

Frequently Asked Questions

1. Can my employer stop making company contributions to the pension?

At the moment the Government has not advised that Automatic Enrolment pension contributions can cease – this could of course change.

2. Can I stop my employee pension contribution?

Yes, you can choose to stop making pension contributions by informing your HR contact point. If you do stop your contribution, your employer contribution will also probably stop. If you want to discuss the cost of your contribution, please call us for a chat.

3. What happens to my pension if I leave my job?

You can keep paying contributions by Direct Debit from your bank account, transfer to another pension with no penalty charge, cease contributions but remain invested and if you are over 55, you could start taking your pension benefits.

4. What happens to my pension contributions if I have a reduction in pay?

If you are asked to work reduced hours or a shorter week, your pension contributions will be adjusted accordingly. Please call your Corinthian adviser who can help you work out what this would mean to you. We talk in pounds and pence and the cost to your pocket!

5. My fund value has fallen should I stop paying in?

Not necessarily, it's really important that you talk to a Corinthian adviser to understand the implications in relation to your own situation. When stock markets are low it can in fact be a great time to invest, as when these recover your pension value will increase.

6. Is now a good time to invest?

In theory, now could be a great time to invest, especially in a pension. If you are making monthly contributions this means you are spreading your contributions over a number of months. Additionally, you are potentially buying 'units' in your pension at low prices, therefore, if you can wait for the market to recover then their value will rise.

7. We use salary exchange, how does Statutory Sick Pay (SSP) work with this?

During sick leave, contributions paid by the employer and employee are based on the employee's actual earnings. Unless the contract of employment or the scheme rules offer more generous terms, both employer and employee contributions decrease if sick pay is less than normal pay.

If salary exchange is used, employers must follow the varied contract of employment set up at the outset of salary exchange and maintain the agreed level of pension contributions during any form of paid sick leave. Employer contributions will be based on the employee's actual earnings during sick leave. SSP must be paid in full in cash and cannot be reduced by the salary exchange agreement.

8. What about payments to my mortgage, loan and credit cards?

The Government announced on 17th March that those suffering financial hardship in making payments to their mortgages would be given a 3 month holiday on mortgage payments. As with loans and credit cards, should you have issues in making payments please talk to the provider as soon as possible.

9. How long is this (downturn) supposed to last for?

In all honesty, we don't know. Things are changing across the world on an almost hourly basis. We will endeavour to keep you updated.

10. Will I at least get what I invested?

With any investment your value could fall below the amount you have invested, it is vital to talk to one of our advisers so that they can explain how your pension fund works. The main thing is to try not to panic or change funds without talking to us.

11. Should I move my investments to safer funds and once the markets pick up again go back into Stocks and Shares?

Not necessarily, again we would urge you to talk to one of our advisers. We will look at your situation, how long you have until retirement and be able to give you guidance on what might be the best option for your personal situation.

12. How is my pension protected?

Personal pensions are protected by the Financial Services Compensation Scheme (FSCS), which can pay compensation to savers if a financial services firm is unable, or likely to be unable, to pay claims against it.