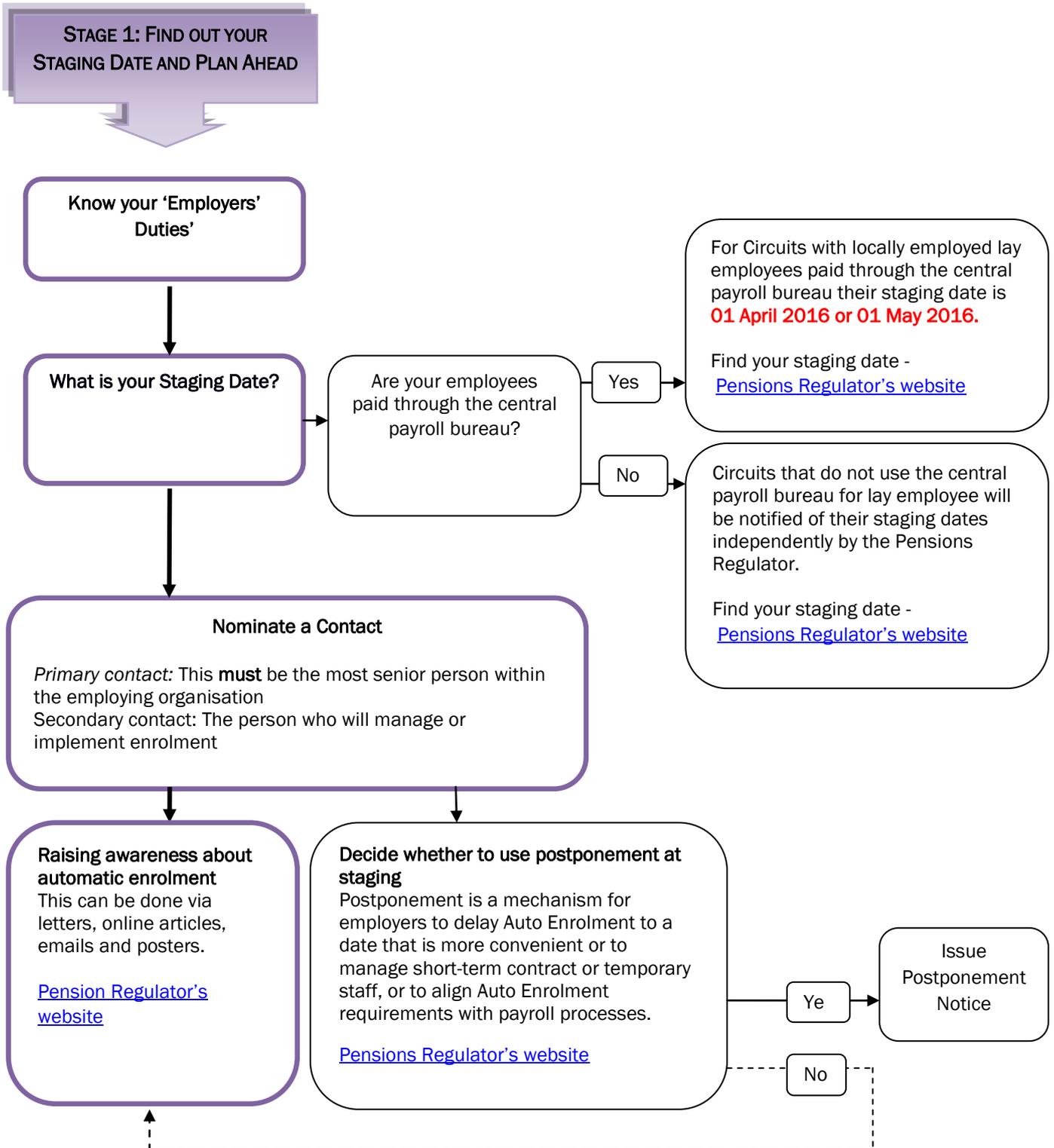


# PENSION AUTO-ENROLMENT FLOWCHART



Please refer to the guidance document 'Your Action Plan for Automatic Enrolment' for further detailed information.



**STEP 2:  
MAKE AN INITIAL ASSESSMENT OF  
YOUR WORKERS**

Employers should carry out an **Initial Assessment** to have a view of the makeup of the workforce on the staging date.

**Check records**

You must ensure that your employees records are easily accessible and that you have the correct information i.e. date of birth, National Insurance numbers, and latest contact details.

You must automatically enrol everyone working for you:

- who is aged between 22 and State Pension Age
- who works in the UK
- for whom you deduct income tax and National Insurance contributions from their wages
- who is likely to have gross earnings over \*£10,000.

*\*This figure will be reviewed annually by the Government.*

The legislation distinguishes between the following different types of worker:

**Eligible jobholders**

- aged between 22 and State Pension Age (SPA);
- working in the UK and earning above the annual earnings trigger for auto-enrolment, currently £10,000;

These individuals **must be auto-enrolled.**

**Non-eligible jobholders**

- aged 16-21 or SPA-74;
- working in the UK; earning above £10,000 or
- aged 16-74; working in the UK; earning above £5,772 but below £10,000.

These individuals **have a right to opt in.**

**Entitled workers**

- aged 16 - 74;
- working in the UK; earning below the annual lower earnings level, currently £5,772.

These individuals have a **right to join a pension scheme.**

*\*See Step 4 below*

**STEP 3: EVALUATE OUR PAYROLL SYSTEM & REVIEW EXISTING PENSION SCHEME**

**Payroll**

An employer's **payroll system** should support various aspects of the enrolment process and ongoing scheme membership.

For Circuits with locally employed lay employees paid through the central payroll bureau no further action is needed, except to ensure that payroll has the correct information for each employee (date of birth, National Insurance numbers, and latest contact details)

Your payroll system needs to have an automated exchange of data with your pension system/scheme. Your systems must be able to;

- deducting and paying contributions to the scheme
- monitoring the ages and earnings of your staff
- handling requests to join the pension scheme from members of staff who haven't been automatically enrolled.

**Pensions**

Select a **Pension Scheme Provider**: The chosen pension scheme should meet the automatic enrolment and qualifying criteria.

**Circuits are responsible for nominating their pension scheme for auto enrolment.**

Contact the chosen scheme and understand their joining process

Agree with your pension provider how they handle opt outs

If you want to continue using your existing pension scheme you need to check that it meets the qualifying criteria for auto enrolment. [Does your existing scheme qualify?](#)

Once the employer has chosen its pension scheme(s), it must ascertain what information the scheme requires to achieve active membership of jobholders.

**STEP 4: FULL ASSESSMENT AND ONGOING ASSESSMENT**

An employer will already have an idea from the **initial assessment** of the workforce whether, on their staging date, they are likely to have:

1. An eligible jobholder who they have to automatically enrol
2. A non-eligible jobholder with a right to opt in to whom they will have to give information
3. An entitled worker with a right to join to whom they will have to give information.

**Formal Assessment**

The final step for an employer in preparing for their staging date is to make a **formal assessment of their workforce**, to identify the different groups of workers and what the employer will be required to do – whether that will be providing information or completing automatic enrolment.

The assessment is broken down into three parts:

Assessing the worker's age – identifying whether the worker meets different age brackets

Assessing whether the worker is working or ordinarily works in the UK under their contract – identifying where the worker is based

Assessing the worker's earnings – identifying whether qualifying earnings are payable in the relevant pay reference period and at what amount

**Ongoing Assessment**

*You must continually assess your employees every pay reference period*

**Monitoring of ages and earnings**

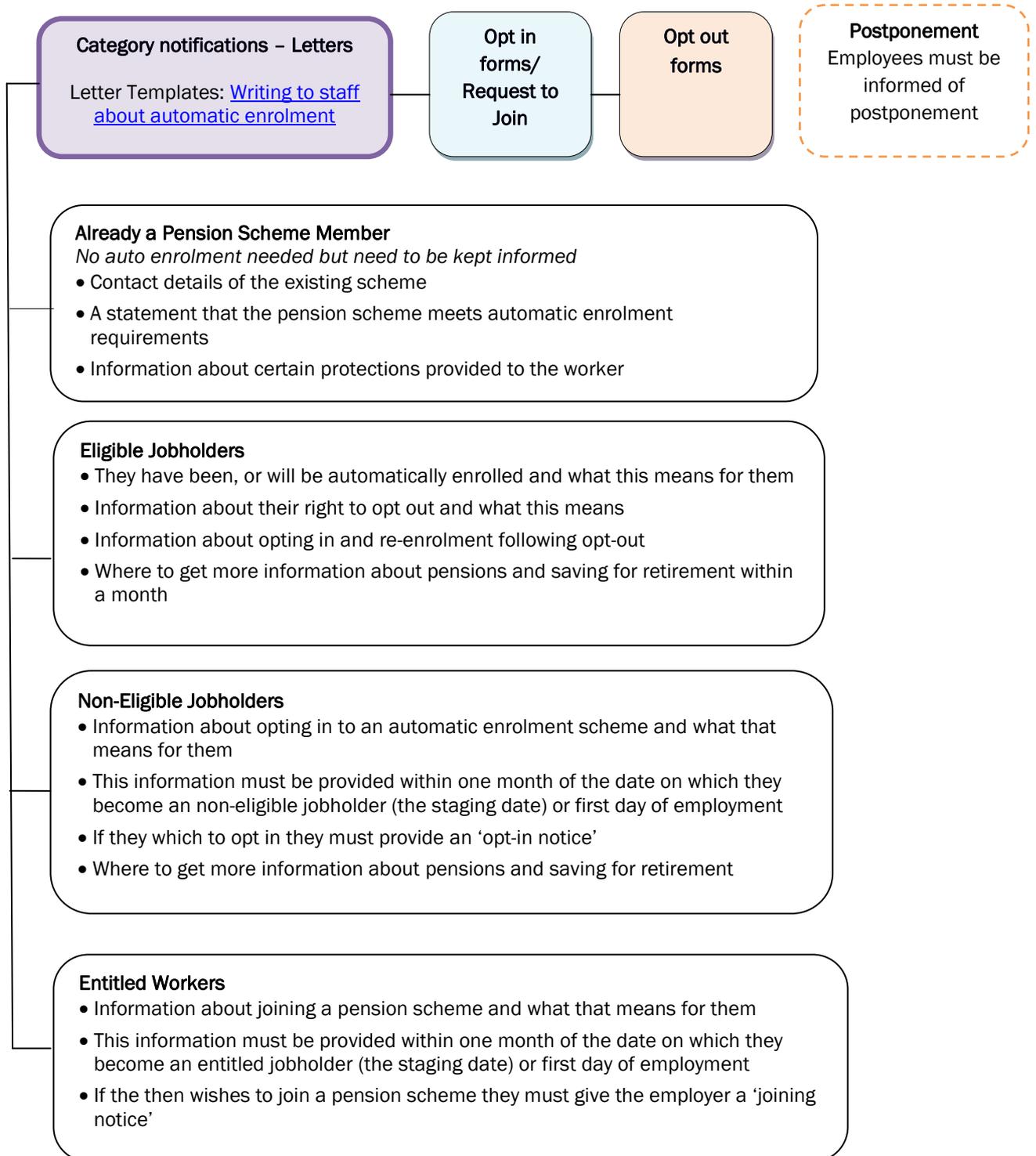
Systems should be in place to monitor employees and alter the nominated person of their rights change i.e. employee turning 22 or their earning changing as you employer duties in relation to them will change.

**Assessing new starters**

New employees should be assessed to check whether they're eligible for automatic enrolment. If they are, you'll need to enrol them into your pension scheme following the same process as you did at the staging date.

**STEP 5: WRITE TO YOUR EMPLOYEES (FORMAL)**

Employers are required by law to write to all workers (except those aged under 16, or 75 and over) explaining what automatic enrolment into a workplace pension means for them. There are different information requirements for each category of worker.



**STEP 6:  
AUTOMATICALLY ENROL  
EMPLOYEES**

**When to  
automatically enrol?**

You must make eligible staff active members of your pension scheme within a six week period that starts on the date your staff member first becomes eligible for automatic enrolment. This could be:

- **your staging date**
- **their first day of employment**
- **their 22nd birthday**
- **when they start earning over £10,000**
- **the day after their postponement period ends.**

You should have a system in place that is set up to alert you if someone becomes eligible for automatic enrolment.

Employee with the right to opt in to your pension scheme must be enrolled using the same process as for automatic enrolment staging date.

**How to automatically  
enrol**

- You make eligible staff members of your pension scheme by providing the scheme (or trustee) with all the information they need to make your staff active members.

Some information that you'll need to provide is required by law. This includes things like the staff member's name, postal address, date of birth and National Insurance number.

- Start paying contributions and collecting workers contribution

**Record the date you achieve membership for workers: opt-out window starts from this date or the date information (letter) was sent out.**

**STEP 7: MANAGE OPT-OUTS,  
REQUESTS TO JOIN AND OPT-INS**

**Manage Opting-in and  
Requests to join**

All requests to opt in or join must be in writing and signed by the person asking to opt in or join  
Requests can be made by;

- Non-eligible jobholders;
- Eligible jobholders who have been automatically enrolled but who have subsequently opted out;
- Eligible jobholders who were already a member of a qualifying scheme on their automatic enrolment date but have subsequently left; and
- Eligible jobholders who wish to become a member before the end of a period of postponement or deferment.

**Don't enrol if:** a worker has previously given a opt-in notice/joining notice in the last 12 months and subsequently left the scheme

**Manage Opt outs**

Job holders have one month period after automatic enrolment during which they may choose to opt out

- Make sure the notice is fully completed and signed
- Send the opt-out notice to the scheme and keep a record of it yourself
- Stop the deduction of pension contributions for that staff member with immediate effect
- Refund any contributions already deducted to the staff member in the next payroll

**Entitled Workers – Rights to  
join**

Entitled workers have the right to join a workplace pension scheme at any time while still an entitled worker.

No right to employer contribution

They must give a valid rights to join notice to the employer and comply with all the joining requirement of the scheme

**STEP 8: REGISTRATION, RECORD KEEPING & ONGOING RESPONSIBILITIES**

**Declaration of Compliance (Registration)**

Your declaration deadline is **five calendar months** from your staging date.

Declaration of compliance (registration) is the legal requirement to submit information to the regulator about how you've complied with your employer duties.

Pensions Regulator website: [Online Declaration of Compliance \(Registration\)](#)

**Record-keeping**

By law, there are two different types of records that an employer must keep:

1. **Records about staff**
2. **Records about the pension scheme**

You must keep these records for a minimum of six years.

You must retain any opt-in, joining or opt-out notices you receive from your staff for a 4 years

**Ongoing automatic enrolment responsibilities**

- Paying contributions
- Processing opt outs
- Refunds
- Processing opt-in and joining requests
- Monitoring ages and earnings
- Assessing new starters
- Record Keeping
- Re-enrolment (approximately every 3 years)

## Auto Enrolment Employer Checklist

<input type="checkbox"/>	Find your staging date	12 months to go
<input type="checkbox"/>	Nominate a point of contact	12 months to go
<input type="checkbox"/>	Get a plan in place of your key activities	12 months to go
<input type="checkbox"/>	Assess your current processes and payroll software	12 months to go
<input type="checkbox"/>	Make sure information you hold about your workers is correct	12 months to go
<input type="checkbox"/>	Assess your work force	12 months to go
<input type="checkbox"/>	Communicate the changes with your workforce	12 months to go
<input type="checkbox"/>	Assess the cost impact on your business (administration, payroll software and pension contributions)	9 months to go
<input type="checkbox"/>	Plan for how you will manage the additional administration burden	9 months to go
<input type="checkbox"/>	Review your current arrangements and pension scheme	7 months to go
<input type="checkbox"/>	Finalise your choice of provider for the appropriate systems or upgrades you will need	6 months to go
<input type="checkbox"/>	Finalise your choice of pension scheme, ensuring that <u>your scheme of choice qualifies</u> under the new legislation	6 months to go
<input type="checkbox"/>	Enrol eligible job holders and contribute to your workers' pensions	Staging date
<input type="checkbox"/>	Start keeping the relevant records	From Staging date
<input type="checkbox"/>	Communicate with your employers	6 weeks of Staging date
<input type="checkbox"/>	Keep track of age and earnings	From Staging Date onwards
<input type="checkbox"/>	Managing opt outs, opt ins, request to join and ongoing assessment	From staging Date onwards
<input type="checkbox"/>	Register with the Pensions Regulator	Within 5 months of staging date
<input type="checkbox"/>	Budget for the cost increase	Annually
<input type="checkbox"/>	Decide how you will manage the <b>re-enrolment</b> process	<b>3 years from staging Date</b>