

Auto Enrolment Duties for Employers

What is automatic enrolment?

Under the pensions reform legislation employers must automatically enrol all eligible employees into a qualifying scheme. To be 'Eligible', employees must be aged 22 or over, but under state pension age, earning at least £10,000* in qualifying earnings.

Qualifying Earnings are the band of gross earnings above £6,136* and up to and including £50,000* per 12 month pay reference period (with proportionate amounts for periods less than 12 months).

* figures based on tax year 2019/20.



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The main employer duties are:

- register and re-register with the Pensions Regulator
- automatically enrol and re-enrol all eligible staff into a pension scheme which meets certain criteria
- pay the minimum employer contribution
- opt in relevant staff who request it
- opt out staff who request it
- facilitate the joining of a scheme registered under the Finance Act 2004 by relevant staff members who request it
- maintain adequate records

Contribution levels

These depend on the contribution structure selected, and will be increasing in April 2019 as set out in the following table:

	From 6 th April 2019 Onwards	
Pensionable Pay	Minimum Employer Contributions	Minimum TOTAL Contributions (gross)
Qualifying Band Earnings <i>(QBE = total earnings including overtime, bonuses etc between £6,136 and £50,000 per annum)</i>	3%	8%
Basic Pay	4%	9%
Total Pay	3%	7%

How JJFS can help

JJFS offers full, ongoing support for employers to meet their obligations under Auto Enrolment. We will assist with the following:-

- Ensure your systems are set up to assess your workforce for eligibility to identify which employees fall into which category of entitlement (i.e. entitled workers, eligible jobholder or non-eligible jobholder), so that you can subsequently enrol them into the scheme on a month on month basis.
- Set up a new pension scheme that qualifies under the auto enrolment requirements and/or review your existing pension provision to see if this meets the qualifying criteria as set down in the legislation.
- Assist with registering with the Pensions Regulator.
- Identify the date your employer duties commenced and set this as the anniversary date for cyclical re-enrolment every 3 years.
- Assist you to fully brief your staff and produce information packs to ensure all employees are fully aware of the details of the pension scheme and how we can provide ongoing support.
- Ensure a system is set up within your payroll or your pension provider to issue all appropriate statutory letters to employees as prescribed by the legislation.
- Provide advice and guidance on the process of auto-enrolling staff as well as those opting-in and opting-out.
- Assist with cyclical re-enrolment.
- Provide advice and guidance on adhering to your recordkeeping obligations.
- Provide relevant updates and information regarding legislation requirements and contribution levels, etc as well as provider-specific updates and information.
- Provide support by telephone and email to employees to answer queries about their pension, contributions, how to access their pension online, how to opt out, etc.

For a more detailed guide to auto enrolment for employers, [click here to download our Employers Q&A Factsheet](#).

Alternatively please contact us on 01789 263257 or email: helen@jjfsltd.com