

Workplace pensions

A pension is a way to save for retirement.

Some workplace pension schemes work by:

- a percentage of an employee's pay going into their pension each payday
- the employer also adding some money to the pension

Automatic enrolment

Employers are required to automatically enrol eligible employees into a workplace pension scheme. This means the employer must add employees who meet certain requirements to the pension scheme. The employees do not need to ask to be a part of it.

The requirement applies to all businesses of all sizes.

An employer must automatically enrol an employee into a workplace pension if the employee:

- works in the UK
- is at least 22 years old but is under state pension age
- earns at least £10,000 a year
- is not already in a suitable workplace pension scheme

Every 3 years the employer must re-enrol eligible employees into the pension scheme.

Opting out

Employees can opt out or leave the pension scheme by signing an opt out form. If they opt out within one month of joining the scheme, they'll get back any money they've already paid in.

After the first month, the employee can still opt out. This will stop their contributions. However, they might have to wait until retirement to get back any money they've paid in.

Opting back in

Employers must automatically re-enrol an opted-out employee every 3 years. This only applies if the employee still meets the eligibility criteria. The employer does not have to wait 3 years to re-enrol the employee. They might choose to do it sooner than this.

The employer should write to the employee to let them know they have been auto-enrolled again. For example, in a letter or an email. If the employee does not want to rejoin the pension scheme, they can opt out again.

An employee can choose to rejoin or opt back into a workplace pension at any time. To do this they should write to their employer to ask to rejoin. For example, in a letter or email.

An employer only has to accept one request to rejoin from an employee in a 12-month period. This means an employee does not have the right to opt out and then back in more than once in a year. However, the employer might choose to accept more than this.

Resolving pension issues

Employees might have problems with their pension. For example, the employer:

- does not pay their pension contributions
- deducts contributions from the employee's pay but does not pass them to the pension provider

It is usually best for the employee to raise issues informally first. They can do this by [talking to their employer](#). This can help resolve things quickly if there has been a mistake.

If the employee talks to their employer, the employee should confirm what they discussed in writing. For example, in a letter or email.

If the issue cannot be resolved informally, the employee can [raise a grievance](#). This is where the employee makes a formal complaint to their employer.

Advice from Money Helper

Employees experiencing issues relating to their pension should get advice from Money Helper. They give free, impartial guidance on money and pensions.

[Find advice on non-payment of pension contributions from Money Helper](#)