



# Automatic Enrolment

April 2024

**This guide is to help Church organisations answer automatic enrolment questions.**

## **Can we use a Church of England pension scheme?**

Yes, providing you are associated with the Church.

You can use our automatic enrolment pension scheme, Pension Builder 2014 (PB 2014). You can find out more about how PB 2014 works at

[www.churchofengland.org/pb2014](http://www.churchofengland.org/pb2014)

PB 2014 is different from traditional defined contribution pensions offered by mainstream providers. It offers guarantees and automatic life cover. **It may not be suitable for everyone.**

## **How to join PB 2014?**

If you would like to join PB 2014, email or call us. Our contact details are below.

We'll send you a Participation Agreement for you to formally join.

**Contact us**



pensions@churchofengland.org



020 7898 1802



PO Box 2026, Pershore, WR10 9BW

## Can we join other pension schemes?

Yes. National Employment Savings Trust (NEST) is the Government backed automatic enrolment pension scheme and will accept any employer that applies to them. You can find out more at [www.nestpensions.org.uk](http://www.nestpensions.org.uk)

There are also lots of other pension schemes you can use.

## Can we delay enrolling staff?

Yes, you can postpone enrolling staff for up to three months. For example, if you can a probationary period of six months you must enrol the person after three months. Many employers enrol staff immediately.

## Is salary sacrifice allowed?

We allow salary sacrifice, and most other pension schemes also allow this, but there are points you should consider first. You can find out more at [www.thepensionsregulator.gov.uk/en](http://www.thepensionsregulator.gov.uk/en)

## What if we employ 'non-eligible' staff?

Staff can ask to opt in, and if they do, you need to put them in a qualifying pension scheme. There is no need to set up a pension scheme in advance, but you might want to have back up arrangements in place in case someone opts in.

You need to write to these staff to let them know they can join a pension scheme, and how to opt in. You can find a template letters at [www.thepensionsregulator.gov.uk/en](http://www.thepensionsregulator.gov.uk/en)

## Key takeaways

Here are the key points to remember:

- **You can join Pension Builder 2014 (PB 2014), just call or email us to find out more.**
- **Joining is easy, but you should check PB 2014 is the best scheme for you. It has built in guarantees, so it is not ideal for every employer. There are other pension schemes you can use.**
- **It is your responsibility to check whether you need to enrol your staff.**
- **You might have entitled staff, non-eligible staff and eligible staff. Each have different rights.**
- **If the Diocese or another organisation pay pension contributions on your behalf, this can carry on.**
- **Check the Pension Regulator's website for a full list of your responsibilities.**



### **What if we employ 'entitled' staff?**

These staff have the right to join a pension scheme and this scheme must be a registered pension scheme.

There is no requirement for the employer to contribute. However, if you use a personal pension scheme, you must set up a direct payment arrangement and pay the employee's contributions to the provider.

Joining is not the same as opting in. you do not have to pay employer contributions and the pension scheme does not have to meet the Government standards. Although you may feel a moral duty to offer them a pension that does meet the Government standards and pay contributions on their behalf.

You need to write to these staff and let them know they can join. You can find a template letters at [www.thepensionsregulator.gov.uk/en](http://www.thepensionsregulator.gov.uk/en)

### **What if 'eligible' staff later become 'non-eligible' or 'entitled' staff?**

If eligible staff later become non-eligible or entitled staff, they must stay on the pension scheme, unless they decide to opt out.

### **What about part time staff?**

Part time staff are treated the same as full time staff. If someone who is part time has another job or role, their other employer

will also consider them for automatic enrolment.

### **What about staff on zero-hour contracts?**

You need careful consideration and assessment if you employ staff on zero-hour contracts. You can find guidance on whether you need to enrol them at [www.thepensionsregulator.gov.uk/en](http://www.thepensionsregulator.gov.uk/en)

### **What if pension contributions are covered by the Diocese or another organisation?**

If someone is employed by a church, but the Diocese or another organisation pays the pension contributions, this can continue. You will need to formally document the arrangement and any reimbursement between the organisations.

The Church still needs to join a pension scheme, even if they do not pay the contributions. This will fulfil their automatic enrolment duty.

### **What if we are not a registered company?**

This may be the case if you do not employ anyone who earns above the Lower Earnings Limit.

Automatic enrolment will start when you first pay PAYE income (i.e. income above the Lower Earnings Limit). However, staff can still ask to join a pension scheme.

***This leaflet reflects our understanding of current legislation and practice. You should always talk to a financial or legal adviser if you need specific guidance or advice.***