

Pensions for Personal Assistants

Rules about pensions...

Since 2018 all DP employers have had to make arrangements for a workplace pension for their staff.

As an employer your pension obligations start from the day that you employ your first PA.

Pensions affect all employers.

What do I have to do?

By law certain staff must be automatically enrolled in a pension scheme. All employees must be offered a pension scheme.

You will need to:

- Find out if you have any staff who must be 'automatically enrolled' in a pension scheme
- Choose a pension scheme
- Talk to your staff about pensions
- Enrol relevant staff in the pension scheme
- Register with the pensions regulator to confirm you have done what is required

Who must be automatically enrolled in a pension scheme?

Anyone who meets all the below:

- Employees with a contract
- Employees aged 22 to state pension age
- Employees earning over £10,000 per year

Other employees must be offered the option to join a pension scheme, but do not need to be automatically enrolled.

This does apply if you use the services of a self-employed person.

The percentage of wages that must be paid into a pension scheme is 8% which is made up of 5% from the employee and 3% from the employer. See the below table for pensionable earnings

Wages	Contributions	Actions
If your PA earns over £10,000 per annum, they will be automatically enrolled	Employer contributes 3% on earnings about the lower earnings limit (£120) Employee contributes 5% on earnings about the lower earnings limit (£120)	Employer must prepare for workers auto enrolment
If your PA earns between £6,240 and £10,000		Employer must write to your PA offering pension enrolment
If your PA earns under the lower earnings threshold of £6,240	There are no employer contributions. Employee contributes 5% on all earnings	Employer must write to your PA offering pension enrolment

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Wages	Actions
If your PA earns over £10,000 per annum they will be automatically enrolled	If your PA does wants to pay into a pension, then there is no action required If your PA does not want to stay in a pension, then they need to contact your pension provider after they have been auto enrolled and opt out.
If your PA earns between £6,240 and £10,000	If your PA does not want to join a pension, then no action is required by them If your PA does want to join a pension, they must put it in writing to you
If your PA earns under the lower earnings threshold of £6,240	If your PA does not want to join a pension, then no action is required by them If your PA does want to join a pension, they must put it in writing to you

What your PA has to do:

Ongoing pensions obligations

Once you reach 3 years since your pension staging date any employees who have opted out of paying into a pension over 1 year ago and are still eligible will be re-enrolled back into the pension.

Their rights are the same as when they were able to opt out if they wished.

If you would like to know when your re-enrolment date is then please contact your payroll team.

Where can I get help with this?

There is lots of information available online here:

http://disabilitytaxguide.org.uk/files/8._Auto_enrolment_FINAL.pdf

www.thepensionsregulator.gov.uk/automatic-enrolment.aspx

<http://www.moneysupermarket.com/c/news/pension-auto-enrolment-your-questions-answered/0026485/>

Or contact the Information and Advice service on 01903 219482.

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