

SCOTTISH EPISCOPAL CHURCH

PENSION FUND

21 Grosvenor Crescent
EDINBURGH
EH12 5EE

Tel: 0131 225 6357
Fax: 0131 346 7247
email: DaphneA@scotland.anglican.org

February 2016

To Diocesan and Vestry Treasurers and Paying Officers (copied to Diocesan and Vestry Secretaries):

Advice on Automatic Enrolment (AE) of stipendiary clergy and staff employees into the Scottish Episcopal Church (SEC) Pension Fund

Automatic Enrolment places legal duties on every employer with one or more member of staff.

Every employer with a PAYE reference number needs to identify and enrol eligible employees into a pension scheme and advise them accordingly even if they are already members of the SEC Pension Fund. Other employees must be advised of their pension rights.

Every employer also needs to complete a declaration of compliance within five months of the staging date. The information we received from treasurers in response to our survey in March 2015 indicates a range of staging dates from 1 February 2016 to 1 April 2017.

The Scheme Actuary has prepared a paper which confirms that the SEC Pension Fund passes the cost of accrual test making it a qualifying scheme for the purposes of AE. A copy of the paper is attached and is also available to download from the SEC website. Legal advice on amendments to the Trust Deed and Rules and other compliance issues is being sought, but it is not anticipated that this will result in any change to the status of the SEC Pension Fund as a qualifying scheme.

If your Vestry has other employees who are not members of the SEC Pension Fund, your Vestry is responsible for assessing whether they are eligible for automatic enrolment and for identifying an appropriate pension arrangement.

The advice provided with this email relates to:

- **Identifying the AE status of your Employees**

General information is provided to help you with this. This guidance is also available on the Scottish Episcopal Church website (link under Writing to your Employees). If you need more detailed information or guidance please refer to The Pensions Regulator's website:

<http://www.thepensionsregulator.gov.uk/en/employers>

- **Writing to your Employees**

You will need to write to all your employees about Automatic Enrolment. A guidance note is attached. There are four templates for use with different categories of employees. These and the guidance note are available on the Scottish Episcopal Church website:

<http://www.scotland.anglican.org/vestry-resources/appointments-and-employment/pensions-automatic-enrolment/>

- **Completing of your Declaration of Compliance**

Information that you will need to complete your declaration of compliance in respect of SEC Pension Fund members is attached. Please refer to The Pensions Regulator's checklist: <http://www.thepensionsregulator.gov.uk/docs/automatic-enrolment-online-registration-checklist.pdf>

You have five months from your staging date to complete your declaration of compliance. This can only be done online.

- **AE Ongoing Responsibilities**

Automatic Enrolment is an ongoing process. You will need to monitor the AE status of your employees, and assess each new employee. An employee's AE status will change if a salary range limit is breached, and those that opt out have to be automatically enrolled again at a later date if relevant conditions apply. You will need to write to employees at each relevant trigger point and keep a record of your actions.