Changing Pension Contributions

IRIS Payroll

April 2019

Contents

Uplifting AE Pension Contributions

From the 6th April 2019 the minimum employee and employer contributions for automatic enrolment pensions are increasing, this is known as Phasing. During the Year-end Restart Process a warning message will be displayed advising you to check your contribution rates – it is important that you carry this out to comply with the regulations. The amount you must contribute to the pension scheme is determined by the scheme's rules. However, if you are using the scheme for automatic enrolment, there are minimum contributions you must pay.

> **You do not need to take any action if you do not have any employees in an automatic enrolment pension scheme, or if the contribution amounts are above the increased minimum amounts. The increases also do not apply if you are using a defined benefits pension scheme**

This table shows the minimum contributions and the dates they must increase. All employers with an automatic enrolment pension scheme must make sure that the correct minimum contributions are being paid from these dates. For further information on the TPR minimum contribution rates click **here**.

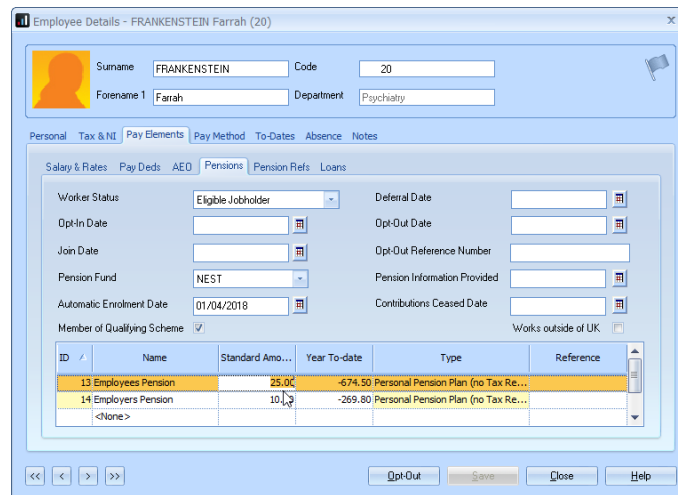> **If you are unsure about any aspect of phasing, please speak to your pension scheme provider**

Date	Employer minimum contribution	Total minimum contribution
06/04/19 onwards	3%	8% (including 5% staff contribution)

After moving into the new 2019/2020 tax year, you <u>must</u> check the employee and employer contributions before processing payroll.

How to check and change an individual's employee and employer pension contribution

If you have several employees to amend, this can be done via **Global Changes** rather than individually. (Click this link to see the **Global Changes** section)

1. Double click on the employee from the selection sidebar

2. Choose the **Pay Elements | Pensions** tab

3. Check, and if necessary, change the **Standard Amount** for the employee's pension to meet the minimum requirements

4. Check, and if necessary, change the **Standard Amount** for the employer's pension to meet the minimum requirements
   The overall minimum contribution is 8%. The employer minimum is 3%, therefore if the employer pays the minimum (3%) the employee must pay the difference which is 5%

5. Click **Save**

6. Repeat for each employee

Quick Tip: by clicking on the arrow [>] pointing to the right or left, you can move to the next or previous employee whilst keeping the employee record open on the same tab.
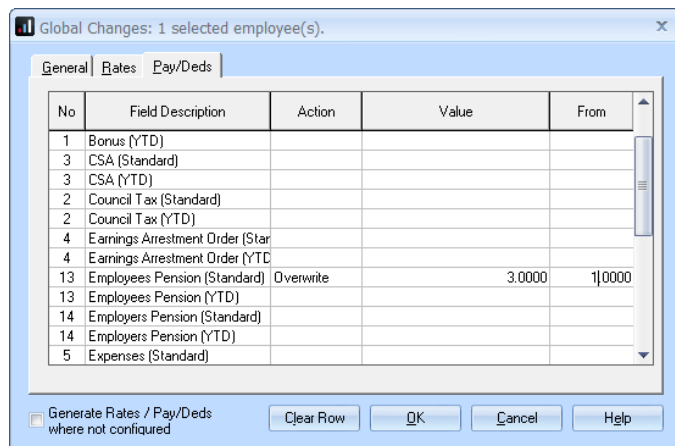
Global Changes

If you have many employees who need to be altered, you can perform a global change. **It is important that you create a backup before starting this process.**

1. From the **Company** tab select **Global Changes**

2. Select the employees you wish to change in bulk

> **This is done by selecting them from the employee list on the left-hand side. You can select multiple employees by holding down the Alt key and left clicking on the employee's name. To select all employees, left click on the first employee in the list then while holding down the shift key select the last employee**

3. From the **Global Changes** screen, select the **Pay/Deds** tab

4. Find the relevant Employee Pension (Standard) in the **Field Description** list

5. In the **Action** column select **Overwrite**

6. Enter the new value in the **Value** column

If you enter the old value in the **From** column, only employees who match this will be changed. For example, if you enter 1 in the **From** column and you have an employee who is paying 1 they will be changed to 3. However, if you enter 1 in the **From** column and you have an employee who is paying 2%, this employee will be ignored. You need to ensure that employees meet the minimum contribution
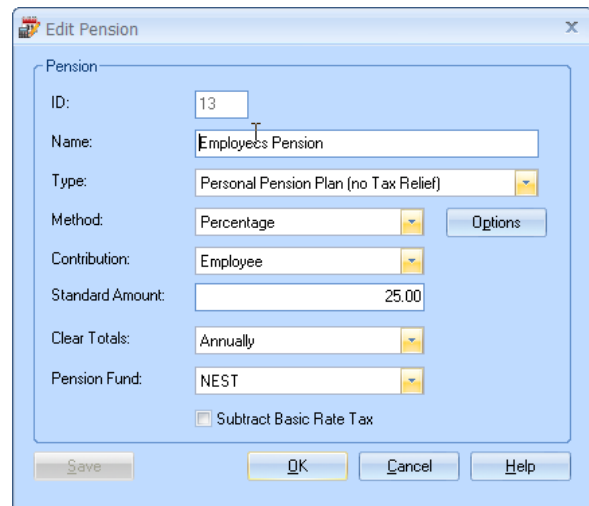
7. Click **OK**

8. A message will be displayed showing **Changes Applied**, click **OK**

9. Repeat this process for the Employers Pension (Standard)

If you have more than one scheme running you will need to ensure that each scheme used for automatic enrolment is updated if necessary.

Default Pension Contributions

You also need to check and change (if necessary) the default contributions. This is to ensure that any new employees who are enrolled into an automatic enrolment pension scheme meet the legal minimum requirements from April 2019.

1. Go to **Pension | Configure Pensions**

2. Choose the Employees' Pension Scheme and click **Edit**

3. Check and if necessary change the **Standard Amount**

4. Click **OK**

5. Repeat this process selecting the Employer's Pension Scheme

Edit Pension	x
Pension	
ID:	13
Name:	Employees Pension
Type:	Personal Pension Plan (no Tax Relief)
Method:	Percentage Options
Contribution:	Employee
Standard Amount:	25.00
Clear Totals:	Annually
Pension Fund:	NEST
☐ Subtract Basic Rate Tax	
Save OK Cancel Help	

If you do not do this and new employees are enrolled with the wrong rate you may be fined by The Pensions Regulator

Additional Software and Services Available

IRIS AE Suite™

The IRIS AE Suite™ works seamlessly with all IRIS payrolls to easily manage auto enrolment. It will assess employees as part of your payroll run, deduct the necessary contributions, produce files in the right format for your pension provider* and generate the necessary employee communications.

IRIS OpenPayslips

Instantly publish electronic payslips to a secure portal which employees can access from their mobile phone, tablet or PC. IRIS OpenPayslips cuts payslip distribution time to zero and is included as standard with the IRIS AE Suite™.

IRIS Auto Enrolment Training Seminars

Choose from a range of IRIS training seminars to ensure you understand both auto enrolment legislation and how to implement it within your IRIS software.

Useful numbers

HMRC online service helpdesk	HMRC employer helpline
Tel: 0300 200 3600 Fax: 0844 366 7828 Email: helpdesk@ir-efile.gov.uk	Tel: 0300 200 3200 Tel: 0300 200 3211 (new business)

Contact Sales (including stationery sales)

For IRIS Payrolls	For Earnie Payrolls
Tel: 0344 815 5700 Email: sales@iris.co.uk	Tel: 0344 815 5677 Email: earniesales@iris.co.uk

Contact support

Your Product	Phone	E-mail
IRIS PAYE-Master	0344 815 5661	payroll@iris.co.uk
IRIS Payroll Business	0344 815 5661	ipsupport@iris.co.uk
IRIS Bureau Payroll	0344 815 5661	ipsupport@iris.co.uk
IRIS Payroll Professional	0344 815 5671	payrollpro@iris.co.uk
IRIS GP Payroll	0344 815 5681	gpsupport@iris.co.uk
IRIS GP Accounts	0344 815 5681	gpaccsupport@iris.co.uk
Earnie or Earnie IQ	0344 815 5671	earniesupport@iris.co.uk