Small Firms Demand Direction on Auto Enrolment

Monday 30 March, 2015

Related Sectors:

Personal Finance ::

Scan Me:

Nearly two thirds (61%) of small and medium sized companies who are yet to undertake auto enrolment say they would welcome the publication of a definitive list of pension providers that accept all firms - regardless of size - to help them comply with their auto enrolment duties, according to new research* by workplace pensions provider NOW: Pensions.

Of the SMEs surveyed who are yet to stage, two thirds (66%) don't have any existing pension arrangements for their staff while 8% have a stakeholder pension scheme set up but don't have any members of staff in it. A quarter already offer a scheme to a proportion of their workforce.

When it comes to selecting a pension provider for auto enrolment, over a quarter (27%) of those who are yet to stage still say they haven't given any thought to how they'll go about finding a pension provider, down from 44% in 2014**. One in ten (12%) are going to search the market and do the research themselves, up from just 4% of those firms surveyed in 2014.

When it comes to seeking external advice, over a quarter (26%) intend to get help from their accountant up from 14% in 2014. One in six (16%) intend to rely on their existing provider, down from 22% in 2014. Just 6% plan to speak to a financial adviser up from 5% in 2014.

Morten Nilsson, CEO of NOW: Pensions said: *"As smaller companies begin to tackle auto enrolment, the number planning on choosing their pension provider without any advice is inevitably going to grow.*

"This is why The Pensions Regulator's (TPR) decision earlier this month not to publish a list of pensions schemes that are directly available to any employer, was so disappointing."

"The reality is these firms urgently need help to find high quality, low cost providers that are willing to accept their business, and the regulator needs to hear their pleas before it's too late."

- Ends -

For further information:

Amy Mankelow

NOW: Pensions

Tel: 0203 640 9075

amy.mankelow@nowpensions.com

Valentina Kristensen

Lansons Communications

Tel: +44 207 566 9720

nowpensions@lansons.com

Notes to editors:

* Research undertaken by BDRC Continental, an award-winning insight agency. Questions were put to 400 UK SMEs (up to and including 250 employees) via BDRC Continental's monthly Business Opinion Omnibus. 269 of those interviewed are yet to stage. Telephone-based interviews with a nationally representative sample of senior financial decision makers across the UK, weighted by size, region and sector. Fieldwork dates 2nd to 12th March 2015.

**Research undertaken by BDRC Continental, an award-winning insight agency. Questions were put to 450 UK SMEs who are yet to stage (up to and including 250 employees) via BDRC Continental's monthly Business Opinion Omnibus. Telephone-based interviews with a nationally representative sample of senior financial decision makers across the UK, weighted by size, region and sector. Fieldwork dates 3rd to 13th March 2014.

NOW: Pensions www.nowpensions.com@nowpensions

NOW: Pensions is an independent, multi-employer trust serving thousands of employers and hundreds of thousands of employees from a wide range of sectors.

A subsidiary of one of Europe's largest pension funds, Danish pension scheme ATP, NOW: Pensions offers a simple and cost effective workplace pension solution direct to employers and via advisers and the payroll sector.

In April 2013, NOW: Pensions became the first master trust to attain the NAPF's new PQM Ready Standard. The benchmark shows employers that NOW: Pensions is a well governed pension scheme with low charges and good member communications.

In January 2015, NOW: Pensions achieved independent assurance of scheme quality in accordance with the new master trust assurance framework introduced by The Pensions Regulator (TPR) in conjunction with the Institute of Chartered Accountants in England and Wales (ICAEW).

The NOW: Pension Trustee Directors, whose role is to safeguard the interests of members, comprises well-known industry figures with different areas of expertise:

- Jocelyn Blackwell, founding partner Dunnett Shaw
- Christopher Daykin, former Government Actuary
- John Monks, member of House of Lords and former General Secretary of ETUC and TUC
- Win Robbins, former Head of European Fixed Income at Barclays Global Investors
- Nigel Waterson, former Shadow Pensions Minister

Charges are just £1.50 per month administration charge (reduced administration charge of £0.30 - £1.00 to be applied during auto enrolment phasing for lower earners) plus a 0.3% annual product investment management charge, with no hidden charges.

Company Contact:

_

Pressat Wire

E. support[@]pressat.co.uk

View Online

Newsroom: Visit our Newsroom for all the latest stories:
https://www.wire.pressat.co.uk