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**About Enrolment into the Middlesex University Defined Contribution Pension Scheme**

Dear Colleague

Pensions automatic enrolment is government legislation intended to get more people saving into a workplace pension scheme to provide for their retirement in addition to the state pension.

It means that the University is legally required to enrol or re-enrol their workers of MU Services Limited into a workplace pension scheme. This applies to those who aren’t already in a scheme which meets the government’s standards and who:

* earn over £10,000 a year (£833 a month)
* are aged 22 or over; and
* are under State Pension age.

We will therefore enrol you into the Middlesex University Defined Contribution Pension Scheme **on your automatic enrolment date which is the date you joined the University, if you meet the criteria above on that date.**

If this happens, we will write to you again to give you all the information you need about your pension. You can choose to opt out of the scheme if you want to, but if you stay in you’ll have your own pension which you’ll get when you retire.

The following information will tell you more about automatic enrolment and how it may apply to you. Further information about the benefits of being a member of the Middlesex University Defined Contribution Pension Scheme which is provided by Scottish Widows can be found on the page 4 of this letter.

**Pensions Automatic Enrolment**

**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 2020-21 is £134.25 a week (£6,981 a year) for a single person.

By law, employers are enrolling their employees automaticallyinto a workplace scheme to make it easier for people to start saving.

**How will automatic enrolment affect me?**

What happens depends on how old you are and how much you are earning in a pay period.

**If in a pay period 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 (£833 a month):**

**We will enrol you into the Middlesex University Defined Contribution Pension Scheme.** **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 a pension which will be paid to you when you retire;
* MU Services Limited and you will pay into it every month, although you have the option to pay nothing if you wish;
* The government will also contribute through tax relief;
* Your pension will belong to you, even if you leave the employment of the University;

We will write to you when this happens with further information about your enrolment into the pension scheme.

**If in a pay period you are aged under 22 years, or over State Pension age (but under 75), or earn more than £6,240 (£520 a month) but not more than £10,000 a year (£833 a month):**

**We will not be automatically enrolling you** into the Middlesex University Defined Contribution Pension Scheme. This is because you do not meet the criteria set by the government (see second paragraph of this letter). However, **you have the right to join the scheme if you want to**. Both you and MU Services Limited would pay into it.

**If in a pay period you are under 75 and earn £6,240 or less a year (£520 or less a month):**

**We will not be automatically enrolling you** into the Middlesex University Defined Contribution Pension Scheme. This is because you do not meet the criteria set by the government (see second paragraph of this letter). However, if you ask us to do so, we will enrol you into the pension scheme.

MU Services Limited would not contribute to this pension as you do not earn over £6,240 a year. (This is the earnings level set by the government. Employers only have to contribute to employees pensions if they earn over this amount).

**What do I need to do now?**

You don’t have to do anything, if you satisfy the criteria listed above you will automatically be enrolled into the pension scheme.

You have the right to join the pension scheme before the automatic enrolment date if you want to. If you wish to do so, follow the instructions in the **What to do if you want to join a pension scheme now** section of this letter on page 4.

**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**](https://www.gov.uk/workplace-pensions)

Yours sincerely

Amber Raza

Payroll Manager

Middlesex University

**The following contains some FAQ’s for you if you will NOT be automatically enrolled due to age or earnings.**

**Q: I am younger than 22: if I don’t join the pension scheme now, what happens when I reach 22?**

**A:** If you are earning more than the minimum (currently £10,000 a year, £833 a month) when you reach 22, you will be automatically enrolled into the Middlesex University Defined Contribution Pension Scheme. We will write to you when this happens, in the pay period nearer your 22nd birthday, to give you all the information you need.

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. MU Services Limited and you will pay into it every month.

**Q: I don’t earn more than £10,000 a year (£833 a month), if I earn more in the future, what will happen?**

That depends on your earnings:

**A: If you earn more than this minimum**, you will be automatically enrolled into the Middlesex University Defined Contribution Pension Scheme, so long as you are aged 22 or over, are under State Pension age, and work or usually work in the UK.

If this happens, we will write to you again to give you all the information you need. You can 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. MU Services Limited and you will pay into it every month.

The money in your pension will belong to you, even if you leave the employment of the University in the future.

If you are aged under 22 or over State Pension age when you earn more than £10,000 a year (£833 a month), then you will not be automatically enrolled, but you will have the right to join the Middlesex University Defined Contribution Pension Scheme if you want.

**A: If you start to earn more than £6,240 a year (£520 a month) but not more than £10,000 a year (£833 a month)**, you will not be automatically enrolled but you will have the right to join the Middlesex University Defined Contribution Pension Scheme if you want.

MU Services Limited and you will pay into it every month.

The money in your pension will belong to you, even if you leave the employment of the University in the future.

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

If you want to join the **Middlesex University Defined Contribution Pension Scheme** now, contact the Payroll Team 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 theMiddlesex University Defined Contribution Pension Scheme workplace pension scheme”.

The Payroll Team in Financial Services can be contacted at:

Payroll Team, Financial Services

The Burroughs

Hendon

London NW4 4BT

Email: finpayroll@mdx.ac.uk

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

**About the Middlesex University Defined Contribution Pension Scheme**

Some of the benefits of being a member of the pension scheme are that:

• The University and you will both pay into it monthly. MU Services Limited will contribute 10% of your salary each month. Unless you state otherwise, we will deduct a further 5% from your salary each month. You do however have the option to contribute less i.e., nothing (0%) or more if you so wish.

• The government will also contribute through adding tax relief on your contributions. (Tax relief means that some of your money that would have gone to the government as tax goes into your pension instead.)

• You have the option to pay your contributions by way of a salary sacrifice arrangement. Once you accept a salary sacrifice, your overall pay is lower, so you pay less tax and National Insurance. For more information on salary sacrifice go to: [www.moneyadviceservice.org.uk/en/articles/salary-sacrifice-schemes](https://www.moneyadviceservice.org.uk/en/articles/salary-sacrifice-schemes)

• Your pension belongs to you, even if you leave us in the future.

If you decide that you do not wish to join the pension scheme and you have been automatically enrolled then you can choose to opt out of the scheme.

**T**o find out further information on the Middlesex University Defined Contribution Pension Scheme which is provided by Scottish Widows and the benefits it offers go to:

[www.scottishwidows.co.uk/gppae](http://www.scottishwidows.co.uk/gppae) or by contacting Scottish Widows on 0345 755 6557

**Other benefits from being a member of the Pension Scheme**

Alongside the Pension benefits, the University has also put in place Insurance Policies to provide further support and protection for you and those who depend on you financially (like your partner or children): Death in Service (known as Group Life Assurance) and Protecting your income if you are unable to work (Group Income Protection)

Both of these Group insurance policies are provided by Unum - a leading [www.unum.co.uk/employee-benefits](https://www.unum.co.uk/employee-benefits) provider offering financial protection through the workplace.