

Club Journal

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The magazine for all CIU members

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General Secretary issues warning over auto enrolment pension 'complacency'

Union General Secretary Kenneth D Green CMD has urged all CIU clubs to comply with the new auto enrolment pension regulations – or face potentially dire consequences.

The Government has introduced pension scheme automatic enrolment legislation, which gives employers a duty to automatically enrol all eligible jobholders into their pension scheme.

Eligible jobholders are workers aged 16 to 74 years, working full or part time in permanent or temporary positions, earning more than £10,000 per annum (some exclusions apply).

The employer's duty applies from their staging date which is based on the number of people on their PAYE scheme at April 1, 2012.

There are penalties in place for those employers who do not comply with auto enrolment and so clubs need to put in place a suitable system of calculating and deducting pension contributions and keeping records.

In a letter sent out to Union clubs in May, Mr Green said: "I feel compelled to write to you, as a member of the Union, in a final attempt to prevent closure of clubs due to failure to comply with the Pensions Regulator therefore, the Government, and set up an auto enrolment pension.

"The Government has publicised the roll-out of auto enrolment pensions in every media source over the last two years, as have we, both in the *Club Journal* and through lectures given all over the country by Geoff Blakeley CMD of the NEC. I also brought the facts to your attention in my speech at the Annual General Meeting in Blackpool.

"This involves your club, with failure to set up a scheme which complies with the regulations meaning even further club closures."

Mr Green highlighted the cases of two clubs which had failed to comply with the



new regulations. One missed their staging date by one month and even though they have now set up a scheme, face penalties of £15,000.

The second example cited by Mr Green was a club which missed its staging date of January 1, 2016 and set up a scheme in April 2016. He wrote: "They face fines in the region of £45,000 and must enrol all eligible employees as at January 1 and pay into the pension of each employee both the employer's and employees' share with no cost to the employees. This could have the effect of the club falling into liquidation and closure."

Mr Green stated that the purpose of his letter was to "jolt clubs from their complacency and set up an auto enrolment scheme even if no one would qualify for a pension at the present."

Mr Green continued: "Lots of people were frightened by the prospect of RTI (Real Time Information) on its inception but this has now become an accepted practice within payroll procedures and I feel certain that auto enrolment pensions will become just as routine in the future. So please do not bury your head in the sand, it will not go away but your club may, should you not act."

INSIDE...

Editor's Letter	2
Club News	3
Club of the Month	10
HQ	14
Club Outings	18
Crossword	21
Sport on TV	22
CIU Sport	23



Revised dates for Blackpool 2017

The revised dates for Conference Weekend in Blackpool in 2017 have been released:

- Wednesday April 5, 2017:** NEC Meeting
- Thursday April 6, 2017:** Executive Dinner
- Friday April 7, 2017:** Standing Orders Committee; Beer & Trades Exhibition
- Saturday April 8, 2017:** AGM; CIU National Quiz Final