**Lothian Centre for Inclusive Living**

**Pension Auto Enrolment**

**What the Legislation says -**

**How does Auto Enrolment affect your employees?**

Employees will be automatically auto enrolled if they are

* between age 22 – State Pension Age

and

* earn £10,000 or more per year
* both you and your employee will be required to make contributions to the employee’s pension pot

Employees can choose to join (opt in) your pension scheme if they are

* between age 16 – 74

and

* earn between £5,824 and £10,000 per year
* both you and your employee will be required to make contributions to the employee’s pension pot

Employees can choose to join (opt in) your pension scheme if they are

* between age 16 – 74

and

* earn less than £5,824 per year
* only the employee is required to make contributions to their own pension pot

**How much are the contributions?**

|  |  |  |  |
| --- | --- | --- | --- |
| Date | Employer  minimum contributions | Employee  minimum contributions | Total minimum (contributions |
| Before 30/09/2017 | 1% | 1% | 2% |
| 1/10/17 – 30/9/18 | 2% | 3% | 5% |
| 1/10/18 onwards | 3% | 5% | 8% |

Employees can choose to increase their contributions

Please note that the earnings levels are set by the Government each year so will change from April each year. Figures shown here are correct for 2015-16.

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**Contact details**

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