

Employer Pension FAQs

What is your auto-enrolment (AE) process, and how beneficial is it for my business?

Once a customer is onboarded with MIT, a new pension scheme is set up under Options Pensions. MIT integrates the pension with the payroll process, removing all administration tasks from the client's end. After MIT receives the staff details, a member data list is created, and the processing begins. If the client wishes to continue running their payroll in-house (partially managed service), the agreed payroll and pension files are exchanged via a secure portal. The MIT pensions team follows the same procedure. Options receive the pension files (member data) that get assessed and approved. Contributions are transferred via direct debit. Furthermore, Options sends welcome letters to all eligible staff, guiding them every step of the way on how to log into their personal Options pensions portal and gain access to valuable pension information. Alternatively, MIT can provide its clients with letter templates for internal communications.

Why should I choose your pension service over my existing provider?

MIT manages the whole pension process for its clients, relieving them of time-consuming administration and compliance issues. At the same time, MIT provides access (for all staff members) to an online portal, offering real-time information regarding their payslips and pension funds at any time, on any device. MIT exclusive platform is entirely free of charge and part of its enhanced employment package.

Where will the pension funds be invested?

Pension contributions are automatically invested in the TAM Asset Management Default Balanced Portfolio (the default fund). Candidates may select alternative TAM Funds, such as the Sharia or Ethical Fund, as well as others from the AEGON group.

What happens if a worker leaves?

As with all auto-enrolment pension schemes, when a worker leaves an employer or ceases to contribute into the pension scheme, their pension fund can be transferred to another scheme.

Workers may only access their pension fund after the age of 55, according to HMRC guidelines.

For workers who have left the scheme, we will not levy the monthly charge (£1.50) if the member has not contributed in any given month.

The best part of MIT proposed scheme is that each member will only be charged for the service charge of the actual month in which they contribute. This aspect is rather beneficial for employees because other auto-enrolment schemes continue to charge members even after having left their employers.

What are your pension service accreditations?

We offer you a unique pension arrangement, which is fully compliant and operated under a Master Trust with pension administration provided by Options (Options Workplace Pension workplaceenquiries@optionspensions.co.uk) and funds managed by TAM Asset Management (<https://www.tamassetmanagement.com/>).

TAM Asset Management is regulated by the FCA (The Financial Conduct Authority) and falls under the FSCS (Financial Services Compensation Scheme), which offers pension holders government-backed financial protection. TAM is a discretionary fund management firm based in the City of London with a team of analysts who provide daily commentaries, which are available on the portal to all clients.

The company is run by Lester Petch who formerly ran the Post Office Pension Scheme as well as acting as CIO of Target Life, a large UK fund management firm. TAM manages more than half a billion of discretionary fund assets and provides the fund management platform to us, accepting any contribution level for minimum wage, part-time, or temporary staff.

How do Options and TAM collaborate to offer a unique pension experience?

We have been working with these two providers to develop bespoke solutions for all of our key clients. Each provider uses a direct approach and can incorporate any payroll data in CSV format. MIT will ensure that the uploaded file with the staff's contribution details will be compatible with Options Pensions. Additionally, Options operates a process with TAM directly to deliver real-time valuation data on pension assets.

Are your assets protected?

Our assets are protected, long term, for beneficiaries of the scheme. We achieve this in a number of ways:

- a) Our strategy is based on investing in a fund of funds (FOF) rather than investing directly in stocks, bonds or other assets. This is done to achieve broad diversification, appropriate asset allocation and fewer risks. There are no other structures held under the discretionary arrangement, and the nature of their authorisation prevents them from using the fund to buy any form of unusual or higher risk funds.
- b) Each party is regulated and, therefore, falls under their compensation arrangements in the event of any failure. The Pension Protection Fund is the fallback for the Master Trust providers, regulated by the Pensions Regulator. The FSCS is the protection arrangement for the FCA-regulated fund manager. Options and TAM are both members of these respective schemes.
- c) Each arrangement is appropriately insured with Professional Indemnity Insurance. We have examined this as part of our due diligence process.
- d) The assets underlying the arrangement are available for inspection in real-time on the TAM portal. This is a unique arrangement in a market where the norm is annual valuations. In the TAM portal, you and your staff can enjoy an exceptional wealth management experience, and you will always get support from your fund manager regarding performance and investment options.
- e) The ultimate supervising entity is Pershing Bank, owned by The Bank of New York Mellon, one of the largest financial services companies in the world. That, combined with the regulatory regime and the FSCS make our pension as secure as it can get.

What if my staff are enrolled in another workplace pension scheme? Can it be transferred to a new one?

Staff members may transfer their existing Defined Contributions (Money Purchase) into their new Options Master Trust scheme.

This may be done by contacting their previous provider and informing them of their desire to transfer over. They will be given a transfer form by the preceding scheme, which the employee forwards to Options who will facilitate the transfer.

There is currently no charge for this process. All defined benefit transfers or funds over £30,000 require independent financial advice.

As a compliant auto-enrolment scheme, Options will ensure that any transfers into the scheme or out of it have no cost, which means that it is easy for members to transfer the old scheme in, or even move their benefits to a new sponsoring employer with a different scheme; this can be done hassle-free. TAM and Options can provide information on this.

We will support any member who wishes to receive financial advice independently or provide technical information to their advisers.

Do you offer an employee communications service for pensions?

We have provided various options for employee communications regarding the implementation, depending on how sponsoring employers prefer to communicate pension issues to their staff:

- There are clients with an execution-only service, where we support them with information on the scheme, the use of the pension portal and the implementation process to help their payroll team send the contributions in the correct format.
- There are clients with an inclusive arrangement where we have onsite seminars for their staff and give them a full presentation on pensions.
- A hybrid approach of the two categories is also an option.
- Ongoing support with information on all matters relating to the scheme can also be provided, such as administrative work regarding retirement, early retirement, ill health, separation/divorce and death.

It is advisable to choose an enhanced communication plan to achieve higher levels of engagement and, therefore, deflect frequent incoming pension queries from your pension professionals and your staff.

What are the best investment options for my staff?

TAM Asset Management offers three options to invest into a workplace pension scheme. TAM Focus, TAM Ethical, and TAM Sharia. All investment options ensure long-term returns and allow flexibility for the fund managers to react according to market fluctuations.

TAM Focus is the default mainstream balanced portfolio, comprised of investment vehicles, including unit trusts, mutual funds and exchange-traded funds (ETFs), whose fund managers aim to outperform their respective markets. The mainstream balanced portfolio generates capital growth over the medium to longer-term by getting through short-term fluctuations in value. Its balanced approach to exposure is 50% equity and 50% non-equity, allowing fund managers to react to market conditions.

TAM Ethical balanced portfolio consists of socially responsible investment vehicles including unit trusts, mutual funds and exchange-traded funds (ETFs). The Ethical balanced portfolio also seeks to generate capital growth over the medium to long term. It keeps the 50%-50% equity exposure balanced approach, allowing fund managers to react to market conditions.

TAM Sharia balanced portfolio is comprised of Sharia-compliant investment vehicles that offer unit trusts, mutual funds and exchange-traded funds (ETFs). The Sharia balanced portfolio includes Sharia equities (50%), Sukuk bonds (25%), and alternatives such as physical gold and non-interest-bearing cash deposits (25%), allowing fund managers to react to market conditions.

What does the TAM portal offer and how can I set it up?

As soon as your employees become valued members of the Options Master Trust pension scheme, they receive a welcome email to help them set up their bespoke Options employee pension portal. Within the portal, they will be able to find a direct link to their TAM personal fund and the corresponding credentials. Credentials will only be available after the opt-out window for every employee has closed (4 weeks after their initial contribution). Via the TAM portal, employees can monitor their pension fund's performance. The portal includes an updated daily fund valuation, performance charts, in-depth information on the fund and comments from the fund manager.

Contact Info

MIT can assist with any related informative letters that you may require for yourself or your staff. Alternatively, you can call our customer service line on **0800 2118701** and for new business on **08002118709**, and one of our representatives can guide you through this easy process.

Options Pensions

Once you join MIT and a pension scheme has been set up under Options Pensions, you can contact Options directly on workplaceenquiries@optionspensions.co.uk or call **0330 124 1510**.