

Scottish Episcopal Church (SEC) Pension Fund

Identifying and communicating with your employees about Automatic Enrolment (AE)

Employers (congregations and dioceses) are responsible for identifying which of their employees is eligible for Automatic Enrolment. All employees must be advised of their right to join a pension scheme. The table below sets out the rights of different categories of employee. Further information is available at www.thepensionsregulator.gov.uk

Monthly Gross Earnings	Age			Weekly Gross Earnings
	16-21	From 22 to SPA	From SPA to 74	
£486 and below	Has a right to join a pension scheme ¹			£112 and below
Over £486 up to £833	Has a right to opt in ²			Over £112 up to £192
Over £833	Has a right to opt in ²	Automatically enrol ³	Has a right to opt in ²	Over £192

Figures correct as of 2015/16

SPA = State Pension Age

Notes

1. If the employee requests it, the employer must provide a pension scheme, but does not have to pay contributions. The SEC Stakeholder Pension Scheme is available for this category of employee only.
2. If the employee requests it, the employer must provide a pension scheme that can be used for automatic enrolment and pay regular contributions. The SEC Stakeholder pension scheme does not meet AE criteria and therefore may not be used for employees in this category.
3. The employer must put employees into a pension scheme that can be used for AE and pay regular contributions. The information in this paper relates to the SEC Pension Fund. Employers with clergy or staff who are eligible for membership of the SEC Pension Fund but who have not joined the scheme must now enrol them in the SECPF. Employers with workers in this category who are not members of the SEC Pension Fund must provide a pension arrangement that meets auto-enrolment criteria.

- **The limits in the table and templates are current for 2015/16. If your staging date is later than this, or you are assessing new employees, you will need to check whether these limits have changed. This information will be available on The Pensions Regulator's website:**

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

- **Currently employees earning more than £192 per week (or £833 per month) must be automatically enrolled into a qualifying scheme.**

- **All other employees must be advised that they have the right to join or opt into a pension scheme.**
- **When communicating with clergy and employees about automatic enrolment you should be careful not to present information in a way that persuades them to take a particular course of action, or give advice on tax or the benefits of taking a particular action. It is illegal for you to encourage your workers to leave a scheme that you have automatically enrolled them into.**

Writing to your employees about their pension rights

From your staging date onwards you should write to all current and future employees of your congregation advising them of their automatic enrolment (AE) status. The appropriate Scottish Episcopal Church (SEC) Letter Template should be used for advising all current and future members of the SEC Pension Fund of their AE rights. It is the responsibility of each employer to do this with effect from the staging date or date of employment. The SEC templates have been adapted from those on The Pensions Regulator's website.

SEC AE Information

A copy of this should be appended when SEC Templates 1 or 2 are used.

SEC Template 1 (AE for Stipendiary Clergy)

The date of enrolment in templates 1 & 2 refers to either (a) your staging date, or (b) the date of employment of future stipendiary clergy or staff member.

All stipendiary clergy who are in receipt of stipend of more than £192 per week (or £833 per month) must be automatically enrolled into the SEC Pension Fund (subject to age restrictions as set out in the table) and advised accordingly. You should adapt this template for clergy on your payroll who meet these criteria. You should use this template to advise new stipendiary clergy in the future.

SEC Template 2 (AE for Staff)

All staff who are in receipt of a salary of more than £192 per week (or £833 per month) must be automatically enrolled into a qualifying pension scheme (subject to age restrictions as set out in the table).

Staff employees of the General Synod Office and Diocesan Offices are entitled to join the SEC Pension Fund. Even though most current staff are already members of the SECPF each employer should write to their staff members who are earning more than £192 per week (or £833 per month) using template 2.

The SEC Pension Fund is currently open to staff employees of SEC congregations at the discretion of the employer and could therefore be used to autoenrol your qualifying staff members. However, you should be aware that the prevailing contribution rate will apply for members in this category (32.2% of salary from 1 January 2016), and that the employer contribution to other pension arrangements (eg NEST) will be lower. If you wish to use the SEC Pension Fund as a vehicle for AE for staff employed by your congregation please contact Daphne Audsley as soon as possible.

Congregations who do not wish to enrol staff employees into the SEC Pension Fund are responsible for providing a pension scheme that qualifies for the purposes of Automatic Enrolment (eg NEST), and advising them accordingly. Generic letter templates are available on The Pensions Regulator's website.

SEC Template 3 (for SECPF members who are not eligible for AE)

In templates 3 & 4 the references to age 22 in square brackets may be removed if not applicable.

This template should be used for all clergy and staff who are already members of the SECPF and who are earning less than £192 per week (or £833 per month) (subject to age criteria). The letter advises the individual that their pension will continue even though he/she does not meet the criteria for AE. You do not need to provide the AE information sheet.

SEC Template 4 (non SECPF staff)

From your staging date onwards you should write to all current and future employees of your congregation who are earning less than £192 per week (or £833 per month) (subject to age criteria) to advise them of their right to join a pension scheme.

Employees who are earning more than £112 but less than £192 per week must be offered the opportunity to join a pension scheme that meets auto-enrolment criteria.

Employees who are earning less than £112 per week (£486 per month) may be offered membership of the SEC Stakeholder Pension Scheme or the AE compliant pension arrangement you have provided for employees who qualify for AE.

New Stipendiary Clergy, Diocesan and Provincial Staff to be Automatically Enrolled or Enrolled by entitlement into the SEC Pension Fund

Before the end of what is known as the 'joining window' (the six week period from the eligible jobholder's automatic enrolment date), the employer must:

- give information to the SEC Pensions Officer about the eligible jobholder. This should include the full name, date of birth, address, NI number and salary or stipend of the jobholder.
- give enrolment information to the eligible jobholder. The employer (diocese or congregation) is responsible for sending the appropriate AE letter. The Pensions Officer is responsible for providing a copy of the SEC Pension Fund Scheme Handbook.

For the SEC Pension Fund the eligible jobholder's automatic enrolment date is the date of his or her appointment.

Non-eligible jobholders (ie clergy and staff who are below the earnings limit for AE) who are entitled to membership of the SEC Pension Fund should be advised using the relevant template and the Pensions Officer advised accordingly.

Notes on Completing the Automatic Enrolment Declaration of Compliance

These notes follow the order of the Declaration of Compliance checklist which can be downloaded at:

<http://www.thepensionsregulator.gov.uk/docs/automatic-enrolment-online-registration-checklist.pdf>

Government Gateway User ID

The Government Gateway is the UK's centralised registration service for Government online services. You are likely to be registered with the Government Gateway if you have responsibility for online Gift Aid claims for your charge. You may therefore already have a User ID that can be used when completing the declaration.

Letter Code

This is on the letter you received from The Pensions Regulator

The employer, contact details and registered charity number you enter should relate to your congregation and the PAYE reference number(s) that you are responsible for. Your Diocesan Treasurer may be able to provide further advice about this.

The type of pension scheme is 'occupational'

This refers to the Scottish Episcopal Church Pension Fund. If you are using more than one pension scheme for the purposes of Automatic Enrolment (AE) you will need to provide relevant details of the other scheme or schemes.

Employer Pension Scheme Reference is not applicable for the SEC Pension Fund

The Pension Scheme Registry Number (PSR) for the Scottish Episcopal Church Pension Fund is 10095124

The name and address is:

**Scottish Episcopal Church Pension Fund
21 Grosvenor Crescent
EDINBURGH EH12 5EE**

Note: The full name of the Fund should be used (ie not abbreviated to SEC) when submitting information to The Pensions Regulator