because your circumstances may have changed during that period of time and it may be the right time for you to start saving. You will receive information from Making Space when this is about to happen. Aegon will send you information following the process and you will be able to opt out if you decide the time is still not right for you.

If you are assessed as an eligible worker and you are earning, for example, £13,500 per annum, you will contribute £540 per year into your pension scheme (at a rate of £45 per month), we will contribute £405 and the government will contribute £135, giving a total of £1080 paid into your pension pot by the end of the year.

Pensionable earnings consist of payments such as basic pay and bank hours but do not include others such as travel expenses or holiday pay.

A commitment from us

If you are under 75, work or usually work in the UK, and earn over £6,136 a year (the amount set by the government for this)

- We must by law continue to maintain your membership of a scheme that meets certain government standards; and
- If your membership of such a scheme ends (and it is not because of something you do or fail to do), we must by law put you into another scheme that meets government standards straightaway.

You will be able to find further information on workplace pensions by visiting <https://www.gov.uk/workplace-pensions>. If you want to find out whether you will be enrolled into a workplace pension, you can visit <https://www.gov.uk/auto-enrolled-into-workplace-pension> where you can complete an online questionnaire.

For independent financial advice you can contact Lifeworks on 0800 169 1920 or online at login.lifeworks.com or download the mobile app.

Should you have any queries or require further information regarding pensions auto-enrolment, please email pensions@makingspace.co.uk or telephone 01925 571680, selecting the payroll option.