

FAQ

Workplace Pensions and Automatic Enrolment



What is automatic enrolment?



Automatic enrolment is a new requirement imposed on employers in the United Kingdom under the pension reform laws. To comply with this requirement, UK employers must systematically enrol eligible jobholders into a qualifying pension scheme and make mandatory minimum contributions into their employees' pension schemes.



How do workplace pensions work?



A percentage of each employee's pay is put into a pension scheme automatically each payday. Additionally, your business will be legally obligated to add money into your employees' pension schemes.



Who must be enrolled in a pension scheme at my business?



As an employer, you must automatically enrol workers who meet the following qualifications:

- Are not currently enrolled in a pension scheme
- Are between the ages of 22 and State Pension age
- Earn more than £10,000 a year
- Work in the UK

However, there are several exceptions:

- Workers who earn between £5,772 and £10,000 must request to be enrolled in the pension fund
- Individuals under the age of 22 or over the State Pension Age and still working can opt in by requesting to be enrolled



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Who will be affected by the changes?



Every business—excluding individuals who are self-employed—will be affected by the scheme.



What are the consequences of not implementing the new scheme?



If your business fails to comply with the new workplace pension scheme, you face fines, prosecutions and loss of credibility.



When do I enrol employees into a workplace pension scheme?



When your business must start providing your employees with a workplace pension depends on how many individuals you have on your payroll. Check your staging date with [The Pensions Regulator](#).



What are the main steps for enrolment?



1. Twelve to Nine Months before Staging
 - Know when you need to be ready
 - Provide a point of contact
 - Develop your initial plans
2. Nine to Zero Months before Staging
 - Find out whom to enrol
 - Choose your software and check records
 - Choose a pension scheme
3. Staging Date
 - Automatically enrol your staff
4. Up to Six Weeks from Staging Date
 - Tell your staff
5. Up to Five Months from Staging Date
 - Complete your declaration of compliance (registration)
6. Ongoing
 - Maintain records
 - Fulfil ongoing responsibilities



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