

# SALVUS NEWS

## WORKPLACE PENSION CONTRIBUTIONS TO RISE

### **From April 2018 all employers must ensure they meet the minimum workplace pensions contributions.**

Salvus has updated our Employer Portal to meet the minimum contributions levels for workplace pensions. From April the minimums have increased and our employer portal will not accept contributions below this legal minimum.

#### **So does this affect YOU?**

- It is the employer's responsibility to meet the new contribution rates
- Over 95% of participating employers chose to start their Workplace Pension at the minimum rates
- So this more than likely affects you

#### **What does this mean?**

- Minimum contributions from April 2018 increase for both employers and their employees
- Salvus Master Trust is required to check all employers are meeting the new increased contribution rates, contributions will be rejected if the new rates are not met
- The new minimum rates are broadly speaking 5% in total, with at least 2% being paid by the employer

#### **What next?**

- Read The Pensions Regulator online guidance [here](#)
- Read Salvus Master Trust's additional guidance [here](#), for details such as:
  - what are the new rates
  - what date do the new rates start
  - how the tax year change could have further implications for you
- **Action:** ensure the person(s) responsible for processing **your payroll understands what their payroll system requirements are – do NOT assume payroll will automatically make the required changes**
- **Action:** ensure your staff are aware
- **Action:** ensure you are ready to submit the increased contributions for payment

We have sent all employers a reminder of how their workplace pension is set up and what their minimum rates are, which were selected at outset.

**IMPORTANT NOTICE – All employers have a legal obligation to meet the new legal minimum contributions. If they don't, we have a duty to monitor contributions and will write to Employers who get this wrong. We are required to report to The Pensions Regulator.**

# Salvus helping employers get this right first time

Here are some tools to help:

- Simple wording to put on employee payslips explaining the change
- Letter template from Employer to Payroll Provider
- Letter Template from Payroll Provider to Employer

[www.salvustrust.com](http://www.salvustrust.com)

## Salvus Employer Portal

Salvus has added alerts and online functionality to simplify the data upload process. It will not be possible to upload a contribution file that is below the statutory minimum. This has been done to ensure all employers comply with this increase in April 18 and again in April 19.

## Salvus Member Portal

Auto-enrolment has brought 10m people into workplace pensions and many of these people have had a number of jobs so far in their career. According to Government statistics, the average person changes jobs 11 times during their working life. Unfortunately, out of every 100 people, 20 will lose track of the pensions they have built up. So that could be 200,000 people with no updated retirement summary.

Salvus has built a simple to use online tool for all members to use which allows them to add the latest value of every pension they have ever contributed to. It will then show the projected total position at retirement. It is also possible to transfer previous pension pots online without complicated forms and our software can bring all the pension pots together under a single low-cost charging structure.

Salvus putting members first.

[www.salvustrust.com/manage-your-pension](http://www.salvustrust.com/manage-your-pension)

## We take data protection seriously.

The law on workplace pensions changed in 2012 and now the law on protecting our customers' personal information is changing too. General Data Protection Regulation (GDPR) legislation is coming into effect on 25 May 2018 and we will be updating our privacy notice. We tell all Salvus employers and members about this shortly.

Salvus will tell all members first by writing to them. We do this via the Salvus Member Account.

### GDPR and supplying employee data

Salvus through our trustees and administration team is the data controller of your staff's data.

[The Information Commissioners Office](#)

## **Contributions invested on time so long as employers pay on time.**

Salvus has a dedicated team reviewing every contribution due against every Pay Period. Contributions must be received by the 22nd of the month following deduction from pay. Employers not meeting these deadlines will be prompted by Salvus. This is to keep employer's compliant with the law, but mainly to ensure that we are able to invest your staff's contributions promptly, as delays can lead to losses.

If contributions are received after they are due you will be prompted at 30 days late, 60 days late and finally at 90 days late. 90 days late is material and a breach of the Pensions Act. Salvus is obliged under law to report to The Pensions Regulator about contributions that are materially late. Salvus are also obliged to write to employer's staff and tell them contributions have been received late. Salvus do this at 60 days late.

If contributions are received late on a regular basis then this could be deemed „persistently late”. This is defined as any 3 months out of a 12-month period.

It's important to make payments on time and this means uploading your contribution file as soon as you have paid your staff. Don't wait.... don't be late.... don't be fined.

If you are reported as materially late you will receive a letter from The Pensions Regulator giving you 28 days to resolve this. **DON'T IGNORE ANY LETTERS YOU RECEIVE.**

[www.thepensionsregulator.gov.uk/employers/contributions-funding](http://www.thepensionsregulator.gov.uk/employers/contributions-funding)

## **Governance report**

It's been a year of significant development in which employers of all sizes continue to select the Scheme for their staff.

We have seen significant growth of both new employers coming on board and a growing number of members using the Scheme's free transfer in process. Average contributions continue to be higher than the statutory minimum and average pension pot values continue to grow.

The Scheme has had the benefit of substantial investment in technology, transforming the traditional paper-based approach to a digital administration basis. The "Signable" software now executes all participation and payment schedules in seconds from a laptop, tablet or even a smartphone. Direct debits are now the only way to make payment of contributions for all employers, and a secure support request platform has been adopted to ensure your queries can be answered quickly and securely.

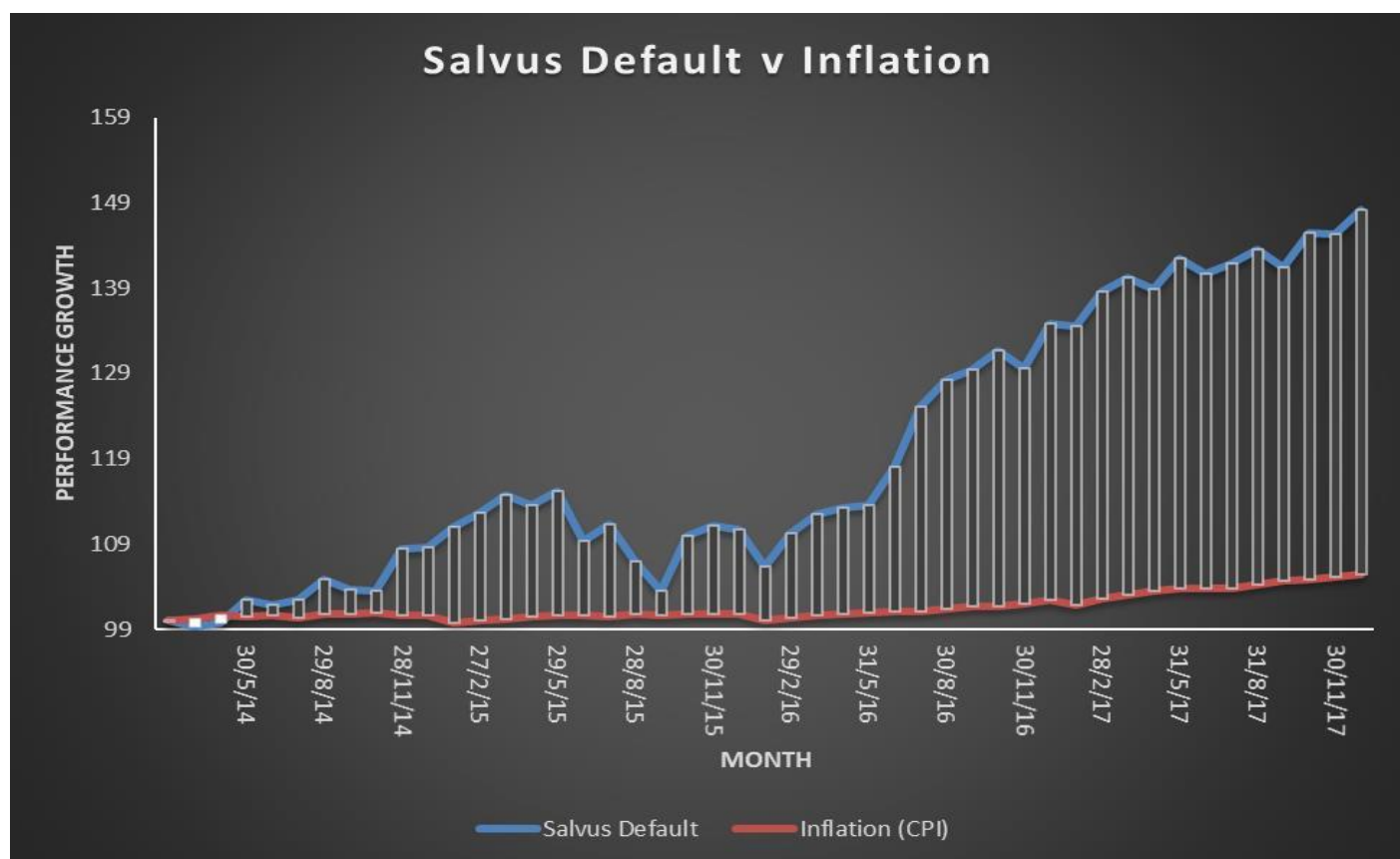
The default investment funds continue to deliver to our pension members with average growth for 5 years to June 2017 of 11.73% per annum (after charges).

The Trustee board fully supports transparency of costs and regulation, both of which instil greater confidence from our pension members. Salvus aims to be one of the first workplace pension providers to be fully authorised by the newly strengthened Pensions Regulator.

When contributions are received and reconciled, they are automatically invested in the default fund which is provided by Aegon Asset Management. Salvus's investment advisers monitor and review the fund to make sure it meets the Trustees stated goals; to provide all members with long-term growth without taking too much risk.

The Salvus Cautious Default Fund also reduces the risk for members by gradually reducing investment in stocks and shares starting 15 years before their retirement date.

Here is an overview of how the Salvus Default has performed:



Salvus Cautious Default	2014 (since inception)	2015	2016	2017	Since Inception (p.a.)	Volatility p.a. (since inception)	3 year annualised	Cumulative returns (since inception)
<b>Growth Period</b>	<b>8.61%</b>	<b>1.88%</b>	<b>21.82%</b>	<b>9.91%</b>	<b>10.80%</b>	<b>8.34%</b>	<b>10.90%</b>	<b>48.15%</b>

Terms and Conditions apply and are updated from time to time and are available [here](#).