

# Ten steps to auto enrolment

All employers must offer an auto enrolment (AE) pension scheme to their employees. This is a brief overview of the key points to be considered.

## Step 1 – Establish your staging date

Use your PAYE scheme reference number to check your staging date at:  
[www.thepensionsregulator.gov.uk/employers/tools/staging-date.aspx](http://www.thepensionsregulator.gov.uk/employers/tools/staging-date.aspx)  
If your staging date is less than 12 months away, you should have started planning!



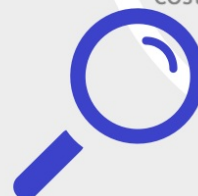
Who must be automatically enrolled? Who can opt-in voluntarily? Which workers are outside the AE regulations? Once you've done this, you or your payroll provider can calculate how much your pension contributions are likely to be.

## Step 2 – Assess your workforce



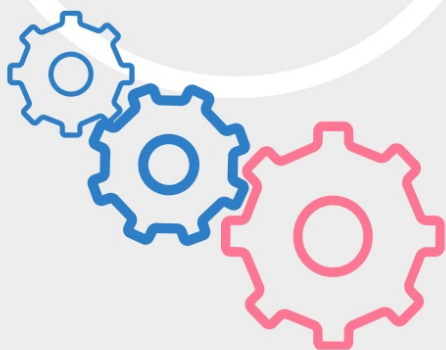
## Step 3 – Choose a pension provider

Assess whether any current occupational pension scheme meets the minimum standards for AE (or ask a regulated advisor). If the scheme is unsuitable or you don't have one, a regulated advisor can help you decide on the most appropriate scheme. You can use a traditional pension provider, a low cost provider (eg Now! or People's Pension) or NEST – the Government scheme.



Ensure your payroll software and processes are AE compliant, able to deal with your AE requirements and aligned with your pension provider - or you can outsource these requirements to a payroll provider, such as WMT.

#### Step 4 – Align payroll processes



#### Step 5 – Consider offering salary exchange

Making AE pension contributions via a salary exchange scheme may be financially beneficial to you and your employees. However, salary exchange cannot be imposed, will require a formal change to the Terms & Conditions of Employment and pay after the exchange must meet or exceed National Minimum Wage levels.



Write to each employee individually to tell them how they are affected by AE and their rights. You must also provide details of the pension scheme, the opt-in/out processes and how much you will contribute on their behalf.

#### Step 6 – Communicate with workers



#### Step 7 – Enrol eligible workers and deal with opt- outs



Eligible workers must be enrolled but can opt-out after your staging date. You must refund the contributions of any employee who opts out and automatically re-enrol them after 3 years.



Employers must register with The Pensions Regulator and keep detailed records relating to the administration of the auto enrolment process for 6 years.

### Step 8 – Record keeping



### Step 9 – Online Declaration of Compliance

You or your nominated representative must complete the online Declaration of Compliance via the Government Gateway site within 5 months of staging and then every 3 years thereafter.



Going forwards, you or your payroll provider will need to adapt your systems and processes to deal with planned changes to the AE process (such as the gradual increase of employer contributions) and ongoing regulatory developments. All changes will need to be communicated individually to workers.

### Step 10 - Keeping up with future changes



## How can we help?

WMT provides a competitively priced, fully compliant payroll service. All you need to do is set up your AE pension scheme and we can deal with everything else including workforce assessment, staff communication and salary exchange planning.

For further information please contact:  
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