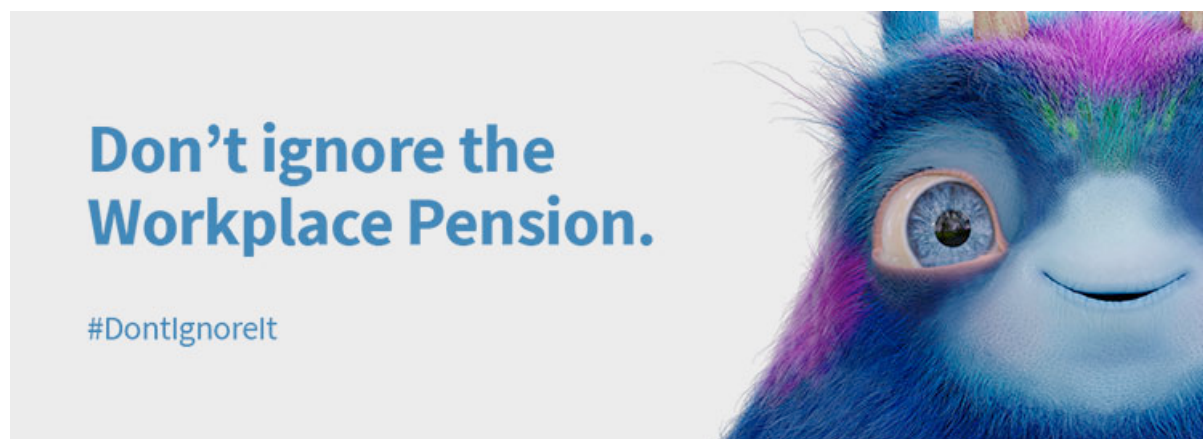


Article for employer bodies: January 2016

Workie: The workplace pension has arrived



The Pensions Regulator is warning small and micro employers to act now to ensure they meet their new workplace pension duties and put certain staff into a pension scheme.

Nearly six million staff have already been put into a scheme by the UK's large and medium employers, but the vast majority of small employers have yet to reach the date their automatic enrolment duties start – this is called their staging date.

For many small and micro employers, meeting their automatic enrolment duties will be the first time they have provided a workplace pension scheme to their staff. We know that many of the smallest employers are not organisations at all. They are individuals who happen to employ someone, for example a nanny, a gardener or a personal care assistant.

A monster of a campaign to grab your attention

You may have noticed a new character recently arrived to help remind employers that the law has changed and that they have new workplace pensions duties.

Workie, the friendly, furry giant comes with a serious message: it's time for small and micro employers to act. This big, colourful character will be seen visiting people in all sorts of work environments over the coming months, asking employers not to ignore the workplace pension.

Alongside the advertising campaign we have also launched a new online step by step guide www.tpr.gov.uk/en/employers. The guide is designed to meet the needs of employers who may not have pensions experience including those with just one or two staff. It uses everyday language, is interactive and contains videos and infographics so that employers can easily understand what they will need to do.

The step by step guide also has a duties checker www.tpr.gov.uk/en/employers/duties-checker and we urge all employers to input their details so that we can send them information tailored for them.

Which staff members need to be put into a pension scheme?

Staff who are over 22 and earn above £10,000 per year will need to be put into a pension scheme. You will need to complete a declaration of compliance to show you are meeting your automatic enrolment duties, and have given your staff the opportunity to join a pension scheme.

Even if your staff don't meet the above criteria, you will still have duties to complete. Staff members who are not eligible to be automatically enrolled in a pension scheme still have the right to ask to join a pension scheme. It's worth noting that a scheme only needs to be put in place if and when you have staff to enrol – there's no requirement to set up a scheme 'just in case' this happens.

You will need to write to all your staff – whether or not they need to be put into a pension scheme – to let them know what's happening and complete a declaration of compliance.

Single director companies – do you know what actions to take?

If you're a director of a business with no staff, or if your business has a number of directors, none of whom has an employment contract, then you may not have any automatic enrolment duties.

Answering a few questions about your circumstances will establish whether you have duties or not – you can find out by completing the Duties Checker on the regulator's website. There is also information on the website about husband and wife companies, family businesses and, on what to do if automatic enrolment duties do not apply to you. If you have received a letter from us but you do not have automatic enrolment duties you must tell us. Failure to alert us to your circumstances may trigger compliance action – go to www.tpr.gov.uk/en/employers/duties-checker now.

Plan ahead

If your business has a staging date coming up over the next few months, then you should take action now. Lack of planning remains one of the key causes of non-compliance.

Find out when you will need to act and what you need to do. With thousands of other employers going through the same process every week, it is wise not to leave things until the last minute and risk non-compliance and a possible fine.

We're here to help, don't risk a fine

Failure to complete a declaration of compliance triggers the issue of a compliance notice. This is a statutory notice giving employers deadlines for action. While we do not want to take enforcement action against employers, we will use these powers where employers do not comply with their duties.

We understand that many small and micro employers are concerned about what they need to do to comply with the law and most want to do the right thing by their staff.

For help and information, go to www.tpr.gov.uk/en/employers.