

Pensions & Automatic Enrolment



What is automatic enrolment?

Under the Pensions Act 2008, every employer in the UK must put certain staff into a workplace pension scheme and contribute towards it. This is called 'automatic enrolment' and is a legal requirement. You could be fined by the Pension Regulator if you do not comply but we are here to help you put things in place.

Who qualifies for automatic enrolment?

If anyone who works for you is:

- aged between 22 and up to state pension age
- and earns more than £833 per month (£192 per week)

You are an employer who has to provide a pension scheme.

An employee can pay into a pension scheme even if they do not qualify for auto-enrolment

If your employee earns under £833 per month (£192 per week) it is still your duty to inform them that they have the option to pay in to a pension scheme. If your employee earns over £512 per month (£118 per week) you have the option to pay contributions (see below).

What are contributions?

The total minimum contribution from 5 April 2019 is currently 8%. Employers currently pay a contribution of 3% and employees a minimum contribution of 5%. When we look at your budget we will make sure that we cost in enough money to cover your pension contributions from your Direct Payment, and our payroll service will work out the contributions for you each month.

NEST pension scheme

The pension scheme we use for employers is NEST. NEST has been set up by the government especially for auto enrolment. NEST are there to make sure that every employer has access to a workplace pension scheme that meets the requirements of the pension rules. If your employee is eligible for automatic enrolment, we will inform you so we can gain their consent to sign them up for the scheme. You will need to let us know whether your employee wishes to 'opt-in' to a pension scheme (if they do not qualify for auto-enrolment) and you can do this when you send us your 'declaration of compliance' letter (see below).

Opting-out

Your employee can decide to opt-out of automatic-enrolment, but only after the pension has been set up. You will need explain their options to them and then to let us know that they wish to opt-out. Unfortunately employers do not have the ability to opt – out.

Declaring your compliance

Your declaration is your legal duty to tell the Pensions Regulator how you have met your legal duties as an employer. This needs to be completed even if your employee is not being auto-enrolled / opting-in to a pension scheme. Please scan and email this declaration letter to dppayroll@ruils.co.uk and or post to the address below and we will fill out the declaration online on your behalf.

Don't worry, we can help! For more information contact:



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