

# Pension reform matters for every business



Mark Ridley, head Solicitor of our Employment Department, advises employers in and around Coventry to take very seriously proposed changes to the Pensions Bill, which are set to make the forthcoming new pensions regime for the UK even stricter.

Due for implementation in 2012, this will see a legal requirement for every company to offer their employees the opportunity to save in a workplace pension. According to Mark “Funding retirement pensions will be expensive for employers, and the Government is concerned that many may try to avoid the requirement by offering inducements such as a higher salary or a bonus payment to opt out of the scheme.

The proposed changes will make it illegal for an employer to do this – and the penalties for disobeying the rules will be potentially very heavy indeed, including the payment of any arrears in the contributions due.”

Mark is also concerned that many employers who currently don’t offer their staff a pension as an employee benefit do not fully appreciate the significance of the changes to come. “It will have some very important implications on the costs of being in business, and it is never too early to start planning for change,” he continues.

“Our employment law experts are very happy to discuss the best ways of preparing for change. Anyone with concerns should feel free to call us for advice and speak to the Department’s PA, Sue Mace, either by telephone 024 7663 2121 or email Sue on [sue.mace@bandhatton.co.uk](mailto:sue.mace@bandhatton.co.uk).