



PENSION AUTO-ENROLMENT SOLUTION

Ceridian can help employers to not only meet the legislative requirements of pension auto-enrolment and stay compliant, but also manage the new responsibilities placed upon them cost effectively.



UK pensions legislation is undergoing its biggest change for decades. As part of an overall pensions reform strategy, the Government has introduced major changes to the way workplace pensions are provided. Starting from October 2012 and being phased in through to 2017, it will be compulsory for all organisations in the UK to have pension arrangements in place into which eligible employees will be automatically enrolled.

WHAT IS AUTO-ENROLMENT?

The new pensions legislation requires employers to automatically enrol eligible jobholders into a qualifying pension scheme.

Auto-enrolment responsibility will be introduced over a five year period, with each employer being allocated a 'staging date' from when their duties first apply, based on the number of people in an employer's largest PAYE scheme.

Organisations with more than 250 staff will need to have started auto-enrolment by February 2014; employers of between 249 and 59 people between April 2014 and November 2014; and for those with less than 59 staff, responsibilities begin from January 2015.

WHY YOU NEED TO PLAN AHEAD

Regardless of the size of your business, it's important you are aware of the implications of auto-enrolment as it will ultimately affect your bottom line.

For many employers, it will mean that the cost of employing people will rise. In addition to increased contributions, the work involved with administering, monitoring and implementing auto-enrolment opt-ins and opt-outs will also increase costs.

To fully understand the financial and operational costs it's important to plan ahead – it's not something that can be left until the last minute. It can take on average 12 months for the planning and implementation of your auto-enrolment project.

WHO ARE ELIGIBLE JOBHOLDERS?

- Full, part-time and temporary workers;
- Aged between 22 and the State Pension Age;
- Earning above £9,440 – the PAYE tax threshold*.

YOUR ROLE AS AN EMPLOYER

As an employer you will have a number of new responsibilities under the legislation:

- Set up a scheme, or ensure your current pension scheme(s) meet qualifying criteria;
- Register your scheme(s) with the Pensions Regulator;
- Provide information to all workers;
- Automatically enrol all eligible jobholders;
- Make contributions on behalf of your employees and deduct their contributions through payroll;
- Facilitate requests from any eligible jobholders that decide to opt-out, and pay any refund;
- Facilitate requests from any non-eligible jobholders that decide to opt-in, and pay contributions.

WHAT HAPPENS IF YOU FAIL TO COMPLY?

The Pensions Regulator will be monitoring compliance with the new duties. Penalties for non-compliance will be considerable, including fines of up to £10,000 per day for the largest employers and ultimately, prison sentences. There is also brand reputation to think about.

“Ceridian was ahead of the game with a very comprehensive, readily available offer. Its solution works through payroll, allows for employee self-service and integrates with our pension provider. It does everything we require.”

Simon Hemmings, Head of Compensation & Benefits, ICAP Plc

CERIDIAN'S AUTO-ENROLMENT SOLUTION

Ceridian's Auto-Enrolment solution helps employers to not only meet the new legislative requirements and stay compliant, but also manage the responsibilities placed upon them by auto-enrolment cost effectively.

It was voted Technology Development of the Year by Payroll World in 2012, and has proved the perfect answer for our customers, large and small, including ASDA, WHSmith, Costain and ICAP.

The software automatically identifies and enrolls relevant employees into the chosen pension scheme and calculates contributions. It also enables you to manage all aspects of administration:

- communication to all employees;
- handling of opt-out requests and refund of contributions;
- handling of opt-in requests from non-eligible jobholders;
- management of postponement periods;
- triennial re-enrolment;
- electronic exchange of employee data between payroll and your pension provider.

Our auto-enrolment software ensures efficient, timely and accurate pension contribution transactions, without the need for significant manual input or impact on mission critical, time poor payroll operations.

Ceridian's payroll and pension experts worked closely with The Pensions Regulator to develop the solution to ensure compliance and continue to advise Government on amendments to the legislation to help ease complexity for employers.

SALARY SACRIFICE

A way of mitigating both the contribution and administration costs of auto-enrolment is to use Salary Sacrifice. Ceridian can help you explore whether this is viable for your organisation.

By talking to our experts first, you can make sure you know where you are and where you need to be able to face the responsibilities of auto-enrolment.

To find out how Ceridian can help you with your auto-enrolment project call 0800 733 337 or visit www.ceridian.co.uk

