

Dear Contractor

### Guidance on Auto-Enrolment

To help people save more for their retirement, the government requires employers to enrol their workers into a workplace pension scheme. This applies to those workers who aren't already in one, and who

- earn over £10,000 a year (£192 a week);
- are aged 22 or over; and
- are under State Pension age.

Faststream are obliged to auto enrol all eligible job holders into a qualifying pension scheme from 1<sup>st</sup> May 2014. Faststream has elected to postpone the enrolment until 1<sup>st</sup> August 2014 "the deferral date" Faststream will be enrolling all eligible workers into the "Now: Pension Trust" on 1<sup>st</sup> August 2014.

#### 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. The full basic State Pension in 2014-15 is £113.10 a week for a single person.

Employers are enrolling their workers automatically into a scheme to make it easier for people to start saving.

#### What happens on

**If on that date you are aged 22 or over, under State Pension age, work or usually work in the UK, and earn more than £10,000 a year (£192 a week):**

**We will enrol you into "Now: Pension Trust" on 1<sup>st</sup> August 2014. You don't have to do anything – it will happen automatically.**

- 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;
- Faststream and you will pay into it every week;
- The government will also contribute through tax relief;
- Your pension belongs to you, even if you leave us in the future;
- You have the right to join the scheme before 1<sup>st</sup> August 2014 if you want to.

We will write to you nearer the time with further information on the pension scheme.

**If on that date you are aged under 22 years, or over State Pension age (but under 75), or earn more than £5,772 (£111 a week) but not more than £10,000 a year (£111 a week):**

**We will not be automatically enrolling you** into the “Now: Pension Trust”. This is because you do not meet the criteria set by the government (see first paragraph of this letter). However, you have the right to join the scheme if you want to. Both you and Faststream would pay into it.

**If on that date you are under 75 and earn £5,772 or less a year (£111 or less a week):**

**We will not be automatically enrolling you** into the “Now: Pension Trust”. This is because you do not meet the criteria set by the government (see first paragraph of this letter). However, if you ask us to do so, we will enrol you into the “Now: Pension Trust”.

We would not contribute to this pension as you do not earn over £5,772 a year. (This is the earnings level set by the government. Employers only have to contribute to worker’s pensions if they earn over this amount).

**What to do if you want to join a pension scheme now**

If you want to join a pension scheme now, contact “Now: Pension Trust” 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”. Now: Pensions Trust will provide details soon after 1<sup>st</sup> May 2014.

You will then be sent further information and confirmation you are being enrolled.

**Where to go for further information**

You may have questions about workplace pensions and saving for your retirement. More information on pensions and saving for later life can be found on:

<https://www.gov.uk/workplace-pensions>

Yours sincerely



Chris Bramley  
Chief Financial Officer

**For those who meet the criteria listed in the box on page 1:**

**Explanation as to why you can join a workplace pension scheme before 1<sup>st</sup> August 2014 if you want.**

We have, as allowed by law, postponed your automatic enrolment into our pension scheme until 1<sup>st</sup> August 2014. This is 11 weeks after the date we were first required by law to carry out your automatic enrolment. During this period, you have the right to join the workplace pension scheme if you want. If you want to do this, follow the instructions in the **What to do if you want to join a pension scheme now** section of this letter (page 2).