



Auto Enrolment

Things you need to know...

Small employers (49 workers or less) will have to start automatically enrolling their workers from June 2015 to April 2017

New employers (established after April 2012) will have to start automatically enrolling their workers from May 2017 to February 2018

- A Worker may include Agency workers and Self Employed workers depending on the their contracts
- One Person companies are not subject to Auto Enrolment however, if the company takes on a second worker and the director and new employee have contracts of employment then both could become workers under auto enrolment.
- Employer contributions will start at 1% from October 2012 till 2017 (2% total contributions), then 2% till 2018 (5% total contributions), then go to 3% (8% total contributions)
- The employer must register their scheme www.tpr.gov.uk/registration
- If the employee opts out the employer must automatically re-enrol them every 3 years
- The Pensions Regulator will have powers to issue compliance notices and fixed and escalating penalties increasing on a daily basis. Employees who blow the whistle on their employer will be protected under the Public Interest Disclosure Act 1998

Providers

Most schemes will be set up with one of the following providers:

NEST – National Employment Savings Trust – NEST was originally created by the government – but currently gives limited help for employers

The Peoples Pension – B&CE – B&CE is well known in the Construction world, they have online tools to help you

Now: Pensions – ATP (Denmark) – 45 year experience in pensions and many awards

You could use another provider and you should take independent expert advice, never give pension or investment advice unless you are qualified to do so.

Responsibilities

The employer will responsible for and need to keep records relating to:

- Contributions
- Opting Out
- Opting In
- Earnings
- Employee Records
- Communication with Employees

Start preparing early, check your staging date and consider whether you wish to postpone the start of your scheme