



Watson French

INDEPENDENT FINANCIAL PLANNING
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Beware pension changes, says Watson French

Employers are being warned that new pensions regulations will be more challenging, costly and time consuming than many of them realise, and could have a disproportionate impact in the South West.

The warning comes from Watson French, the Truro-based independent financial planning and investment management company, which acts for a number of employee pension schemes.

Under new rules being phased in from 2012, all UK businesses regardless of size will have to offer eligible employees a company pension scheme or enrol staff into the Government's new National Employment Savings Trust.

The changes, which result from the Pensions Act 2008, mean employers will have to review their existing pension arrangements or provide staff with pensions for the first time. Larger businesses will have to comply first, followed by medium and smaller sized businesses.

Stephen Watson, managing director of Watson French, said: "This is a huge change in pension law and a complex area of financial planning. Employers of all sizes need to start thinking now about how they are going to deal with it rather than wait for the Pensions Regulator to knock on their door.

"Smaller firms in particular will feel the brunt of these changes. Many have no pension provision in place, or if they do their contributions will be much less than what will be expected of them under the new rules, so the financial implications could be considerable.

“Workers eligible for a pension will include agency workers, fixed term and part time contract staff and given the high number of seasonal workers in the South West and the very high proportion of small businesses, our region could be looking at a double whammy when it comes to the impact of the legislation.”

Watson French, which is one of the few firms in the South West to have achieved coveted Chartered Financial Planner status for the quality of its advice, has produced free guidance notes for employers concerned about the pension changes. The firm will also be holding regular briefings for employer groups from January 2011.

To receive a copy of the guidance notes, book a place on a briefing or arrange an individual consultation, call 01872 225885 or email enq@watsonfrench.co.uk