

AUTO ENROLMENT

ACTION PLAN FOR EMPLOYERS

A high level plan of the actions that need to be taken by the employer is set out below:-

Establish Objectives

- The Pensions Regulator suggests employers start at least 12 months before their staging date.
 - An opportunity to benefit and engage with employees or minimum cost compliance or somewhere in between?
 - Determine contribution rates, eligible staff and process for new employees.
 - Consider whether to introduce salary sacrifice.
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Provider

- Identify a provider
 - Identify a default fund
 - Consider the range of funds to be offered
 - Obtain provider's data requirements
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Processes

- Obtain process for payment of contributions
 - Cleanse payroll/HR data if necessary
 - Obtain process for opting out from pension provider
 - Set up payroll processes
 - Ensure payroll provider can:
 - Identify relevant staff
 - Calculate contributions
 - Operate salary sacrifice (if required)
 - Submit data in provider's required format
 - Make payment of contributions as required by provider
 - Operate opting out processes
 - Operate re-enrolment processes
 - Operate new hire processes
 - Set up processes for ongoing auto enrolment
 - New hires after three months
 - Re-enrolment after three years.
 - Set up a record keeping process
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- Communication**
- Initial communication covering general pensions information
 - Salary sacrifice communication (if required)
 - Statutory communication
 - Response to queries
 - Information for new hires
 - Employee contract wording
 - Information about choices in relation to existing arrangements.
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- Installation**
- Set up Scheme and processes with provider
 - Set up Scheme and processes with payroll provider
 - Ensure employer processes are in place
 - Declaration of compliance for Pensions Regulator
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- Ongoing Administration**
- Monitor payment of contributions
 - Deal with queries from provider
 - Deal with queries from payroll provider
 - Deal with queries from members
 - Information to members on events (death, leaving, retirement etc)
 - Record keeping
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- Ongoing Governance**
- Annual review of suitability of provider
 - Annual review of ongoing administration
 - Annual review of suitability of default fund
 - Legislation changes
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Arrange a free of charge face to face meeting to understand your current situation, the tasks you face and the potential options. Call Elaine Tarver on 0771 275 1336 or email elaine.tarver@millpensions.co.uk
