

IRIS Bureau Payroll

Guide to Workplace Pension Reform

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Guide to Workplace Pension Reform & IRIS OpenEnrol

This guide will give you a general overview of **Workplace Pension Reform** and what it means for you as an employer.

It will also demonstrate how the software can help you carry out your new responsibilities. The guide also gives detailed information relating to IRIS OpenEnrol, the element of the IRIS AE Suite™ which simplifies pension communications.

Some of the functions contained in this guide are chargeable; please contact our Sales team for further details

The guide covers:

- What is **Workplace Pension Reform**?
- How to prepare for **Workplace Pension Reform** and **Automatic Enrolment**
- How the payroll can help you with
 - Automatic Enrolment
 - Pension Funds
 - Pension Deductions
 - NEST
 - Other Pension Output files
- What is **IRIS OpenEnrol**?
- How to use **IRIS OpenEnrol**
- Quick Reference & Definitions

What is Workplace Pension Reform?

Workplace Pension Reform covers changes to pension law affecting all employers with at least one worker in the UK. The Government intends these changes to help address the issues that prevent people from saving into a pension.

Automatic Enrolment

The most significant change is **Automatic Enrolment**. From October 2012 onwards, starting with the largest companies, it became law for every employer to automatically enrol workers into a workplace pension scheme (and contribute to it on their behalf) if they:

- are aged between 22 and State Pension Age
- earn more than £10,000 a year (in 2015/16)
- work in the UK
- are not already a member of a qualifying pension scheme

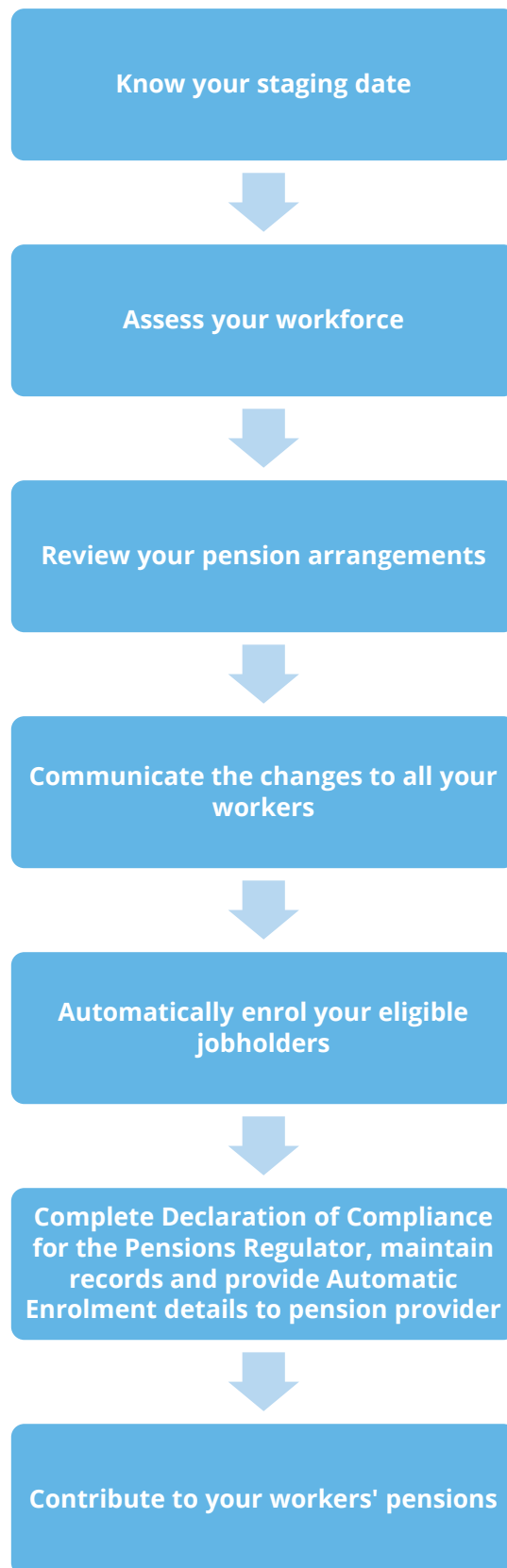
To be a qualifying scheme:

- minimum contributions must be made or it must provide a minimum rate at which benefits will build up

A scheme suitable for automatic enrolment must also not:

- impose barriers to joining the scheme, such as probationary periods or age limits for members
- require staff to make an active choice to join or take any other action prior to joining
- require the provision of extra information in order to stay in the scheme

How to prepare for Workplace Pension Reform



Know your Staging Date

The **Staging Date** is the start date of an employer's automatic enrolment duties. If you don't already offer workers a **Workplace Pension Scheme**, you must set one up before your **Staging Date**.

Staging Dates are being introduced over 6 years and are determined by the size of your largest PAYE scheme.

Any employers with fewer than 30 staff on 1st April 2012 will have a **Staging Date** of June 2015 or later. If you were using a PAYE scheme on 1st April 2012 your **Staging Date** will now be set.

Your employee count could include individuals who do not have any duties, for instance, people on your pension payroll

You can find out when your **Staging Date** is likely to be by visiting **The Pensions Regulator** website at <http://www.tpr.gov.uk/staging> - all you need is your PAYE reference.

The Pensions Regulator will contact you 12-18 months before your **Staging Date** to confirm it with you.

Assess your workforce

There are three main things to look at when assessing your workers:



These things will determine whether they are an **Entitled Worker**, an **Eligible Jobholder** or a **Non-eligible Jobholder**.

Only **Eligible Jobholders** need to be auto-enrolled.

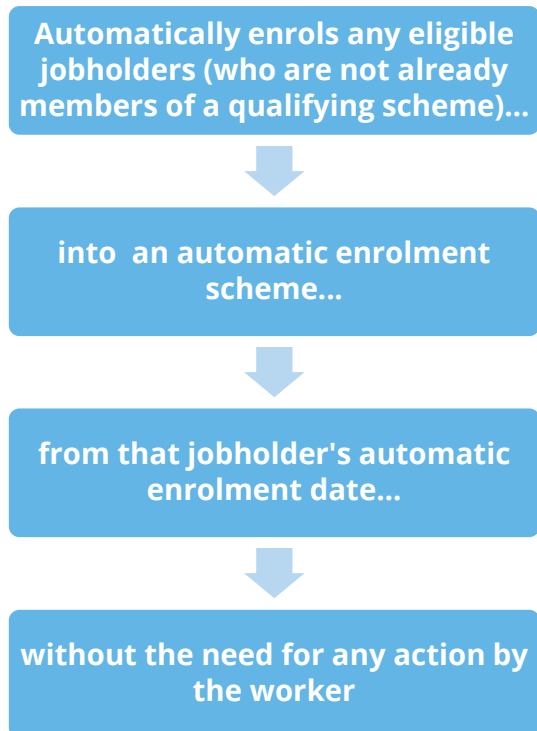
Earnings	Age (Inclusive)		
	16-21	22-SPA	SPA-74
Up to and including lower earnings threshold (£5,824.00)	Entitled worker		
Between £5,824.01 and £10,000.00 inclusive	Non-eligible jobholder		
Over earnings trigger for automatic enrolment (£10,000.01)	Non-eligible jobholder	Eligible jobholder	Non-eligible jobholder

- An entitled worker can request to join a scheme but an employer is not required to contribute
- A non-eligible jobholder can opt in to an auto-enrolment scheme and as an employer you are then required to contribute
- An eligible jobholder must be auto-enrolled

Workers without qualifying earnings have a right to join a workplace pension scheme but there is no requirement for the employer to make contributions in respect of these individuals

Review your pension arrangements

As an employer, you now need to provide a **Workplace Pension Scheme** that:



You also need to arrange membership of a pension scheme for entitled workers and non-eligible jobholders who choose to opt in or join a qualifying pension scheme.

The Auto Enrolment Pension scheme must be in place before your Staging Date

Speak to a professional advisor:

- if you do not have an existing pension scheme
 - to check if you are already running a qualifying scheme
- or
- to check if the scheme you are running can be made to qualify by the time your **Staging Date** comes around

A list of scheme providers can be found [here](#)

Communicate the changes to all your workers

Written information must be provided to workers, relevant to their category, (including those already in qualifying pension schemes) about the changes to your Workplace Pension. You need to inform:

- entitled workers that they can request to join
- non-eligible jobholders that they can opt in
- eligible jobholders that they will be auto-enrolled

Eligible jobholders should also be informed that they have the right to opt out of auto enrolment. However, an employee can only opt-out AFTER being enrolled

Employers must NOT:

- Discriminate against employees seeking a pension
- Influence jobholders to opt out
- Give any pensions advice to workers

Communicating using IRIS OpenEnrol

IRIS created the IRIS OpenEnrol element of the IRIS AE Suite™ to simplify pension communications for employers. Using IRIS OpenEnrol, the letters which need to be sent to employees in order to comply with legislation will be created automatically when you run the payroll. They will then be published to a secure online portal. Once employees have registered with the portal they will be able to quickly view all of their automatic enrolment letters in an easy to access, secure area. Go to the IRIS OpenEnrol chapter of this guide for more details.

Automatically enrol your eligible jobholders

You must enrol into your scheme all workers who fit all of the following criteria:

- are aged between 22 and the State Pension Age
- earn at least £10,000 a year (the earnings trigger for automatic enrolment in 2015-2016)
- work in the UK

You must make an employer's contribution to the pension scheme for those workers.

Complete Declaration of Compliance for The Pensions Regulator and maintain records

Each employer must complete a Declaration of Compliance (previously known as registration) for The Pensions Regulator and give them details of their workplace pension scheme and the number of people automatically enrolled. Employers also need to provide Automatic Enrolment details to their pension provider.

For more information on this, visit [The Pensions Regulator](#) website

Administrative duties you will need to carry out include:

- responding to opt out requests and arranging full refunds
- keeping and maintaining records relating to each pension scheme and each jobholder
- keeping track of age and earnings
- periodically re-enrolling any eligible jobholders who are not members of a qualifying pension scheme
- ensuring eligible jobholder contributions are paid by the 22nd (electronic payments) or 19th (cheque/cash) of the following month

Contribute to your workers' pensions

You only need to contribute to the pensions of eligible jobholders and non-eligible jobholders who choose to opt-in. You may choose to contribute to the pensions of entitled workers although you are not required to do so.

Phasing

Minimum contributions are being phased in gradually over the next few years to help employers comply with their new duties. The combined minimum contribution rate for qualifying earnings rises to 8% from October 2018 onwards, of which you must pay 3%. Employers can choose to make the whole minimum contribution, or ask their employees to make up some of it.

Date	Minimum contributions As a percentage of a worker's qualifying earnings
October 2012 to September 2017	Minimum contribution: 2% Of this, you must pay at least: 1% For every £100 of qualifying earnings a worker earns, the minimum contribution is £2. Of this you must pay at least £1
From October 2017 to September 2018	Minimum contribution: 5% Of this, you must pay at least: 2% For every £100 of qualifying earnings a worker earns, the minimum contribution is £5. Of this you must pay at least £2
From October 2018 onwards	Minimum contribution: 8% Of this, you must pay at least: 3% For every £100 of qualifying earnings a worker earns, the minimum contribution is £8. Of this you must pay at least £3.

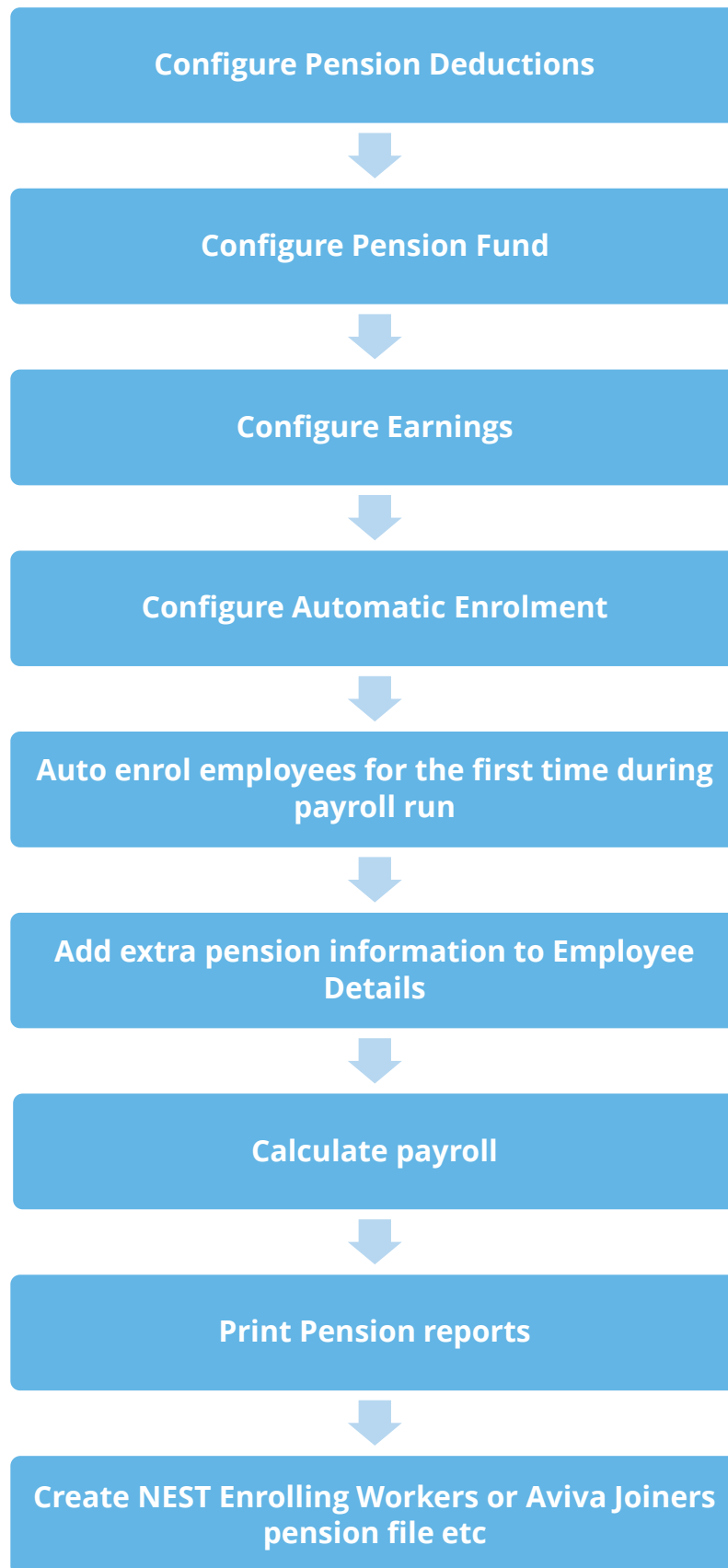
How the payroll software can help you with Workplace Pension Reform

The IRIS AE Suite™ has been added to the software to enable you to manage your new or existing **Workplace Pension Scheme** more effectively.

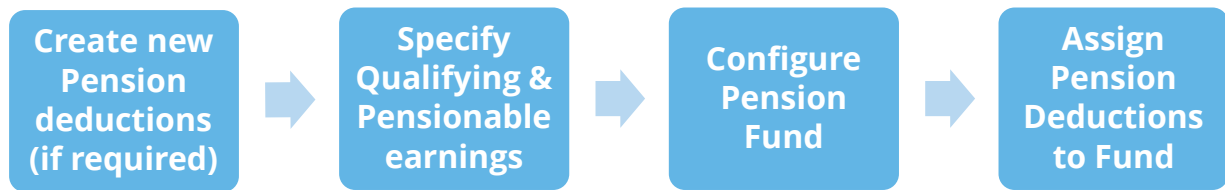
You will be able to:

- Create and manage a **Pension Fund**
- Create Employer and Employee Pension Deductions (via the **Company** menu)
- Configure **Qualifying** and **Pensionable Earnings**
- **Configure Auto Enrolment** (including any postponement period)
- Hold detailed pension information in **Employee Details**
- Auto enrol employees during payroll run
- Manage opt-outs (and opt-ins)
- Print detailed pension reports
- Create pension files (for NEST schemes)
 - To enrol workers
 - For a contribution schedule
- Create pension files for other standard outputs

Steps to setting up and working with Workplace Pensions



Configure Pensions



Create new Pension deductions (if required)

If you already run a pension scheme which matches or exceeds the minimum requirements for Auto Enrolment, you won't need to create any new pension deductions.

If you do need to create new pension deductions the software has new deduction types which calculate the pension as required by the Auto Enrolment rules:

- **Auto Enrolment (With Tax Relief)**
- **Auto Enrolment (Salary Sacrifice)**
- **Auto Enrolment (Stakeholder)**

The regulations state that the pension deduction should be calculated as a percentage of Qualifying Earnings between the Qualifying Earnings Lower Threshold and the Qualifying Earnings Upper Threshold. If you select one of these pension types, you just need to enter the correct percentage amounts and the payroll will calculate the deduction for you.

To add a new pension deduction:

1. Go to the **Pension** menu and select '**Configure Pensions**'
2. Click on '**Add New**'
3. Select the '**Type**' from
 - **Auto Enrolment (With Tax Relief)**
 - **Auto Enrolment (Salary Sacrifice)**
 - **Auto Enrolment (Stakeholder)**
4. Select from '**Contribution**' whether Employee or Employer
5. Enter further details where necessary
6. Click '**OK**'

Calculation Examples using the Type Auto Enrolment...

A weekly paid employee with 5% Employee and 3% Employer pension contributions:

Qualifying Earnings	Employee Contribution	Employer Contribution
£100.00	£0.00	£0.00
£112.00	£0.00	£0.00
£112.10	£0.01	£0.00
£112.17	£0.01	£0.01
£112.30	£0.02	£0.01
£819.00	£35.15	£21.09
£900.00	£35.15	£21.09

A monthly paid employee with 3% Employee and 2% Employer pension contributions:

Qualifying Earnings	Employee Contribution	Employer Contribution
£400.00	£0.00	£0.00
£486.00	£0.00	£0.00
£486.17	£0.01	£0.00
£486.25	£0.01	£0.01
£486.50	£0.02	£0.01
£3540.00	£91.38	£60.92
£3900.00	£91.38	£60.92

Specify Qualifying and Pensionable Earnings

You need to specify which of your Payments comprise **Qualifying Earnings** and/or **Pensionable Earnings**.

It is VITAL to get this right as the Automatic Enrolment process relies on Qualifying Earnings in order to function correctly

Qualifying Earnings include:

- Salary
- Wages
- Commission
- Bonuses
- Overtime
- Statutory Sick Pay
- Statutory Maternity Pay
- Statutory Paternity Pay
- Shared Parental Pay
- Statutory Adoption Pay

Pensionable Earnings depend entirely on your own pension scheme – they may or may not differ from Qualifying Earnings. It is NOT necessary to configure Pensionable Earnings

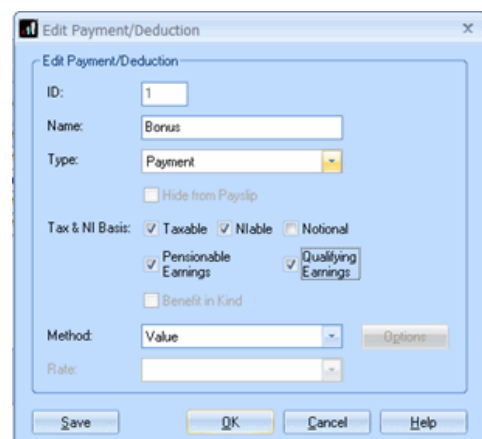
For example, your pension may simply be a percentage of salary therefore only salary is pensionable. In that case bonus and overtime would not be included in the pension calculation but they are always part of Qualifying Earnings when assessing employees for Automatic Enrolment, and therefore would need to be ticked as Qualifying Earnings

IMPORTANT: The new Auto Enrolment Pension Types are calculated on Qualifying Earnings, NOT Pensionable Earnings

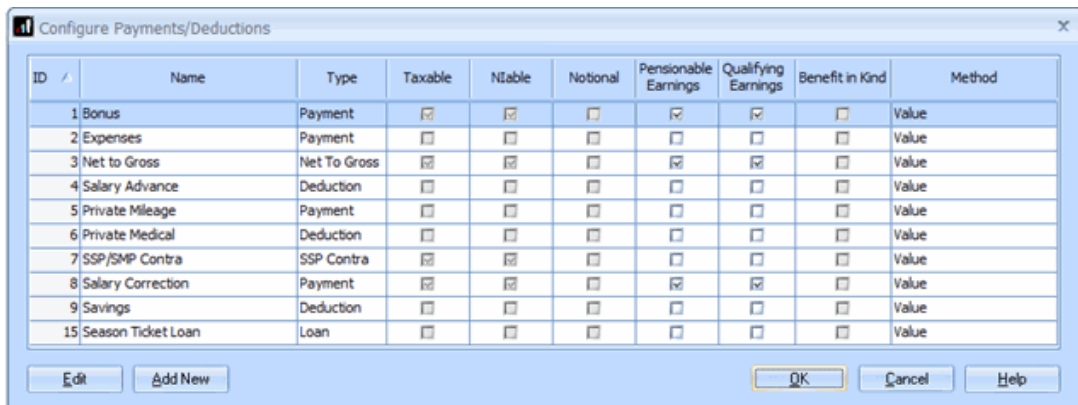
To ensure other existing pay elements are included in **Qualifying Earnings** and/or **Pensionable Earnings**:

Payments & Deductions

1. Click on the '**Company**' menu and select '**Payments & Deductions**' then '**Configure Payments & Deductions**'
2. Highlight the relevant payment or deduction and click '**Edit**'
3. Select whether '**Pensionable Earnings**' and/or '**Qualifying Earnings**'
4. Click '**Save**' then '**OK**'



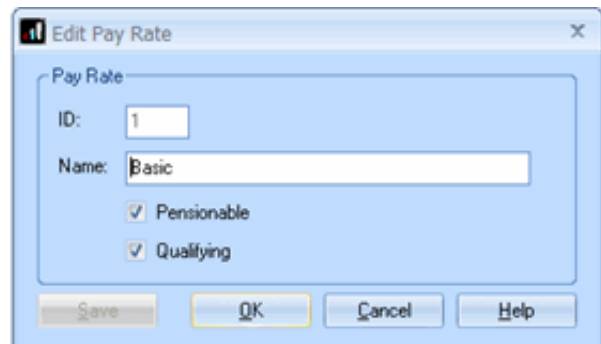
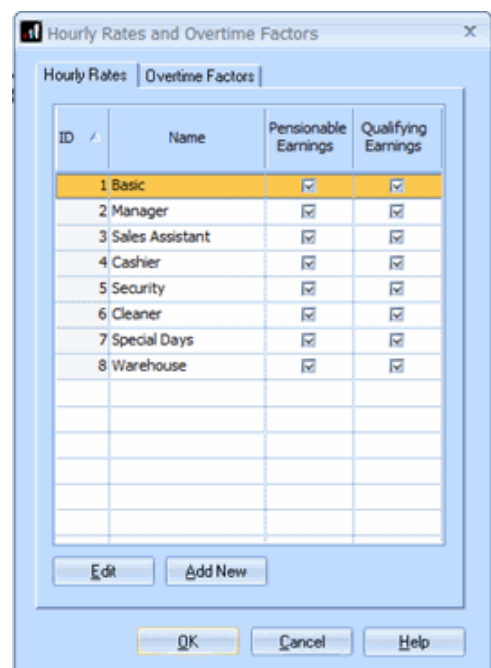
- Alternatively from **Company | Payments & Deductions | Configure Payments & Deductions** tick the relevant box under the headings **Pensionable Earnings** or **Qualifying Earnings**



ID	Name	Type	Taxable	NTable	Notional	Pensionable Earnings	Qualifying Earnings	Benefit in Kind	Method
1	Bonus	Payment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Value
2	Expenses	Payment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Value
3	Net to Gross	Net To Gross	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Value
4	Salary Advance	Deduction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Value
5	Private Mileage	Payment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Value
6	Private Medical	Deduction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Value
7	SSP/SMP Contra	SSP Contra	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Value
8	Salary Correction	Payment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Value
9	Savings	Deduction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Value
15	Season Ticket Loan	Loan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Value

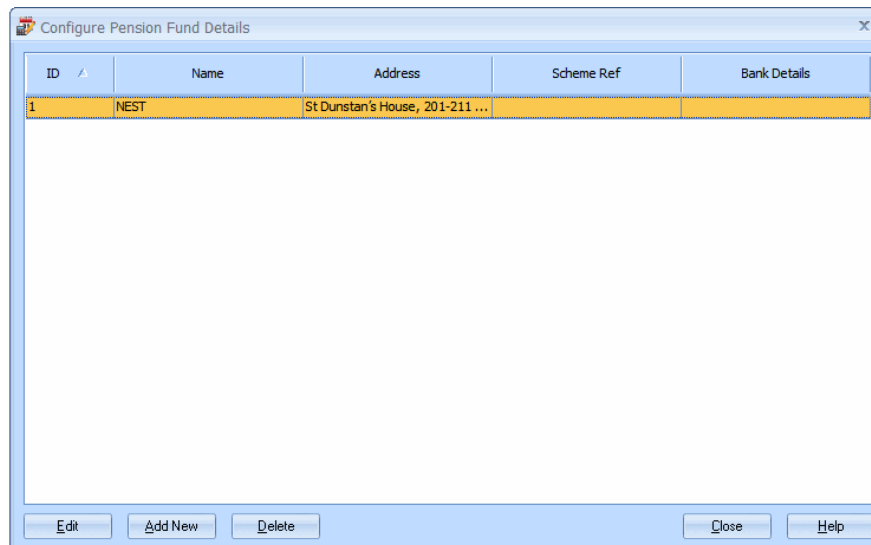
Rates of Pay

- Click on the **'Company'** menu and select **'Hourly Rates'**
- Highlight the relevant Hourly Rate and click **'Edit'**
- Select whether **'Pensionable Earnings'** and/or **'Qualifying Earnings'**
- Click **'Save'** then **'OK'**
- Alternatively go to **Company | Hourly Rates** and tick the boxes required for **Pensionable Earnings** and/or **Qualifying Earnings**

ID	Name	Pensionable Earnings	Qualifying Earnings
1	Basic	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
2	Manager	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
3	Sales Assistant	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4	Cashier	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
5	Security	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
6	Cleaner	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
7	Special Days	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
8	Warehouse	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Configure and Assign Pension Deductions to a Pension Fund



This feature assists you with your Pension reporting. Pension deductions can be linked to a **Pension Fund**, and a **Pension Fund** can also be used as a default during auto enrolment, allowing you to set default values for all employees.

To add a new **Pension Fund**:

General Details

Fund No: 1 Unique ID:

Name: NEST Telephone: 020 3117 1102

Address: St Dunstan's House, 201-211 Borough High Street, London Contact:

Postcode: SE1 1JA Scheme Ref: EMP231

Email: Minimum Contribution: 0.00

Website: SCDN No.: Employee Portal:

Bank Details

Name: Sort Code: -- --

Address: Account No.:

Postcode: Account Name:

Bank Ref 1: Bank Ref 2:

Scheme Type

Pension Scheme: <blank>

Qualifying Scheme:

Output Files

File Output: NEST

Include: This fund only

Add Employee Contributions to Employers:

Ignore Employee Underpayment:

Pension Details

Pension	Default	Selected
Stakeholder EE	0	<input checked="" type="checkbox"/>
Stakeholder ER	0	<input type="checkbox"/>

1. Go to **Pension | Configure Pension Fund**
2. Click on the 'Add New' button
3. Enter the required **General Details** on the left of the screen. When using IRIS OpenEnrol it is essential that all **General Details** are completed (Currently, **Bank Details** entered here are for your information only so you may leave these blank). The **Unique ID**, if required, will be provided by the Pension provider

Please Note: If you are using NOW Pensions, to enable you to create the Output File ensure you have entered the Unique ID in Configure Pension Fund Details. The Unique ID will be provided by the Pension provider.

4. In the **Scheme Type** section, from the drop down list select whether the scheme is Defined Contribution, Defined Benefits or Hybrid. This is essential for IRIS OpenEnrol
5. Tick the **Qualifying Scheme** box, a message will ask if you require every employee in this Pension Fund to be ticked as a Member of a Qualifying Scheme
6. From the **Output Files** section, select the required **File Output** and choose from the **Include** dropdown who to include (this is determined by your Pension provider)
7. If you tick **Add Employee Contributions to Employers**, when the output file is created the employee contribution is added to the employer contribution resulting in the employee contribution being set to zero in the output file. This is used for certain salary sacrifice pensions
8. Pension deductions that have not been assigned to a fund are listed on the right under Pension Details. Tick those pension deductions that should be assigned to this **Pension Fund**

If this Pension Fund is used for auto-enrolment, the deduction amounts will be automatically applied to the Pay Elements | Pensions tab in the Employee Details and deducted from employees' pay when they are auto-enrolled during Enter Variations / Calculate.
Only one Pension Fund can be used as a default for the automatic enrolment process

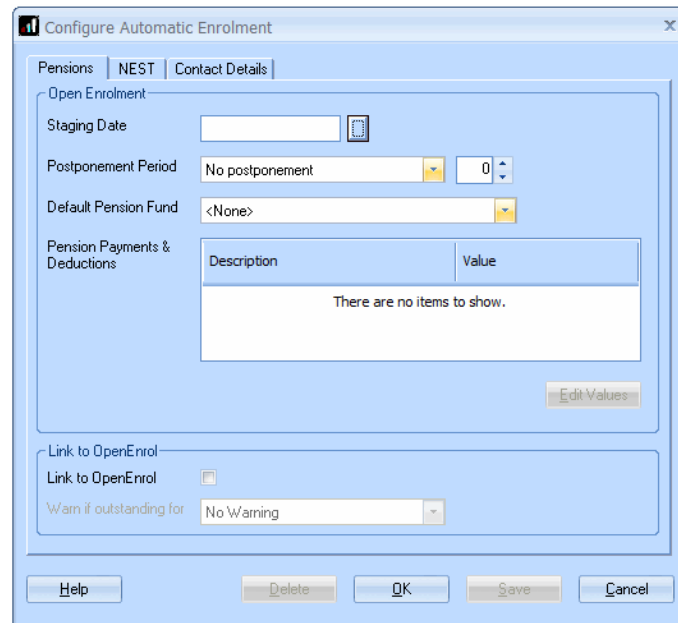
9. Click **'OK'**
10. Repeat for any other pension funds you may have

Please Note: If you have a NEST Pension Fund, the Qualifying Scheme will be ticked automatically and employees will have Member of a Qualifying Scheme ticked.

Configure auto enrolment

The next stage in your preparation is to configure auto enrolment for each of your companies.

1. Select **Pension | Configure Auto Enrolment**



- This is where you MUST enter your **Staging Date** and also the **Postponement Period**, if required. The **Staging Date** must be entered to enable the auto enrolment process
- Select the **Default Pension Fund** (if you wish to use one for auto enrolment)

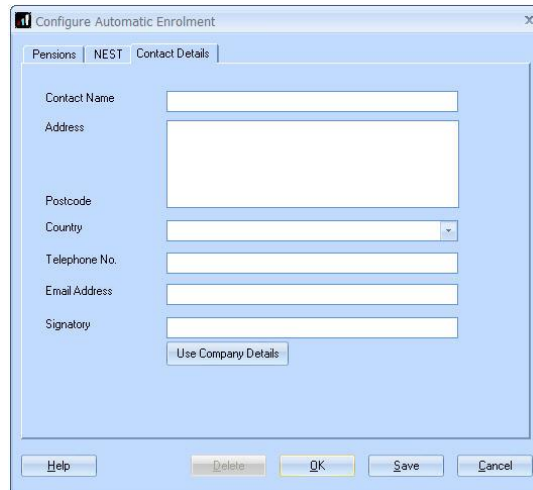
Only ONE Pension Fund in each company can be used as a default for Automatic Enrolment

- If you have already set up **IRIS OpenEnrol**, when you log into a company, a warning message will be displayed if there are outstanding communications waiting to be published. The **OpenEnrol Warnings** section on this screen allows you to specify when this message is seen
- If you are using a NEST pension, click on the '**NEST**' tab

NEST is a new government run workplace pension scheme open to employers of any size. NEST meets the criteria of a qualifying scheme under new employer duties set out in the Pensions Act 2008. Visit their website www.nestpensions.org.uk for more details

- First, configure your information on the NEST website

7. Transfer the **Employer Reference Number**, **Groups** and **Payment Sources** to this screen exactly as they are configured on the NEST website
8. When using **IRIS OpenEnrol**, you need to complete the **Contact Details** tab in order to successfully generate letters. You will be asked if you want to send a letter to all employees informing them that Automatic Enrolment is coming. This letter is purely informative, it is not a legal requirement. If you select '**No**' at this point you will not be able to reproduce that letter later



The screenshot shows a software dialog box titled "Configure Automatic Enrolment". It has three tabs: "Pensions", "NEST", and "Contact Details", with "Contact Details" being the active tab. The form contains the following fields and controls:

- Contact Name: Text input field
- Address: Large text input area
- Postcode: Text input field
- Country: Dropdown menu
- Telephone No.: Text input field
- Email Address: Text input field
- Signatory: Text input field
- Use Company Details: Button
- Help: Button
- Delete: Button
- OK: Button
- Save: Button
- Cancel: Button

Auto Enrol employees

The **Automatic Enrolment** process operates as part of the **Enter Variations / Calculate** process. It is at this point communications are generated for use with IRIS OpenEnrol.

Running the automatic enrolment process during **Enter Variations** and/or **Calculate** will:

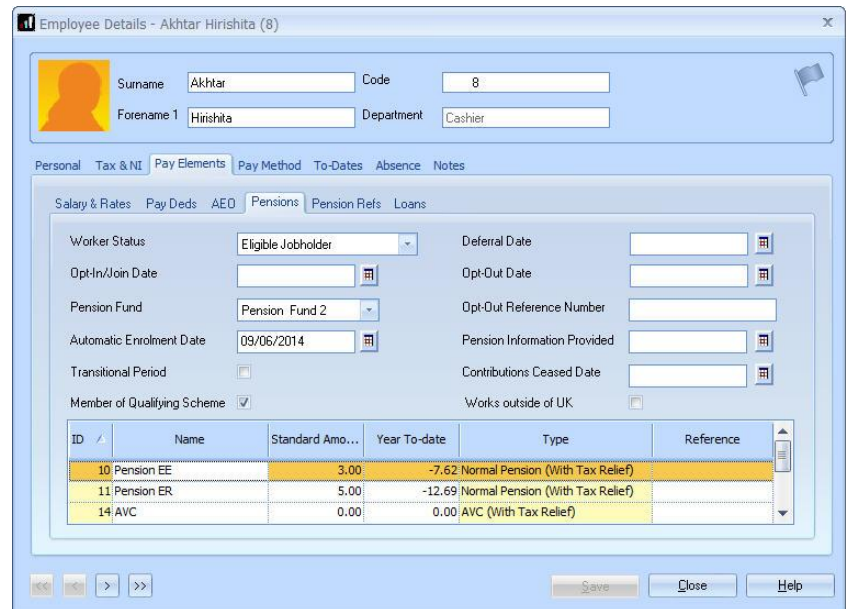
- Set any employees that are already part of a pension scheme as a **Member of Qualifying Scheme**
- Assign a **Worker Status**
- Assess any employees not already in a pension scheme to see if they should be assigned an **Automatic Enrolment Date** or **Deferral Date**
- Reset any **Deferral Dates** where the **Deferral Date** is earlier than the start of the current pay period
- Perform the pension calculation including the following new types:
 - **Auto Enrolment (With Tax Relief)**
 - **Auto Enrolment (Salary Sacrifice)**
 - **Auto Enrolment (Stakeholder)**

Once all employees have been processed, if changes have been made in relation to Auto Enrolment, payroll displays a message asking if you want to print a report outlining the changes made. Click 'Yes' to print or preview the report.

Add any additional pension information to Employee Details

The majority of fields on the **Pay Elements | Pensions tab** will be completed via the **Auto Enrolment** feature. As only one **Pension Fund** can be used for **Auto Enrolment**, if you have several **Pension Funds**, you will need to apply these to individuals manually.

1. Enter the employee's **Opt-Out Date** and **Opt-Out Reference Number** if necessary
2. Complete the tick box **Works outside of UK** if necessary
3. An employer can choose to apply the **Transitional Period** for Defined Benefits and Hybrid Pension schemes to all their workers who meet the criteria to be an



ID	Name	Standard Amo...	Year To-date	Type	Reference
10	Pension EE	3.00	-7.62	Normal Pension (With Tax Relief)	
11	Pension ER	5.00	-12.69	Normal Pension (With Tax Relief)	
14	AVC	0.00	0.00	AVC (With Tax Relief)	

eligible jobholder on the employer's first enrolment date and provided certain other conditions are met. For more information click [here](#) to view The Pensions Regulator detailed guidance on **Transitional period for DB and hybrid schemes**

4. When using **IRIS OpenEnrol**, the **Transitional Period** box must be ticked before running the employee's first payroll under automatic enrolment to trigger Letter 1T

When a jobholder gives an opt-out notice, you must check that it is a valid notice. It must contain certain statutory information which can be found here:

<http://www.thepensionsregulator.gov.uk/docs/pensions-reform-opting-out-v4.pdf>

NEST have provision for employees to opt-out via their automated service or via a paper form to hand to their employer. If an employee opts out via NEST's automated service, NEST will inform the employer that the employee has opted out. You can obtain a list of your opted-out employees via your NEST account. If an employee hands you a NEST opt-out form, once you have checked the form is valid and entered the details in the employee record, when creating the NEST - Contribution Schedule, the opt-out details will be included.

Print Pension Reports

There are several pension reports to assist you in administering your pensions. You can print these from **Pension | Print Pension Reports**.



Pension Summary By Employee

This report prints details of the pension contributions for individual employees within a selected pay period. It will not show employees where employee and employers contributions are zero.

It will group employees by **Pension Fund**.

Pension Summary By Fund

This report prints the pension contributions by all or selected **Pension Funds**. Only employees with pension contributions associated with the selected fund will be included. It will not show employees where employee and employer contributions are zero.

Pension Fund Remittance

This report allows you to select a **Pension Fund**, a **From** and **To** date to print it for and also allows you to exclude employees. You may exclude employees that have been auto enrolled but wish to opt out; you are allowed to withhold their contributions from the Pension provider for up to 2 months after **Auto Enrolment**. Please note this option is only permitted by some Pension providers. Your pension provider may want to receive contributions regardless of the opt-out period.

The report includes employees that have an employee or employer pension contribution value which is associated with the selected Pension fund and the contributions were deducted within the date range selected. It will also include employees that have had any pension payments withheld in previous months that now need to be included.

Included in this report are the following: **Code, Name, NI Number, NI Rate, Worker Status, Automatic Enrolment Date, Opt-In/Join Date, Opt-Out Date, Member of Qualifying Scheme, Employee Contribution, Employer Contribution, Fund Name** and **Scheme Reference**

Pension Fund Employees

This report will print the total number of employees that have an **Automatic Enrolment Date, Opt-Out Date** or an **Opt-In Date** in the specified period range.

Employee Pension Details

This report gives details of employees' pension details including: **Employee, Pension Fund, NI No, NI Rate, Employees Contribution, Employees Reference, Employers Contribution, and Employers Reference.**

Employee Pension Dates

This report will show any employees with either an **Automatic Enrolment Date; Opt-out Date, Deferral Date** or **Opt-in/Join Date** within a specified date range. The report allows you to print per fund or for all funds and to include or exclude leavers in the current year.

If you have employees with either an **Automatic Enrolment Date; Opt-out Date; Deferral Date** or **Opt-in/Join Date** and they do not have a pension fund configured in the **Employee Details**, the employee will be displayed on the report under the header '**No Fund Specified**'.

Pension Status Report

This report contains the automatic enrolment information for each employee. If the **Fund** is set to **All in Report Options**, details of employees that are excluded from Automatic Enrolment, working outside the UK and are not in any pension scheme will also be included on the report. It can be printed per **Pension Fund** or for all **Pension Funds**. This report does not include leavers.

Pension Age Report

This report will print current employees that will reach a key age for Workplace Pensions in the selected pay period. Currently the key ages are 16, 22, State Pension Age and 75. This report includes **Code, Name, NI Number, Gender, Date of Birth, Age on next Birthday** and **Pension Fund**. It can be printed per **Pension Fund** or for all **Pension Funds**.

Pension Summary For Period

This report will details **Employee, NI Number, Notional Pay, Pensionable Earnings and Qualifying Earnings.**

Auto Enrolment Summary For Period

This report can be printed each period to see which employees have been auto enrolled in the selected period and which employees haven't together with the reason why.

NEST

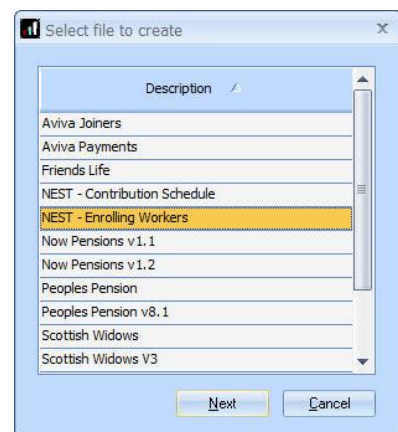
NEST is a new government run workplace pension scheme open to employers of any size. NEST meets the criteria of a qualifying scheme under new employer duties set out in the Pensions Act 2008. Visit their website www.nestpensions.org.uk for more details.

If you are planning on using NEST, there are several features within the software to help you.

Create Pension File

NEST require two types of file and you are able to create both of these.

If you have joined NEST, you will need to send the 'NEST - Enrolling Workers' file after your first Auto Enrolment and subsequently each time an employee is auto enrolled



NEST - Enrolling Workers

- This file contains the information you need to send NEST about your workers when you enrol them, such as their name, date of birth and address
- You need to send this when you first start using NEST and afterwards whenever a new worker is enrolled
- Once you have created the file you need to upload it to either NEST's website or their FTP site

There is a 2mb file size limit if uploading to NEST's website, however there is no limit uploading to their secure FTP site

NEST - Contribution Schedule

The **Nest - Contribution Schedule** contains:

- Information about the contributions for each worker, that is, contributions that are being paid by the employer and the employee
- Details of the earnings on which these contributions have been based
- Employees who have been excluded on the **NEST - Exclude Employees for.....** screen, these employees will be included in the file created with zero values

Once you have created the file you need to upload it to either NEST's website or their FTP site.

Other Available Output files

In addition to the NEST output files, the following standard output files are available from **Pension**

| Create Pension File:

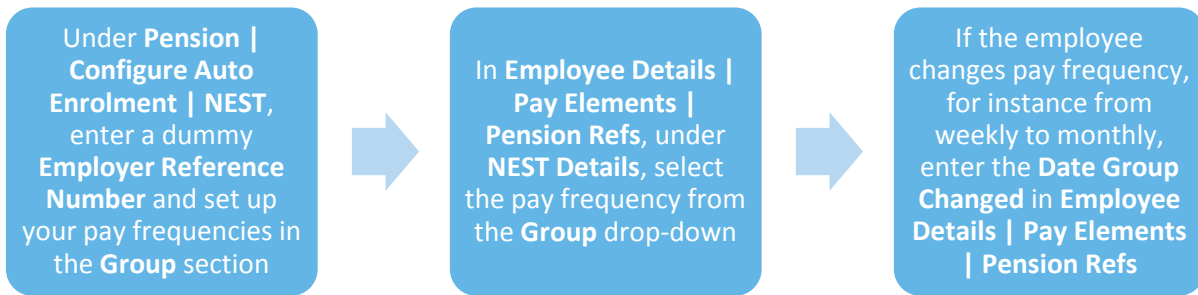
- Aviva Joiners
- Aviva Payments
- Friends Life
- Now Pensions v1.1
- Now Pension v1.2
- Peoples Pension
- Peoples Pension v8.1
- Scottish Widows
- Scottish Widows V3
- Standard Life G2G Joiners
- Standard Life G2G Payments

Output Files are set up in **Configure Pension Fund Details**.

Please Note: If you are using NOW Pensions, to enable you to create the Output File ensure you have entered the Unique ID in Configure Pension Fund Details. The Unique ID will be provided by the Pension provider.

When you create an Output file, a message will be displayed specifying where the file has been created together with the file name

If you have multiple pay frequencies for a Company and you are using the **Standard Life G2G Pension Output Files** the following steps need to be taken:



Please Note: The Standard Life G2G file only requires a **Reason for Reduced Employee Contribution** if there is a zero contribution.

Output File Fields

In **Employee Details | Pay Elements | Pension Refs**, under the **Output File Fields** section, you can complete the following fields:

- **Friends Life/Now Pensions – Category**
- **Peoples Pension – Worker Group ID**
- **Scottish Widows – Pay Group / Now PAY CODE**

These fields can be completed from the information you configured with your pension provider. To add a new **Category / Worker Group ID / Pay Group / Now PAY CODE**:

1. Type into the relevant field
2. Click **'Save'**
3. Choose the **Category / Worker Group ID / Pay Group/Now PAY CODE** from the dropdown list
4. Click **'Save'** then **'Close'**

Please Note: Now PAY CODE is a mandatory field required for all employees in the Now Pensions V1.2 output file

Auto Enrolment process – day to day

The software will run the Auto Enrolment process for each employee individually when you use the **Enter Variations / Calculate** process. The software will check if the payroll date is on or after the company **Staging Date** and if so:

- Checks if a **Postponement Period** is in operation. If so, a **Deferral Date** is entered in **Employee Details | Pay Elements | Pensions**
- Identifies whether the employee is an eligible or non-eligible jobholder or an entitled worker and sets the employee's **Worker Status** accordingly
- If the employee's **Worker Status** is set to **Eligible Jobholder** the software assigns an **Automatic Enrolment Date** and adds the pension fund and pension deductions (if configured) to **Employee Details | Pay Elements | Pensions**
- Reassesses workers with a **Deferral Date** assigned where that **Deferral Date** is in the pay reference period being calculated. When earnings are above the Automatic Enrolment trigger the employee will be auto enrolled
- Employees and employers pension deductions are calculated and the payroll process continues as normal; once complete it will move on to the next employee
- During the calculate process, if using IRIS OpenEnrol, pension communications are created ready for you to publish

Once all employees have been processed, if any employees have been automatically enrolled, a message will be displayed asking if you want to print a report outlining the changes made. Click **'Yes'** to print or preview the report.

Demonstration Company Automatic Enrolment Summary for Week No 10	Date: 05/06/2013 Time: 11:07:17 Page: 1
---	--

Employees to be Automatically Enrolled this period

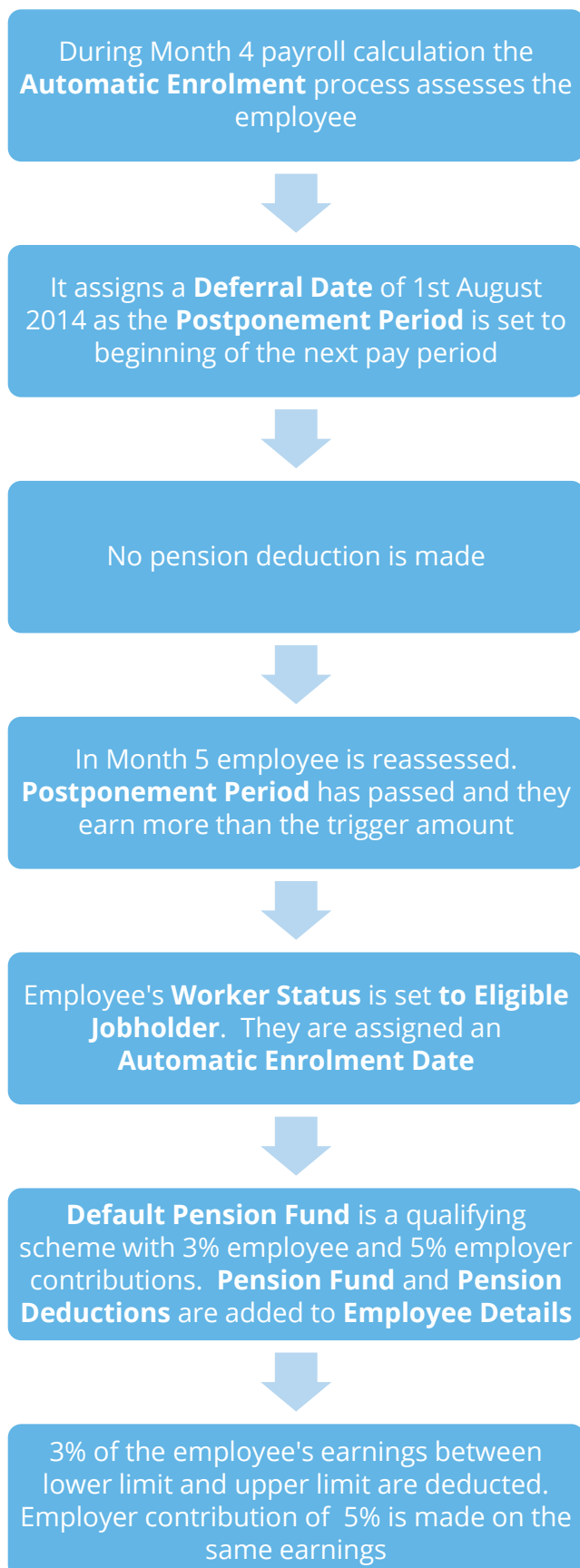
<u>Code</u>	<u>Employee Name</u>	<u>Pay Period</u>	<u>AE Date</u>
7	Cross S	Weekly	09/06/2013

Each time the payroll is calculated this procedure is followed. Payroll will also re-assess any employees that were not previously eligible, any employees whose **Worker Status** is not set to **Eligible Jobholder** and any employees who have a **Deferral Date** entered. If an employee becomes eligible, the **Deferral Date** is removed, the **Automatic Enrolment Date** is set and the **Pension Fund** and pension deductions are assigned.

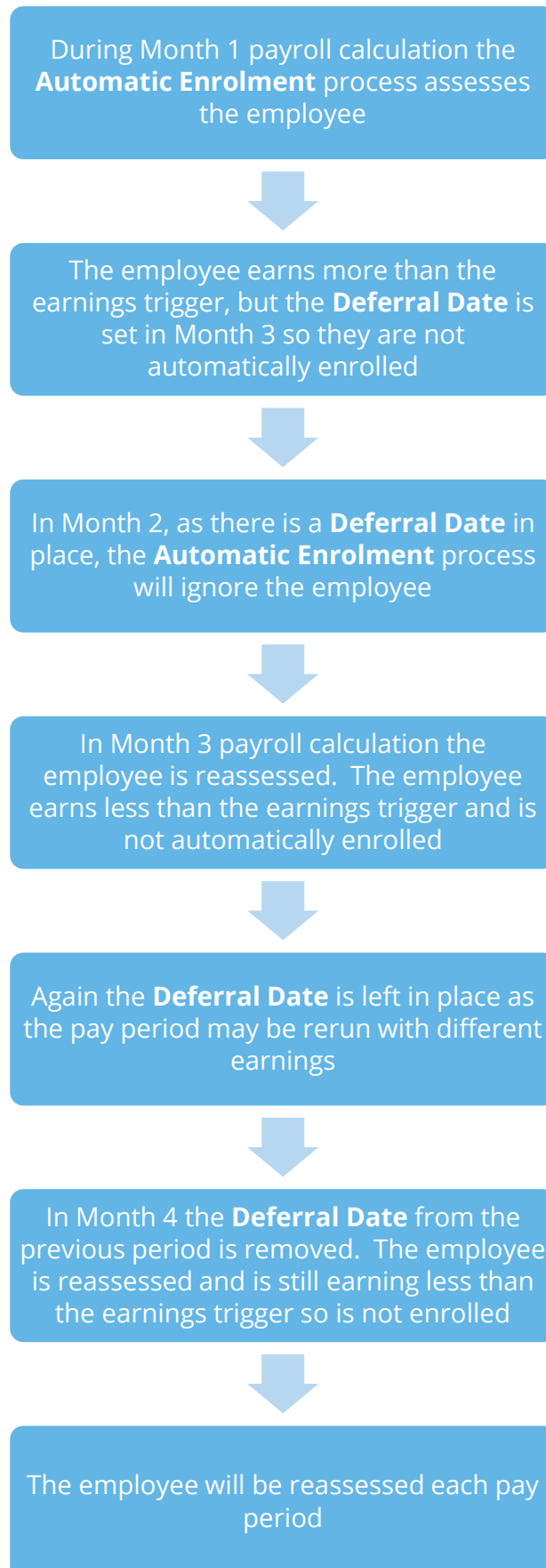
If you recalculate the payroll and an employee's earnings change, the employee will be re-assessed for Auto Enrolment and also for any pension communications published via IRIS OpenEnrol. This could result in an employee being auto enrolled or Auto Enrolment dates being removed.

Automatic Enrolment - Examples

Example 1: Employee joins the company on 7 July 2014 and earns £20000 per annum.



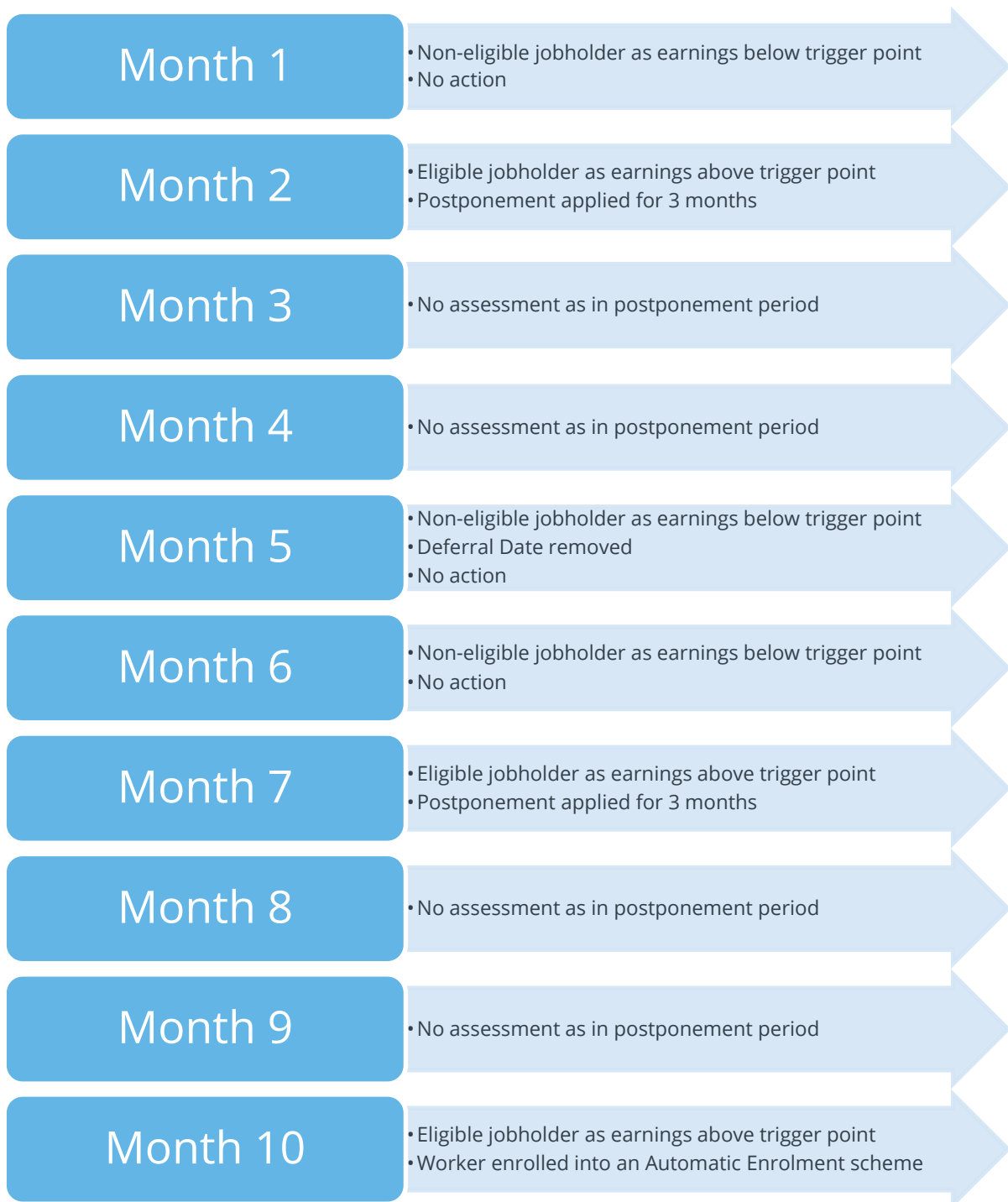
Example 2: Employee with variable earnings, receiving more than the earnings trigger in month 1.
Deferral Date is set to Month 3



Using Postponement multiple times

Postponement can be used more than once for a worker providing the worker is NOT an eligible jobholder at the end of the Postponement Period. For example, Postponement can be applied to avoid temporary spikes in earnings such as with seasonal workers, providing the worker is not an Eligible Jobholder at the end of the Postponement Period.

Here is an example of applying postponement to a monthly paid employee:



- Since the worker is a non-eligible jobholder at the end of the Postponement Period in month 5, the worker is not automatically enrolled
- When the worker becomes an eligible jobholder in month 7, a Postponement Period can be applied again
- In month 10 (at the end of the Postponement Period), the worker is assessed as an eligible jobholder and therefore must be automatically enrolled
- If the worker was assessed as a non-eligible jobholder in month 10, the worker would not be automatically enrolled

Please Note:

If the following apply, an employee can be postponed again:

- The employee's Deferral Date is in the current Pay Reference Period
and
- The employee's 22nd birthday is the day after the Deferral Date in the current Pay Reference Period
and
- The employee is an Eligible Jobholder

If however the employee's 22nd birthday is on or before the Deferral Date in the current Pay Reference Period and the employee is an Eligible Jobholder, the Auto Enrolment Date will be set to the Deferral Date.

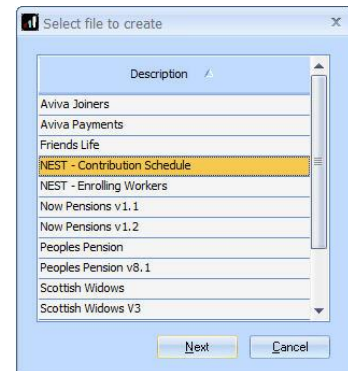
Holding back funds for Pension Providers

Your payroll has the ability to hold back contributions if the pension provider doesn't want to receive the funds until the end of the opt-out window. This is available when creating the pension files:

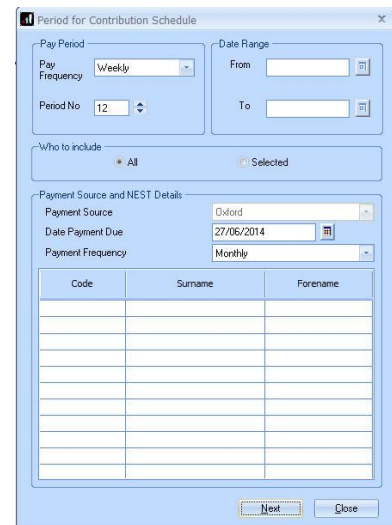
1. From the **Pension** tab select '**Create Pension File**'



2. Select the required pension file and click '**OK**'



3. Enter the required details and click '**Next**'



4. Tick the box in the '**Exclude**' column to exclude the worker from the contributions file. This will hold back the worker's contributions until the date entered in the **Exclude Until** column.

NEST - Exclude Employees for 01/06/2014 - 15/06/2014

Code	Surname	Forename	NI Number	Automatic Enrolment	Exclude	Exclude Until
1	DUTTON	Kaye	NH897237A	09/06/2014	<input type="checkbox"/>	
2	BROWN	Dawn	BE344567A	09/06/2014	<input type="checkbox"/>	
4	GOLD	Susan	SG875675A	09/06/2014	<input type="checkbox"/>	
5	HELMRICH	Hugh	NH733492A	09/06/2014	<input type="checkbox"/>	
6	JUGOVIC	Adrianna	NA489709B	09/06/2014	<input type="checkbox"/>	
7	CROSS	Samantha	SZ673764A	09/06/2014	<input type="checkbox"/>	
8	AKHTAR	Hirishita	HA981373A	09/06/2014	<input type="checkbox"/>	
9	MALONE	Michael	MA485485A	09/06/2014	<input type="checkbox"/>	

Please be aware this option is only permitted by some Pension providers.

Your Pension provider may want to receive contributions regardless of the opt-out period.

How do I refund contributions if an employee has opted-out?

This depends on:

- Your pension configuration
- Whether the employee's earnings for the pension deduction were the same each period
- If you have just moved into the new tax year

Employee's Contribution Refund

Example – percentage

Where the employee's earnings for the pension deduction are the same each pay period and the refund is due in the same tax year as the enrolment date (the pension deduction is a percentage of the employee's salary)

1. From **Pension | Configure Pensions** click '**Add New**'
2. Select the **Type** ensuring the same as the original pension deduction
3. Click '**OK**' then '**Close**'
4. In **Pay | Enter Variations**, select the new deduction and enter a negative percentage in the **Temporary** column
5. **Save** then **Close**
6. **Calculate** the payroll
7. The pension deduction refund value must **NOT** exceed the pension deduction year to-date value

Example - value

Where the employee's earnings for the pension deduction differ each pay period and the refund is due in the same tax year as the enrolment date (the pension deduction is a percentage of total hours paid to the employee)

1. From **Pension | Configure Pensions** click '**Add New**'
2. Select the **Type** ensuring the same as the original pension deduction
3. Set the **Method** as **Value**
4. Click '**OK**' then '**Close**'
5. In **Pay | Enter Variations**, select the new deduction and enter a negative value in the **Temporary** column
6. **Save** then **Close**
7. **Calculate** the payroll to refund the pension contributions
8. The pension deduction refund value must **NOT** exceed the pension year to-date value

The pension deductions used to refund must not be assigned to a Pension Fund as it should not be included in the Pension Output File

Employer's Contribution Refund

1. From **Pension | Configure Pensions** click '**Add New**'
2. Select the **Type** ensuring the same as the original pension deduction
3. Set the **Method** as **Value**
4. From the **Contribution** drop-down select **Employer**
5. Click '**OK**' then '**Close**'
6. In **Pay | Enter Variations**, select the new deduction and enter a negative value in the **Temporary** column
7. Click **Save** then **Close**
8. **Calculate** the payroll to refund the pension contributions
9. The pension deduction refund value must **NOT** exceed the Employer's pension year to-date value

What is IRIS OpenEnrol?

IRIS OpenEnrol is an element of the IRIS AE Suite™; a new way to distribute workplace pension communications to employees. The letters which need to be sent to employees, in order to comply with legislation, will be created automatically when you run the payroll. They will then be published to a secure online portal. The letters are emailed directly to each employee, and once they have registered with the portal they will be able to quickly view all of their past automatic enrolment letters in an easy to access, secure area.

What will IRIS OpenEnrol do for me?

- Employees receive pension communications directly via email
- Letters can be accessed anywhere an internet connection is available
- Quick and easy to setup with no software to install
- Increases Automatic Enrolment administration efficiency
- Reduces carbon footprint demonstrating an environmentally friendly solution
- Reduces communication distribution costs including printing, postage and processing
- Fully secure
- Allows employees immediate 24/7 access to their own pension communication information
- Free IOS, Android and Windows phone apps available for employees to securely view their own pension communications on tablets or smartphones
- An Employer can log into the IRIS OpenEnrol portal and print communications if an employee does not have an email address
- All published communications are date stamped for audit purposes and a copy stored against the employee record

How does IRIS OpenEnrol work?

Certain Automatic Enrolment triggers during the payroll run will cause a communication to be created, which you then need to publish to the IRIS OpenEnrol secure website. IRIS OpenEnrol takes that data and creates letters in the form of Adobe PDF files to be sent to your employees.

- If the employee has an IRIS OpenEnrol account the Adobe PDF will be emailed to the employee and stored online
- If the employee does not have an account but has an email address the letter will be emailed and the employee prompted to configure their account
- If the employee does not have an email address you can log onto IRIS OpenEnrol to print the required letter

How to set up IRIS OpenEnrol in the payroll software

When using IRIS OpenEnrol it is vital for certain elements of your Pension configuration to be set up fully. The letters require certain information to be present in order to be produced correctly.

Table of essential fields and where to find them:

Field required for letters	Where it is	How to find it
IRIS OpenEnrol Account Email Address	Online Login Details	In Admin , go to File Online Login Details
Pension Contact Name	Create/Edit Pension Fund Details	From the Pension menu, select Configure Pension Fund , then select Add or Edit
Pension Contact Address Line 1		
Pension Contact Address Line 2		
Pension Contact Address Line 3		
Pension Contact Address Line 4		
Pension Contact Postcode		
Pension Contact Telephone No.		
Pension Contact Website Address		
Pension Contact Portal Address		
Company Tax District	Company Details	From the Company menu, select Company Details and click the HMRC tab
Company Tax Reference		
Company Name		

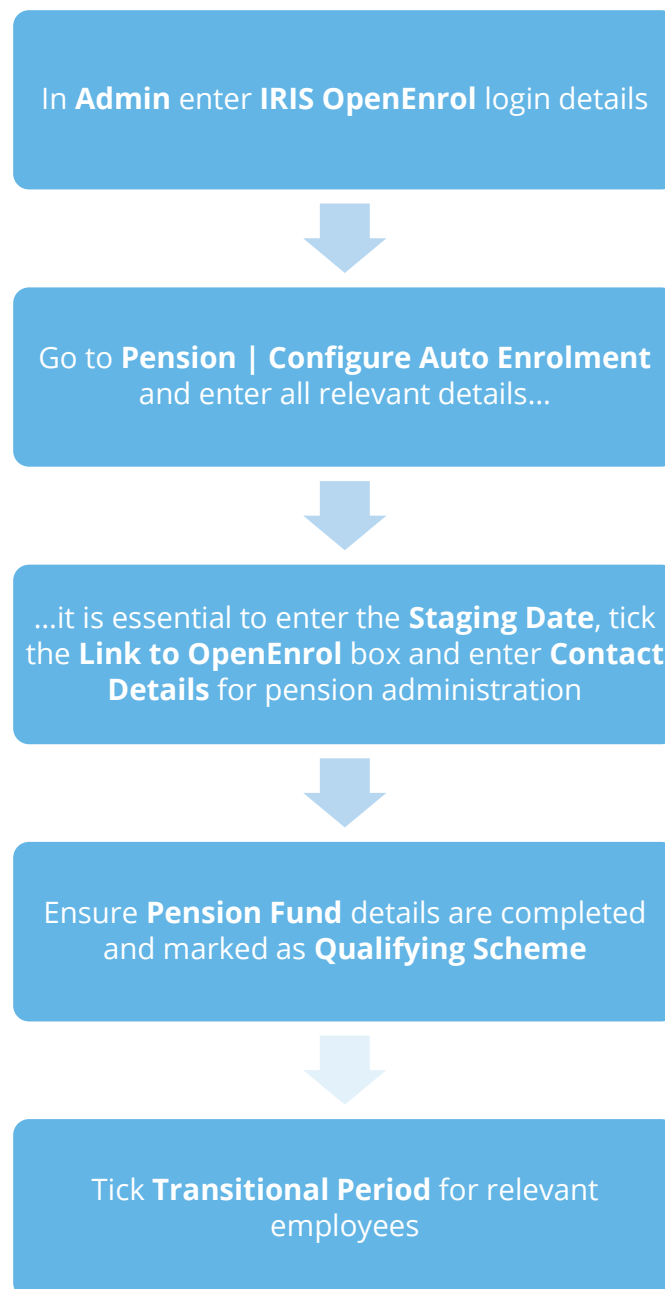
Table of essential fields and where to find them continued:

Fields required for letters	Where it is	How to find it
Company Contact Address Line 1	Configure Auto Enrolment	From the Pension menu, select Configure Auto Enrolment then click on the Contact Details tab
Company Contact Address Line 2		
Company Contact Address Line 3		
Company Contact Address Line 4		
Company Contact Postcode		
Company Contact Country		
Company Contact Telephone No.		
Company Contact Email Address		
Company Contact Signatory		
Company Contact Name		
Company Staging Date	Configure Auto Enrolment	From the Pension menu, select Configure Auto Enrolment then click on the Pensions tab
Employee Title	Employee Details General tab	From the Employee menu select Alter Current Employee and select the relevant individual. Click on the General tab.
Employee Surname		
Employee Forename 1		
Employee Forename 2		
Employee Address Line 1		
Employee Address Line 2		
Employee Address Line 3		
Employee Address Line 4		
Employee Postcode		

Table of essential fields and where to find them continued:

Fields required for letters	Where it is	How to find it
Employee Pay Frequency	Employee Details Tax/NI Tab	Select the employee from the Selection Side Bar and click on the Personal tab.
Employee Pension Contribution	Payments/Deductions	From the Company menu select Payments/Deductions Configure Pensions . Click Add New to add a new pension contribution or highlight the existing one and click Edit
Employee Pension Contribution Percentage or Value setting		
Employee Employer Pension Contribution		
Employee Employer Pension Contribution Percentage or Value setting		
Employee Tax Relief Indicator (whether a pension is calculated before Tax/NI etc)		
Employee Opt-In/Join Date	Employee Details Pensions Pay Elements tab	Select the employee then click on Pay Elements Pensions tab.
Employee Deferral Date		
Employee Automatic Enrolment Date	Employee Details Pensions Pay Elements tab	This will be set as part of auto enrolment assessment during payroll. If you need to set it manually, select the employee then click on Pay Elements Pensions tab.
Employee Worker Status		

Essential steps to setting up IRIS OpenEnrol



In order to use IRIS OpenEnrol, follow these steps:

1. Log into **Admin**
2. Click on the **'File'** menu
3. Select **'Online Login Details'**
4. Enter the **'Email Address'** and **'Password'** that you used to register on the IRIS OpenEnrol website (the login details are the same as IRIS OpenPayslips)
5. Click **'OK'**
6. Log back into the payroll software
7. Click on the **'Pension'** menu and select **'Configure Auto Enrolment'**
8. Tick the **'Link to OpenEnrol'** box

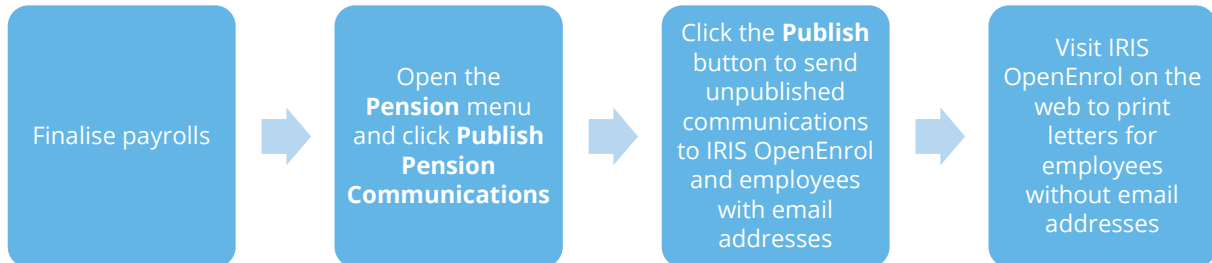
If you are creating an existing company for the first time in the payroll software (i.e. auto enrolment has already occurred on another system), you must tick the **Link to OpenEnrol** box as the last step **AFTER** setting up the company and all your employees, including entering the **Staging Date** and all other Auto Enrolment and Pension information

9. Enter the **Staging Date** and you will be asked if you wish to send an 'automatic enrolment is coming' letter to all employees. If you select **'No'**, you will not be able to create this letter again
10. Click on the **'Contact Details'** tab and enter your company's contact details for pension administration
11. Click **'OK'**
12. From the **Pension** menu select **'Configure Pension Fund'** and either **Add** or **Edit** your Pension Fund, making sure all relevant details are entered
13. Tick the **'Qualifying Scheme'** box, a message will ask if you require every employee in this **Pension Fund** to be ticked as a **Member of a Qualifying Scheme**
14. If you have any employees in Defined Benefits or Hybrid Schemes and you are applying a Transitional Period, make sure the **Transitional Period** box is ticked in **Employee Details | Pay Elements | Pensions** tab

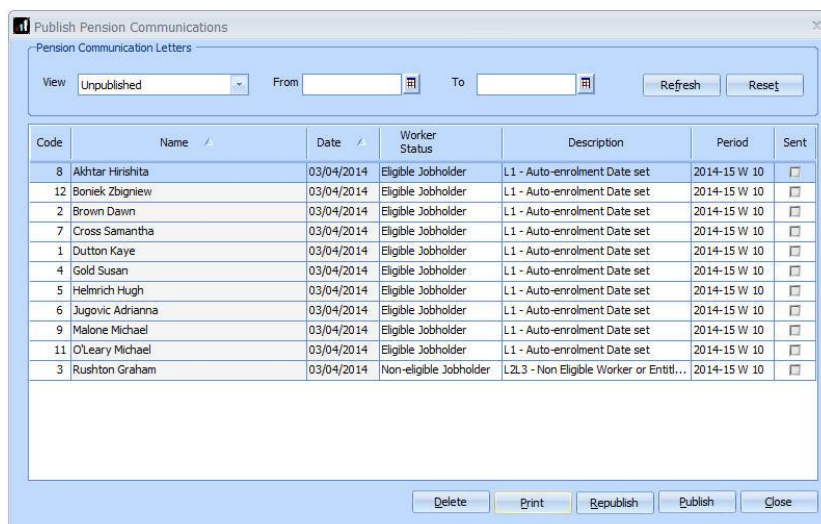
How do I set up IRIS OpenEnrol online?

To see how to set up the IRIS OpenEnrol portal, click [here](#) to view the guide.

How are the auto enrolment letters created?



After you have completed your payroll, click on the '**Pension**' menu and select '**Publish Pension Communications**' to open the publishing window:



Code	Name	Date	Worker Status	Description	Period	Sent
8	Akhtar Hirshita	03/04/2014	Eligible Jobholder	L1 - Auto-enrolment Date set	2014-15 W 10	<input type="checkbox"/>
12	Boniek Zbigniew	03/04/2014	Eligible Jobholder	L1 - Auto-enrolment Date set	2014-15 W 10	<input type="checkbox"/>
2	Brown Dawn	03/04/2014	Eligible Jobholder	L1 - Auto-enrolment Date set	2014-15 W 10	<input type="checkbox"/>
7	Cross Samantha	03/04/2014	Eligible Jobholder	L1 - Auto-enrolment Date set	2014-15 W 10	<input type="checkbox"/>
1	Dutton Kaye	03/04/2014	Eligible Jobholder	L1 - Auto-enrolment Date set	2014-15 W 10	<input type="checkbox"/>
4	Gold Susan	03/04/2014	Eligible Jobholder	L1 - Auto-enrolment Date set	2014-15 W 10	<input type="checkbox"/>
5	Helmrich Hugh	03/04/2014	Eligible Jobholder	L1 - Auto-enrolment Date set	2014-15 W 10	<input type="checkbox"/>
6	Jugovic Adrianna	03/04/2014	Eligible Jobholder	L1 - Auto-enrolment Date set	2014-15 W 10	<input type="checkbox"/>
9	Malone Michael	03/04/2014	Eligible Jobholder	L1 - Auto-enrolment Date set	2014-15 W 10	<input type="checkbox"/>
11	O'Leary Michael	03/04/2014	Eligible Jobholder	L1 - Auto-enrolment Date set	2014-15 W 10	<input type="checkbox"/>
3	Rushton Graham	03/04/2014	Non-eligible Jobholder	L2L3 - Non Eligible Worker or Entitl...	2014-15 W 10	<input type="checkbox"/>

This screen displays the pension communications that are to be sent or have already been sent to IRIS OpenEnrol, depending on the options selected in the **View** box at the top of the screen.

By default the screen shows all the currently available unpublished data. You can also view previously published data if you need to. The data is sorted alphabetically, by surname and forename.

You can reorder the grid by clicking on a column heading. Clicking again will toggle the order ascending to descending etc.

If there is no unpublished data the screen will display the first page of the most recent published data in alphabetical surname, forename order.

- **Code** – the employee code
- **Name** – the surname then forename
- **Date** – the date the communication was created
- **Worker Status** – employee's **Worker Status** at the time of generating the communication
- **Description** – describes the type of letter to be sent
- **Period** – the year, frequency and pay period e.g. tax year 2014/2015 Week 23 would appear as 2014-2015 W 23
- **Sent** – tick box showing whether a communication has been published to IRIS OpenEnrol
- **From Date** and **To Date** - these can both be blank or either can be blank or both can be populated:
 - If both dates are blank, all data matching the criteria in the **View** box will be displayed
 - If the **From Date** is blank all data up to the **To Date** will be displayed
 - If the **To Date** is blank all data from the **From Date** will be displayed
 - If the **From Date** and **To Date** are both populated only data in that date range will be populated
 - The **From Date** and **To Date** can be the same day

Refresh

The **Refresh** button is disabled until you change the **View** selection or enter a date range. The text, **Click Refresh to update view**, will appear when the **Refresh** button is enabled. After clicking **Refresh** the button will be disabled and the text, **Click Refresh to update view**, will not be visible.

You need to click the Refresh button if you make changes to the View selection or the From and To dates

Reset

Click this button to reset the screen to its initial state. Both dates will become blank. The **View** field will be reset to Unpublished or Published depending on what was set when the screen was first opened. The grid display will be refreshed and the **Refresh** button will be disabled.

Print

Click **Print** for a printed listing of pension communications. You can choose to print **All**, **Unpublished** or **Published**, a **Date Range** and selected employees using the **Selection** button.

This prints a summary of the communications, not the actual letters

Delete

Each single row in the grid can be highlighted. Multiple rows can be highlighted using standard windows functions e.g. CTRL & click or SHIFT & click. Highlight the rows you want to delete then click the **Delete** button.

Publish

When you are ready to send the unpublished pension communications you need to click the **Publish** button. **Publish** will always send all unpublished data for the current company. This will send the communications to the IRIS OpenEnrol portal and directly to employees with email addresses in their **Employee Details**.

Republish

This option allows you to republish data that has already been published previously, for a date range you select.

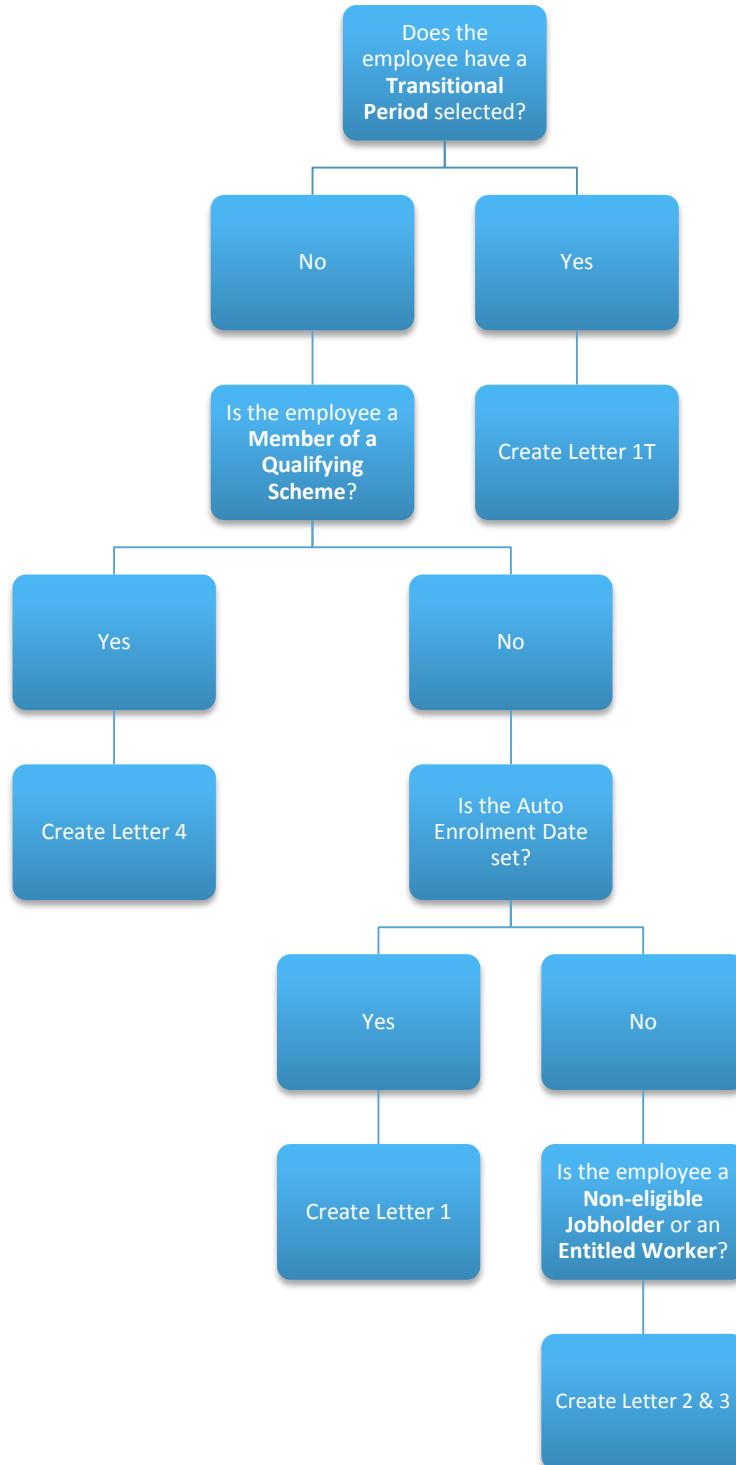
Recalculating the payroll will re-assess any actions relating to Automatic Enrolment or IRIS OpenEnrol. If a payroll is recalculated, employees will be reassessed. If payroll is recalculated and communications have not been sent, they can be amended or deleted before the pay period is complete.

What letters are sent and when?

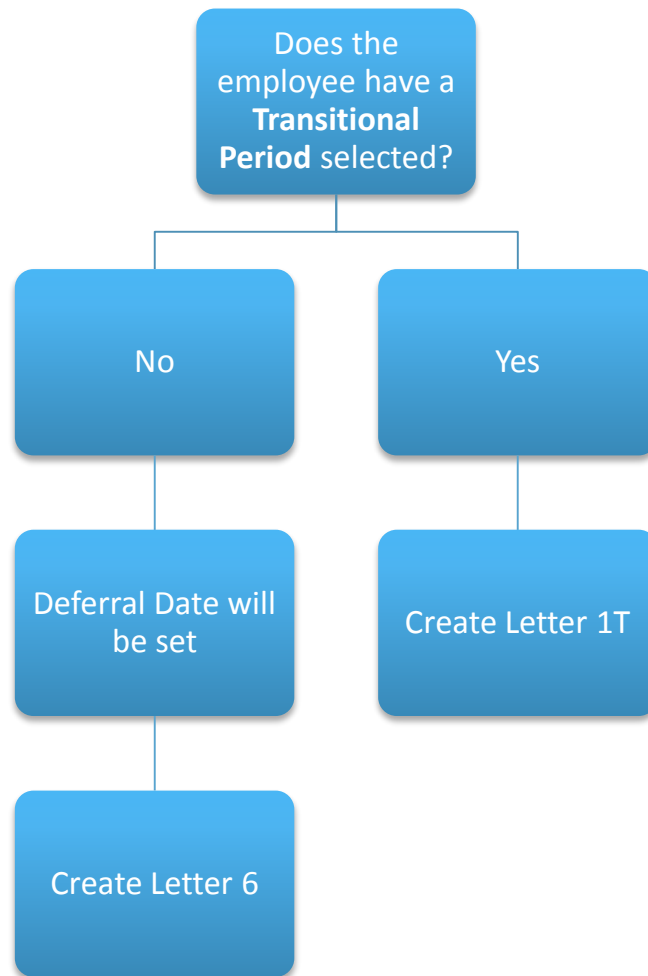
L0	<p>IRIS 'Staging Letter' – This letter is optional and lets employees know Auto Enrolment is coming and is sent once to all employees, except employees who are:</p> <ul style="list-style-type: none"> ▪ 75 and over ▪ Worker Status 'Exclude from auto enrolment' ▪ Works outside of UK box ticked ▪ Leavers
L1	Issued when Auto Enrolment Date is assigned
L1T	Issued at Staging to employees with the Transitional Indicator set
L1P	Issued after Staging Date, each time a Deferral Date is assigned and the employee is an eligible jobholder
L1Opt	Issued when an Opt-In Date is entered for an employee, regardless of their Worker Status
L2 & L3	Sent to non-eligible jobholder or to entitled worker when assessed and a Postponement Period is not used. This letter is only sent once
L4	Sent to employees where they are a Member of a Qualifying Scheme at staging when no Postponement Period is used
L6	Issued to all employees at staging if Postponement Period is in use (apart from employees receiving Letter 1T). Also sent to new starters after staging if Postponement Period is in use and their Worker Status is Non-Eligible Jobholder or Entitled Worker
Excluded Employees	<p>The following employees will not receive Auto Enrolment Communications:-</p> <ul style="list-style-type: none"> ▪ 75 and over ▪ Worker Status 'Exclude from auto enrolment' ▪ Works outside of UK box ticked

Examples of when Letters are created

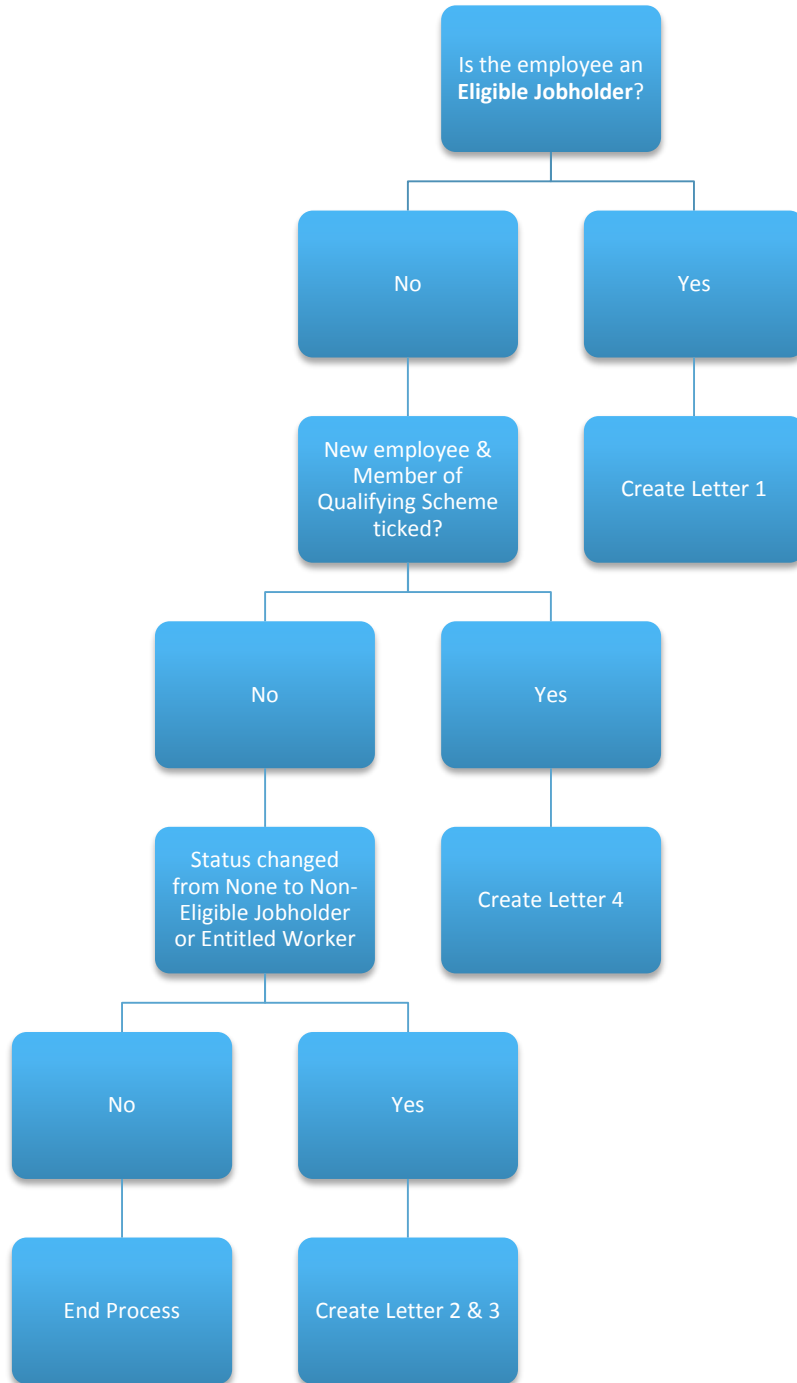
1. At Staging without Postponement



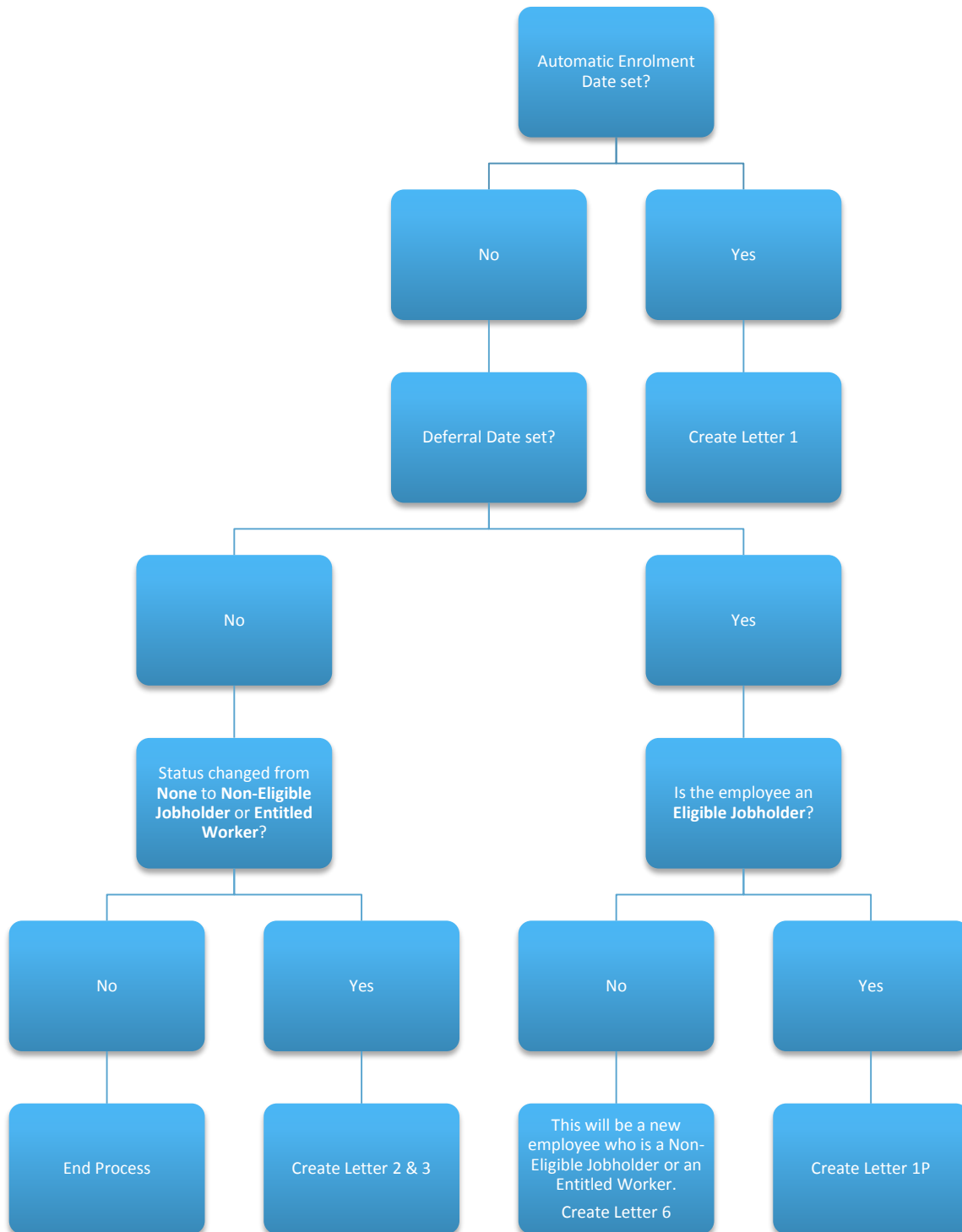
2. At Staging with Postponement



3. After Staging without Postponement



4. After Staging with Postponement



Quick Reference and Definitions

Pensions FAQ

An IRIS webpage designed to help you with Auto Enrolment/Pensions frequently asked questions

www.iris.co.uk/WPRFAQ

Department of Work & Pensions (DWP)

Policy owner and responsible for enabling and coordinating activity for the programme

www.dwp.gov.uk/policy/pensions-reform

The Pensions Regulator (TPR)

The UK regulator of work-based pension schemes (any scheme that an employer makes available to employees, including occupational, stakeholder and personal)

www.tpr.gov.uk

NEST

a pension provider available to all employers who want to use it. **NEST** is a workplace pension scheme designed for automatic enrolment that is available to any UK employer regardless of the organisations' size

www.nestpensions.org.uk

The Pensions Advisory Service

an independent non-profit organisation that provides free information, advice and guidance on the whole spectrum of company, personal and stakeholder schemes

www.pensionsadvisoryservice.org.uk

RTI

Real Time Information – how PAYE is reported to HMRC

Eligible jobholder

a worker:

- Who is aged at least 22 and not yet reached SPA
- Earnings are above the earnings trigger for automatic enrolment (£10,000 in tax year 2015/16)

Non-eligible jobholder

a worker:

- Who is aged between 16 and 74 and
- Earns above the lower earnings level for qualifying earnings but below the earnings trigger for automatic enrolment
- or
- Who is aged at least 16 and under 22 or between SPA and under 75 and
- Earns above the earnings trigger for automatic enrolment

Entitled worker

a worker

- Who is aged at least 16 and under 75 and
- Earns **below** the lower earnings level for qualifying earnings

Qualifying Earnings

Includes all of the following pay elements (gross):

- Salary
- Wages
- Commission
- Bonuses
- Overtime
- SSP, SMP, SPP, ShPP & SAP

These earnings are used to identify whether an employee is an eligible jobholder or a non-eligible jobholder and their level of contributions

- When a worker is paid in arrears, the employer considers what is due to be paid in the period containing the payroll date, regardless of when it is earned

Automatic Enrolment	Eligible jobholders who are not already a member of a qualifying scheme on the employer's Staging Date must be automatically enrolled into an automatic enrolment scheme. The employer will choose the scheme for automatic enrolment.
Staging Date	The date when the new law is 'switched on' for a business
Qualifying Scheme	To be a qualifying scheme , minimum contributions must be made or it must provide a minimum rate at which benefits will build up. A scheme suitable for automatic enrolment must also not : <ul style="list-style-type: none">■ Impose barriers to joining the scheme, such as probationary periods or age limits for members■ Require staff to make an active choice to join or take any other action prior to joining■ Require the provision of extra information in order to stay in the scheme
Postponement Period	Postponement is an additional flexibility for an employer that allows them to choose to postpone automatic enrolment for a period of their choice of up to three months
Deferral Date	This is the day after the Postponement Period and the date employees will be re-assessed for auto enrolment. This is also known as the Postponement Period End Date.
Opt-out	Eligible jobholders may choose to opt out after they have been automatically enrolled. Non-eligible jobholders who have opted in may choose to opt out after they have been enrolled. Workers who have been enrolled under contractual enrolment (e.g. under their contract of employment) and entitled workers who have asked to join a scheme do not have the right to choose to opt out. If they want to leave the scheme, they must cease membership in accordance with the scheme rules.
Opt-in	A jobholder has the right to opt in to an automatic enrolment scheme, unless they are: <ul style="list-style-type: none">■ An active member of a qualifying scheme with that employer■ An eligible jobholder for whom the employer has an automatic enrolment duty or■ an eligible jobholder for whom the employer has a re-enrolment duty
Pay Reference Period	This is the period an employee's auto enrolment assessment is based on. For further information please see our Pension FAQs

Software available from IRIS

IRIS Payroll Basics

Free, RTI compliant payroll software for companies with fewer than 10 employees

IRIS Payroll Business

Intelligent, easy to use payroll software for smaller businesses

IRIS Payroll Professional

Flexible payroll software for medium sized businesses

IRIS Bureau Payroll

Intelligent management for multiple payrolls

KashFlow Payroll

Cloud-based UK payroll software – accessible from anywhere on PC, Mac or tablet

IRIS P11D

The easy way to complete employee expenses and benefits returns

IRIS HR Manager

The easy way to keep employee data up-to-date

IRIS OpenPayslips

A secure web based solution that allows your employees to access, and download their e-payslips via an online portal

Stationery order line

Tel: 0844 815 5656

HMRC online service helpdesk

Tel: 0300 200 3600

Fax: 0844 366 7828

Email: helpdesk@ir-e-file.gov.uk

HMRC employer helpline

Tel: 0300 200 3200

HMRC employer helpline (for new business)

Tel: 0300 200 3211

Support

Tel: 0844 815 5661 (option 5)

Fax: 0844 815 5665

Email: ipsupport@iris.co.uk