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# Automatic enrolment in brief

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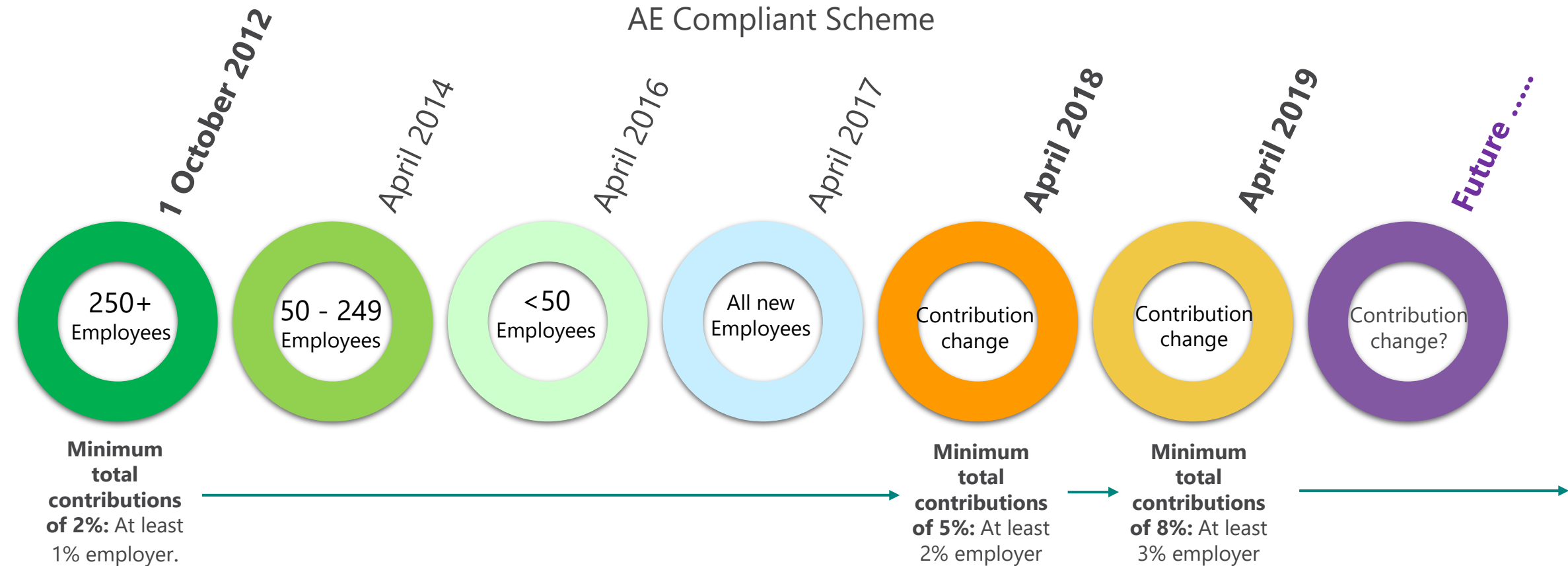
However, this presentation is not intended to provide and must not be construed as regulated investment advice. Returns are not guaranteed, and the value of investments may go down as well as up, so you may get back less than you invest.

The information in this presentation is based on our understanding of current taxation law, proposed legislation and HM Revenue & Customs practice, which may be subject to future variation.

# Introducing Automatic Enrolment

## Pensions Act 2008

AE Compliant Scheme



Total Qualifying earnings and age used to assess employees: Jobholders (Eligible / Non-Eligible) + Entitled Workers  
Qualifying Band Earnings for contributions  
Certification required where contributions based on Basic Pay + (Sets 1/2/3) / or meets alternative relevant quality standard

# Ongoing duties

## Each pay period

- Contractual OR automatic enrolment
- **Postponement (up to 3 months)**
- **Postponement notice**
- Opt ins
- Employee assessment
- **Enrolment of eligible jobholders**
- **Issuing statutory communications**
- Opt outs and refunds
- Confirming new joiners
- **Contribution payments**

## Every year

- **Certification** (can be up to 18 months)
- **Contribution changes**
- **Review member communications**
- **Governance review**

## Every 3 years

- **Re-enrolment**

## Adhoc

- **Opt ins**
- **Plan review** – Value for Members (not just price)
- **Scheme / contribution harmonisation**
- **Review processes**

# Common errors

What makes  
enrolment?

Using  
postponement

Deducting and  
paying over  
contributions

Contractual  
enrolment

The opt out  
period –  
contributions  
and refunds

Certification  
errors



# Our AE Future ...

Enrolment from 18  
Remove Lower  
Earnings Limit of  
QE band  
Include the self-  
employed?

Pensions  
Commission revived  
Adequacy:  
Increasing minimum  
contributions from  
8%

Decumulation  
Default funds  
£25bn  
Tax relief for low  
earners in OPS  
Master Trust  
consolidation

DE&I impact  
Sidecar savings  
Financial  
education for  
schools