

Mattinson Ginty & Partners (Employee Benefits) Limited

News & Views

Personal Accounts - 2012

Special points of interest:

- Personal Accounts due in 2012
- Chartered Status
- Treating Customers Fairly (TCF)
- The No. 1 Employee Benefit - Group Life
- Pension Contributions during Maternity/Adoption Leave

Everyone knows that the Olympics will be held in London in 2012 and Team GB will be trying to emulate the number of gold medals won this year.

There is another important event happening that year that could change the face of pensions and will have a big financial and administrative effect on businesses.

The Department of Work & Pensions (DWP) is introducing Personal Accounts which means that all employers in the UK will need to think through their responsibilities on pensions, whether they have 1 or 1,000+ employees.

The Pensions Bill which was

published on 5th December 2007 is likely to have Royal Assent by the end of 2008 with the new Personal Accounts being in place by 2012.

Auto-enrolment will be a feature of Personal Accounts so doing nothing will not be an option. In addition, it is worth noting that non-compliance can lead to penalties of £50,000 or two years' in prison.

Your choice will be a plan of your own design which meets a minimum standard test laid down by the Government (MGP can help you with this), or a default scheme operated by Government appointed bodies.

It is early days and so updates

will be issued in future Newsletters as the process develops.

An in-depth Guide has been provided to our existing clients - if you would like a copy please let us know.



Pension Compulsion for the UK?

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Authorised and Regulated by the
Financial Services Authority

Chartered Status

We are delighted to advise our clients that, due to professional achievements and commitment to high standards of practice, we have been awarded the prestigious 'Chartered Financial Planners' title by the Chartered Insurance Institute (CII).

Chartered status is an exclusive title only awarded to firms which meet rigorous criteria relating to professionalism and capability. All Chartered Financial Planners commit to the CII's Code of Ethics &

Conduct reinforcing the highest standards of professional practice in their business dealings.

Just over 160 firms have so far achieved Chartered Financial Planners status, indicating that this is a highly exclusive award reserved for the leading firms within the financial advice market.



Treating Customers Fairly (TCF)

We are committed to offering our customers the highest possible standards of service. In so doing, we are pleased to support the Financial Services Authority initiative 'Treating Customers Fairly'.

We recognise that both we and our customers have everything to gain if we look after their best interests and treat them fairly in all aspects of our dealings with them.

Our commitment will be to:

- Provide clear information about the products and services we offer including fees and charges.
- Ascertain needs, preferences and circumstances before recommending a product.
- Only recommend a product that we consider suitable and affordable.
- We will not recommend a product if we can't find one we consider suitable.
- Encourage question asking if something is not understood.
- Give access to a formal complaints procedure if unhappy with our service.



We believe that all our clients are equal and therefore should be treated the same - that's why we support the Financial Services Authority initiative Treating Customers Fairly.

Death in Service - It won't happen to us!

Famous last words! But when the death of one of your employees does occur how can you ensure that their dependants are financially protected?

We have found that planning for this with individuals is not easy, particularly when people are young but, coincidentally, this is also the time when commitments and

security are most at risk and therefore families most vulnerable.

By providing a Group Life Scheme, which pays out a multiple of your employee's earnings on death for the benefit of their dependants/nominated beneficiaries, you can ensure that a tragic situation does not get any worse.

This is the number one employee benefit and is fully tax deductible for the employer. It is not a P11d benefit.

Schemes can usually be put in place for 5 or more employees at a very reasonable cost - almost certainly a lot cheaper than individual employees taking out their own cover.

Please contact us for more details on any of the stories contained in this Newsletter.

Maternity or Adoption Leave

Members of occupational pensions schemes have always benefitted from continued contributions during maternity leave but the rules regarding members of Group Personal or Stakeholder Pension Schemes have been very

vague to say the least - until now.

Members beginning maternity or adoption leave on or after 5th October 2008 are entitled to continue to receive their employer's contribution at the existing rate for the whole period of paid maternity

leave.

If the member's own contribution is a percentage of pay then this should continue to be deducted but on the actual pay they receive during maternity leave.



Pension contributions to continue throughout paid maternity/adoption leave.