



THE PENSIONS ACT

Disclaimer: The Scottish Golf Union and the Scottish Ladies' Golfing Association have sought advice from financial advisors on the implications for golf clubs across Scotland of Workplace Pensions Reform. This guidance note sets out a summary of that advice. Please note that the advice provided in this guidance is general in nature and is based on an understanding at an early stage of how the legislation will work in practice. Clubs may wish to take additional legal advice tailored to their own particular circumstances.

Overview

From 1st October 2012, changes to pension law will affect **all employers** with at least one worker in the UK. It will be compulsory to automatically enroll all eligible jobholders into a workplace pension scheme. The employer responsibilities will be introduced in stages over 4 years, starting in October 2012 through to September 2016. Each employer will be allocated a date from when the duties will first apply to them, known as their 'staging date'. A brief summary of these staging dates are shown below, and are broadly based on the number of people you have in your PAYE scheme. You can obtain further information by visiting: www.tpr.gov.uk/staging.

Number of staff

Staging Date

Fewer than 50 with the last 2 characters in their PAYE ref numbers 92, A1-AY, B1-BY, M1-MZ or Z1-ZZ	1 April 2014
150-239	1 May 2014
90-149	1 June 2014
50-89	1 July 2014
Fewer than 50 with the last 2 characters in their PAYE reference numbers AZ	1 August 2014
Fewer than 50 with the last 2 characters in their PAYE reference numbers BZ	1 Sep 2014
Fewer than 50 with the last 2 characters in their PAYE reference numbers 00-01	1 Oct 2014
Fewer than 50 with the last 2 characters in their PAYE reference numbers 02-04, 0A-0Z, C1-DZ	1 Nov 2014
Fewer than 50 with the last 2 characters in their PAYE reference numbers 05-07, 1A-1Z or E1-EZ	1 January 2015
Fewer than 50 with the last 2 characters in their PAYE reference numbers 08-11, 2A-2Z or F1-GZ	1 February 2015
Fewer than 50 with the last 2 characters in their PAYE reference numbers 12-16, 3A-3Z or H1-HZ	1 March 2015
Fewer than 50 with the last 2 characters in their PAYE reference numbers 11-1Z	1 April 2015
Fewer than 50 with the last 2 characters in their PAYE reference numbers 17-22, 4A-4Z or J1-JZ	1 May 2015
Fewer than 50 with the last 2 characters in their PAYE reference numbers 23-29, 5A-5Z or K1-KZ	1 June 2015
Fewer than 50 with the last 2 characters in their PAYE reference numbers 30-37, 6A-6Z or L1-LZ	1 July 2015
Fewer than 50 with the last 2 characters in their PAYE reference numbers N1-NZ	1 August 2015
Fewer than 50 with the last 2 characters in their PAYE reference numbers 38-46, 7A-7Z or O1-PZ	1 September 2015
Fewer than 50 with the last 2 characters in their PAYE reference numbers 47-57, 8A-8Z or Q1-TZ	1 October 2015
Fewer than 50 with the last 2 characters in their PAYE reference numbers 58-69, 9A-9Z, U1-U9, UA-UZ, V1-V9, VA-VZ, W1-W9, WA-WZ	1 November 2015
Fewer than 50 with the last 2 characters in their PAYE reference numbers 70-83, X1-X9, XA-XZ, Y1-Y9 or YA-YZ	1 January 2016
Fewer than 50 with the last 2 characters in their PAYE reference numbers 84-91 or 93-99	1 February 2016
(a) Fewer than 50 unless otherwise described or (b) no PAYE scheme	1 February 2016

Why are the changes being introduced?

People are living longer and are likely to enjoy a longer retirement. However, many are not saving for their retirement at all, and many who are saving are simply not saving enough. The government has put the onus of saving for retirement on the employer, where a compulsory contribution is paid for the worker.

Employer legal responsibilities

The Pensions Regulator has identified **nine** key elements that **all** employers must familiarise themselves with when workplace pension provision becomes law from 1st October 2012. Depending upon the size of your company, you will have to provide a workplace pension on one of 43 “staging dates” introduced from October 2012 until September 2016. Regardless of when you are required to provide a workplace pension scheme, from 1st October 2012 you **must** comply with the ‘Safeguards’ identified in the Act, which are;

- During recruitment, you or your representative do not ask questions or make any statements that either states or implies that an applicant’s success will depend on whether they intend to opt out of the pension scheme.
- You do not breach new employment rights for individuals not to be unfairly dismissed or suffer detriment on grounds related to the new employer duties

Key Employer responsibilities – what will golf clubs have to do?

- Understand your obligations under the Act
- You will have to identify and categorise each worker
- Provide a qualifying scheme for your workers
- Register with the Pension Regulator and give them details of your qualifying scheme and the number of workers that you have automatically enrolled
- Automatically enrol all eligible jobholders into the scheme
- Make arrangements to establish active membership of an automatic enrolment scheme, if a non-eligible jobholder chooses to join
- Pay employer contributions for eligible jobholders to the scheme
- Tell all eligible jobholders that –they have been automatically enrolled and they have the right to opt out if they want to do so
- Process opt-outs from your workers
- You will be required to provide information to your eligible workers
- You will be required to collect the contributions from the workers pay and make the employer contribution on a daily basis from the point of enrolment
- By 2016 you and your worker must pay a minimum overall contribution of 8% of your workers earnings, with a minimum 3% employer contribution
- Keep accurate and sufficient records for at least 6 years

You must NOT.....

- Give any advice to your workers
- Encourage your workers to opt out of the qualifying pension scheme
- Have recruitment practices that will benefit job applicants who indicate they are prepared to opt out*
- Treat a worker unfairly or put them at a disadvantage because of automatic enrolment*

****These two particular rules become law for all employers from 1st October 2012***

Next stages?

For more information in respect of the legislation, please visit the Pension Regulator at www.thepensionsregulator.gov.uk.

This information sheet has been kindly provided by
Moneygate Financial Services, 10 South St Andrew Street, Edinburgh, EH2 2AZ.