

Is everyone being enrolled into a workplace pension?

By law every employer has to enrol into a workplace pension, workers who:

- are not already in a qualifying workplace pension scheme;
- are aged 22 or over;
- are under State Pension age;
- earn more than a minimum amount (£10,000 a year, £833 a month, £192 a week in 2014-15) and work or usually work in the UK

Why is this happening?

The aim is to help more people have another income, on top of the State Pension, when they retire. The State Pension is a foundation for your retirement. If you want to have more, you need to save during your working life. Otherwise, you may reach retirement facing a significant fall in your standard of living. The government is getting employers to enrol their workers automatically into a pension at work so it is easier for people to start saving.

Who will pay into the pension?

You will pay into it. Your employer will pay into it too. They have to do this if you earn more than a certain amount. Plus most people will get a contribution from the government in the form of tax relief. This means some of your money that would have gone to the government as tax, goes into your pension instead.

I'm paying into a personal pension already, what should I do?

It's possible to have both a workplace pension and your own personal pension, so you could choose to continue paying into both. Or you might choose to continue with just one of them. It depends on your circumstances - for example, what you can afford and what your personal and workplace pension schemes are offering. With your workplace pension, you will receive a contribution from your employer that you won't get with your own personal pension. However, your own personal pension may have a guarantee about future income.