

Appendix B

Assessing a worker at the deferral date -Transcript

This is a transcript of the flowchart intended as supporting material for **Detailed guidance no. 3c – Having completed the assessment.**

A flowchart showing the next steps following the first assessment of a worker aged between 16 and 74 where the assessment date is the deferral date (if postponement used at the staging date or first day of employment).

If the first assessment is because the worker has asked to join the scheme during a postponement period see Appendix C.

For the other first assessment dates see Appendix A.

Please note:

This amount is for the 2019-2020 tax year. These figures are reviewed annually by the Department for Work and Pensions (DWP). Where there is a change, the figures for the next tax year after they have been announced by the DWP, as well as the historic and current amounts can be found on our website at: www.tpr.gov.uk/earnings-thresholds.

** An employer may have determined a set business rules around the application of some or all of the exceptions which may mean that this step features earlier in the process.

1. **Are they working, or ordinarily working, in the UK under their contract?**

No – No duties
Yes – Got to 2

2. **Are they an active member of a qualifying scheme with that employer?**

Yes – No information or enrolment duties. The employer must not take any act or omission which ceases that active membership of the qualifying scheme.
No – Go to 3

3. **Assess earnings**
 - (1) Identify pay reference period
 - (2) Assess qualifying earnings payable in that pay reference period

(3) Compare against the earnings trigger for automatic enrolment (£10,000) appropriate to the pay reference period

£10,000 (pro rata)* or below – Go to 5
More than £10,000 (pro rata)* – Go to 4

4. Assess age

Are they aged at least 22 but under State Pensions Age (SPA)?

No - Go to 5
Yes - Go to 4.1

4.1. Eligible jobholder

Have they previously been paid a Winding Up Lump Sum (WULS) whilst in employment, left employment and then been re-employed?*

Yes - Go to 4.9
No - Go to 4.2

4.2. Have they previously ceased active membership of a qualifying scheme (or a scheme that would be a qualifying scheme if the worker had been a jobholder) that the employer provides?*

Yes - Go to 4.11
No - Go to 4.3

4.3. Have they given or been given their notice to end the employment?*

Yes - Go to 4.12
No - Go to 4.4

4.4. Do they hold office as a director* of the employer?***

Yes - Go to 4.12
No - Go to 4.5

4.5. Are they a partner in the employer, where the employer is an LLP?*

Yes - Go to 4.6
No - Go to 4.7

4.6. Do they fall within HMRC's salaried members rules for income tax purposes?

Yes - Go to 4.7
No - Go to 4.12

4.7. Does the employer have reasonable grounds to believe that the eligible jobholder has Primary, Enhanced or Fixed tax protection on their pension savings?*

Yes - Go to 4.12

No - Go to 4.8

4.8. Automatic enrolment

The employer must automatically enrol the eligible jobholder

4.9. Was the WULS paid in the last 12 months?

No - Go 4.13

Yes - Go to 4.10

4.10. The employer can choose to automatically enrol the worker or exercise their discretion to not automatically enrol the worker. No information duty about opt in and joining applies during the remainder of the 12 month period. At the end of the 12 month period no information about opt in and joining need be given as included in postponement notice.

4.11. Did they cease that membership in the last 12 months?

No - Go to 4.13

Yes - Go to 4.12

4.12. The employer can choose to automatically enrol the worker or exercise their discretion to not automatically enrol the worker. If they decide on the latter no information about opt in and joining need be given as included in postponement notice.

4.13. No automatic enrolment duty applies as either active membership ceased more than 12 months ago or the WULS was paid more than 12 months ago. No information about opt in and joining need be given as included in postponement notice. The employer need assess the worker again at the cyclical automatic re-enrolment date or if they are given an opt-in or joining notice.

5. Non-eligible jobholder or entitled worker

No duty (information about opt in and joining need not be given as included in postponement notice). Keep assessing the worker to identify if eligible jobholder criteria are met.