



Information
for employers

The essential guide to talking about DC pensions with your workers

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The Pensions
Regulator

Introduction

Employers in the UK are now required by law to automatically enrol certain workers into a pension scheme. Whether you are choosing a new pension scheme or adapting an existing one you will need to give your workers certain information.

Workers must be told that they have been automatically enrolled into a pension scheme, or that they have the right to join it if they wish. You may not have spoken to your workforce about pensions before.

This guide sets out what help and guidance you can give your workers about pensions. It will explain:

- what information and guidance you can give your workers about pensions
- that there are rules against providing your workers with financial advice
- sources of help and information on pensions for you and your workers.

You can help your workers understand your pension arrangements. This may help them when making decisions about their pension. This guide focuses on things you may wish to do, often at little or no cost.

Some of the words and expressions used in connection with pensions can be confusing, so this guide includes a jargon buster on page 13.

At a glance

As long as the information you provide doesn't deliberately exclude anything that might be relevant, you can give your workers the facts about the scheme and pensions in general.

Tell them:

- how much money they and you pay into the scheme
- how the investments have performed
- how much of this money has been used to pay any charges
- how investments, contributions and charges can increase or decrease the value of their pension

If you haven't yet picked a DC pension scheme for your workers, please read our essential guide to choosing a good quality DC scheme at www.tpr.gov.uk/scheme.

Use the frequently asked questions in this guide to address pension issues that your workers may raise.

Frequently asked questions

Why should I give my workers information about pensions?

You could benefit from giving information about pensions to your workers. In addition to any information you choose to give your workers, automatic enrolment law requires you to provide some specific information in writing and within certain time limits. Find out more about these laws at www.tpr.gov.uk/resource-info. Potential benefits include:

- workers recognising the value of the scheme as part of the employment package you offer
- workers having a better understanding of pensions, which will lead to better retirement planning on their part
- workers having a better understanding of how their decisions – like how much to pay in, how to invest it and how to take a pension at retirement – will affect the income they receive at retirement
- avoiding problems arising in the future as a result of misunderstandings now.