ETC International College

Workplace Pension Automatic Enrolment

June 2024

Automatic enrolment into a workplace pension

To help people save more for their retirement, all employers are now required by law to provide a workplace pension scheme for certain staff and pay money into it and I am writing to you to inform you that it affects ETC (UK) Ltd. from 01/07/2014.

All employees working for ETC (UK) Ltd. need to be enrolled into a workplace pension scheme if they are not already in one and;

- Earn over £10,000 per annum (equivalent to £384 per fortnight);
- Are aged 22 or over; and
- Are under state pension age.

We are therefore enrolling you into our pension scheme on 14/09/2018. The scheme is provided by Scottish Life.

- You can choose to opt out of the scheme if you want to, but if you stay in you will have your own pension which you get when you retire;
- ETC (UK) Ltd. and you will pay into it every payday;
- The government may also contribute through tax relief;
- Your pension belongs to you, even if you leave us in the future;

Why is this happening?

The government's aim is to get more people to have another income, on top of the State Pension, when they come to retire. Employers are enrolling their workers automatically into a scheme to make it easier for people to start saving.

What does this mean for you?

The minimum payments into your pension each pay day will be:

- A minimum total contribution of at least 8% of your qualifying earnings,
- Of which our contribution will be at least 3% of your qualifying earnings.
- This will include tax relief, if applicable.

For more information about tax relief, please refer to the section at the end of this letter entitled 'What is tax relief?

Qualifying earnings are classed as your earnings between the Lower and Upper Thresholds for automatic enrolment. The thresholds for a Fortnightly paid employee are shown below:

Lower Threshold	Upper Threshold
240.00	1,934.00

Examples:

- If you earn £1,000 a month and are making a 5% contribution, you'll make a pension contribution of 5% of (1,000-520) = £24. We as your employer will also contribute 3%, which is £14.4.
- If you earn £300 a week, you'll make a pension contribution of 5% of (300-120) = £9. We as your employer will also contribute 3%, which is £5.4.

Remember, the actual contributions made into your pension scheme will be dependent on your contribution percentage and earnings each pay period. Depending on the scheme you're enrolled in, your contribution may be calculated on all your earnings and not restricted to qualifying earnings. You'll see your pension contribution on your payslip as well as the contribution made by us as your employer. You won't see the tax relief as this is added to your pension separately. Please also note that the amount of tax relief can vary, as other factors may affect it, for example if your earnings are close to one of the tax band levels.

How much will you get from this pension when you retire?

Scottish Life can provide you with an estimate of the income you might get once you reach pension age. Please contact them using the details at the end of this letter.

The pension scheme

You will receive a regular statement showing how much money has gone into your pension pot and how it's doing.

Some schemes allow you to make choices about how your pension pot is invested, but you don't have to. If you're interested in finding out if you can participate in the decisions made about investing your pension contributions, contact Diyaa Maksousa using the details at the end of this letter.

Further information on the scheme can be requested from Scottish Life using the contact details at the end of this letter.

What you need to do now

1. If you want to stay in the pension scheme you don't have to do anything. Your personal details will be passed to Scottish Life, and your pension will start building from the first payday after 14/09/2018, you will be able to see this on your payslip.

2. If you want to opt out of the pension scheme, you will need an opt-out form from Scottish Life. Once you have completed it, send it back to Diyaa Maksousa using the address details at the end of this letter. You can use other methods to communicate with Scottish Life to organise an opt-out of the pension scheme.

If your completed opt-out form is received before the end of the one month opt-out period, determined in accordance with regulation 9(2) or (3) of the occupational and personal pensions schemes (automatic enrolment) regulations 2010, you will be removed from the pension scheme. Any payments you have already made will be refunded, and you will not have become an active member of the scheme on this occasion.

If you want to stop making payments after the opt-out period you can do so. The payments you have made already may not be refunded. To confirm whether your contributions can be refunded to you after the opt-out period contact Diyaa Maksousa using the details at the end of this letter.

If you opt out or stop making payments, you can re-join a workplace pension scheme. To do so, contact Diyaa Maksousa in writing by sending a letter, which has to be signed by you. Or if sending it electronically, it has to contain the phrase “I confirm I personally submitted this notice to join a workplace pension scheme”. You can then send these details using the contact information at the end of this letter. For administrative purposes you may only be allowed to re-join once in a 12 month period, check with Diyaa Maksousa using the contact details at the end of this letter if you feel this may affect you.

Anyone who opts out or stops making payments will be automatically enrolled back into a pension scheme at a later date (usually every three years). This is because your circumstances may have changed and it may be the right time for you to start saving. We will contact you when this happens, and you can opt out if it's still not right for you.

Yours sincerely,

Diyaa Maksousa

Tel: 01202 559044 Email: payroll@etc-inter.net

ETC (UK) Ltd., 24 West Hill Road, Bournemouth, Dorset, BH2 5PG.

Further Information

More information on pensions and saving for later life can be found on:
https://www.gov.uk/workplace-pensions

Specific information about the pension scheme offered by ETC (UK) Ltd. can be found from our pension provider Scottish Life, via email at abrydges@scottishlife.co.uk, or in writing at ROYAL LONDON HOUSE, ALDERLEY ROAD, WIMSLOW, CHESHIRE, SK9 1PF.

Further information will be sent to you from Scottish Life as soon as they have processed you as an active member in the scheme. This information will address questions such as; How much will I get from my workplace pension when I retire? Will it be enough? Are pensions safe? And what if I move jobs?

A commitment from us

If you are under 75, work or usually work in the UK, and earn over £240 per fortnight (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.

A number of Frequently Asked Questions are listed below, if you have any further questions not covered in this area please contact Diyaa Maksousa at the details provided.

Q: Will the amounts paid into my pension change?

A: You can rest assured that your pension will meet or exceed the government's requirements. There may be changes to your contribution rates, but this will only be done to ensure our compliance with the legislation. The only time we will increase your contribution amount is if it is below the lowest value the legislation will allow. If you have any questions please contact Diyaa Maksousa using the details provided.

Overtime and bonus payments can have an effect on the calculation of pension contributions.

Q: What if I want to pay more into my pension pot?

A: Certain pension schemes allow you to increase the amount you put in if you want. In this case the amount contributed by the government in the form of tax relief would also increase. The employer contribution may also increase in line with your contributions. To make an increase to your contributions, confirm the exact composition of your contributions or to find out how an increase may affect what's paid into your pension, please contact Diyaa Maksousa at the details provided.

Q: What is tax relief?

A: The government takes tax off your income. You can see this on your payslip. Tax relief means some of your money that would have gone to the government as tax now goes into your pension instead. There are two ways tax relief can be applied to your pension as outlined below:

1. The tax relief goes into your pension through the 'net pay arrangement'. This means you don't need to do anything to get the tax relief paid into your pension. It will happen automatically.
2. The tax relief goes into your pension through a 'relief at source' arrangement. This means if you're a basic rate tax payer, you don't need to do anything to get the tax relief paid into your pension. It will happen automatically. If you're a higher or additional rate tax payer, to get full tax relief you need to claim back some of your tax from the government. This is because tax relief is added to your pension at the basic rate of 20 per cent. To get all the tax relief that is due to you, you need to claim back the difference on your annual tax return, or alternatively, if you are a higher rate tax payer you can contact HM Revenue & Customs.

Further information on how 'net pay' and 'relief at source' tax relief works can be found here:

https://www.gov.uk/tax-on-your-private-pension/pension-tax-relief

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Next update due June 2027