



We Do More Than Just Accounting

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Moore Accountancy brief guide to Auto Enrolment:

What is Auto Enrolment (AE)?

Auto Enrolment is the compulsory automatic enrolment of all employees in a workplace pension scheme in order to provide an income in retirement. It's been a requirement for large firms – those with 250 or more employees – since October 2012, but it's coming to smaller employers now. All employers need to be aware of their obligations under AE and need to start planning for this.

The Department for Work and Pensions (DWP) have overall responsibility for this and The Pensions Regulator (TPR) is responsible for delivering a compliance regime and for communicating the duties to employers, intermediaries and providers.

Who needs to be enrolled?

An employer must determine whether they employ anyone classed as a 'worker'. A worker may be:

- An employee, or
- A person who has a contract to provide work or services personally, and
- Is not undertaking the work as part of their own business.

There are three categories of workers: eligible jobholders; non-eligible jobholders; and entitled workers.

Eligible jobholders for whom automatic enrolment will be required are those who:

- Are aged between 22 years and the State Pension Age (SPA – see www.gov.uk/calculate-state-pension)
- Have qualifying earnings above the earnings trigger for automatic enrolment (this will remain at £10,000 for 2016/17)
- Are working or ordinarily working in the UK
- Are not already members of a qualifying pension scheme.

What constitutes qualifying earnings?

Earnings cover all of the following gross pay elements: salary, commission, bonuses, overtime, statutory sick, maternity, paternity and adoption pay.

Contributions will be payable on earnings between the lower threshold of £5,824 and the higher threshold of £43,000. The earnings between these amounts are called qualifying earnings. The thresholds will be reviewed by the Government each tax year.

You can also pay contributions on all earnings if you wish, but this is not legally required.

For more information see our separate detailed step by step guidance pdf.

Work that Moore Accountancy can do for you to help with AE:

1. One off activity:

- Implement Auto-Enrolment Payroll Processes ahead of staging date
- Staging date assessment of all employees
- Enrolment of all eligible employees into your chosen pension scheme provider (if using NEST)
- Liaison with your IFA if you are using a different pension scheme provider
- Declaration of Compliance
- Everything required to comply with The Pension Regulator.

2. Recurring payroll activity:

- Continuous Assessment of entitled workers, non-eligible jobholders and starters
- Processing Opt-Out notices, Opt-Out refunds and Opt-In requests
- Handling Postponements
- Reporting: worker categorisation, postponements, contributions upon pay run
- File production of data for each pay run
- All reports of contributions forwarded to you.
- Employee/employer contribution deductions via payroll
- Employee communications
- Your monthly pension contribution file uploaded to your pension provider
- We will act as the main point of contact
- Ongoing assessment of all employees and new starters to ensure they are in compliance with pension criteria

Employee communication

If your pension provider does not offer a communication facility then we can provide you with standard letters to comply with ongoing worker communication on your behalf, for you to pass to your workers, or for us to email directly to them (with your approval).

Levels of service

* One off fee for PAYE schemes with 1 – 10 members of staff

For staff schemes of over 10 members of staff POA

	Level 1	Level 2	Level 3	Extras
	? Pre-assessment report ? Nominate contact with TPR ? Assessment ? Opting out ? Declaration of compliance ? (For director only businesses)	? Pre-assessment report ? Nominate contact with TPR ? Assessment ? Enrolment ? Communications ? Opting out ? Declaration of compliance ? (For businesses who need to set up a scheme but are likely to have staff who will opt out)	? Pre-assessment report ? Nominate contact with TPR ? Assessment ? Enrolment ? Communications ? Process opt-in, opt-out requests ? Issue opt-out refunds ? On-going monitoring ? Pension file submission/pay period ? Notification to employer of contributions due ? Postponement ? Declaration of compliance	? Payroll & pension reporting and forecasts ? Reassessment and reenrolment every 3 years ? Meetings or discussions with IFA ? Setting up a scheme with NEST or another provider
One off*	£75	£100	£250	POA
Each pay run	n/a	Min of £5 for 1-2 e'ees., £2.50 extra	a for each additional e'ee on payroll	

All fees are subject to VAT at the current applicable rate