April 2020

3c

# Detailed guidance for employers

## Having completed the assessment: Next steps

automatic enrolment

The Pensions Regulator

# Publications in the series

1. Employer duties and defining the workforce
   An introduction to the new employer duties
2. Getting ready
   First steps to prepare for the new employer duties
3. Assessing the workforce
   How to identify the different categories of worker

3a Postponement

3b Transitional period for schemes with defined benefits

3c **Having completed the assessment**

4. Pension schemes
   Pension schemes under the new employer duties
5. Automatic enrolment
   An explanation of the automatic enrolment process
6. Opting in, joining and contractual enrolment
   How to process pension scheme membership outside of the automatic enrolment process
7. Opting out
   How to process 'opt-outs' from workers who want to leave a pension scheme
8. Safeguarding individuals
   The new safeguards for workers
9. Keeping records
   Records that must be kept by law under the new employer duties
10. Information to workers
11. Automatic re-enrolment

# Accompanying resources

**Information to workers**
Summary of information requirements in a quick-reference box format

**The different types of worker**
Diagram of the different categories of worker and the criteria for each category

**Employer duties and safeguards**
At-a-glance summary of the duties and safeguards

# Contents


| | page |
|---|---|
| About this guidance | 5 |
| Introduction | 6 |
| The result of the first assessment to identify automatic enrolment | 8 |
| Eligible jobholders | 8 |
| Workers who are not eligible jobholders | 16 |
| Subsequent assessments | 20 |
| What next? | 21 |
| Key terms: Summary of the different categories of worker | 22 |


## Please note: This guidance is linked to the following appendices

**Appendix A:** Assessing a worker (postponement not used)
Available at: **www.tpr.gov.uk/docs/dg-3c-appendix-a.pdf**

**Appendix B:** Assessing a worker at the deferral date
Available at: **www.tpr.gov.uk/docs/dg-3c-appendix-b.pdf**

**Appendix C:** Assessing the worker (opt-in and joining)
Available at: **www.tpr.gov.uk/docs/dg-3c-appendix-c.pdf**

# About this guidance

## This guidance is aimed at employers and professional advisers who will support employers to comply with their new duties.

This guidance is the third in a subset of guidance on the assessment of a worker. It describes the next steps for an employer once they have completed the assessment process.

The process of making the assessment is described in **Detailed guidance no. 3 – Assessing the workforce**. To understand the content in this guidance, employers should have already read the following guidance in this series:

- Detailed guidance no. 1 – Employer duties and defining the workforce
- Detailed guidance no. 2 – Getting ready
- Detailed guidance no. 3 – Assessing the workforce

**Many employers will already have pension provision**

If an employer chooses to use postponement, they postpone the assessment of their worker for a period of up to three months. An employer considering using postponement should read **Detailed guidance no. 3a – Postponement**.

If an employer has an existing defined benefit or hybrid pension scheme and the worker meets certain conditions, the employer can choose to defer assessment of that worker until the end of a transitional period. An employer considering using this transitional period should read **Detailed guidance no. 3b – Transitional period for schemes with defined benefits**.

We recognise that many employers will already have pension provision for their workers, and that this will often match or exceed the minimum requirements contained in the duties. In these cases, such employers may just need to check that the minimum requirements are covered in their existing processes.

It will be helpful to employers to be familiar with the different categories of workers. These are explained in detail in **Detailed guidance no. 1 – Employer duties and defining the workforce** and a quick reminder is available in the Key terms.

This guidance forms part of the latest version of the detailed guidance for employers (published April 2019).

# Introduction

1. An employer must assess each member of their workforce aged at least 16 but under 75 to identify:

   a. whether they meet the criteria to be an eligible jobholder who they must automatically enrol or automatically re-enrol, or

   b. in more limited circumstances whether they meet the jobholder criteria and the employer must automatically re-enrol them or arrange active membership following an opt-in notice.

2. By identifying the eligible jobholder category, the assessment identifies whether the employer must do any of the following:

   - automatically enrol the worker, or
   - give the worker information about the right of a jobholder to opt in to an automatic enrolment scheme, and the right of an entitled worker to join a pension scheme.

3. By identifying the jobholder category, the assessment identifies whether the employer must:

   - enrol the worker following opt in, or
   - automatically re-enrol the worker when an event has caused an immediate re-enrolment duty. For more information on immediate re-enrolment see **Detailed guidance no. 11 – Automatic re-enrolment**.

4. An employer must assess their worker at particular points in time, or when particular events occur – the 'assessment date'. The process of making the assessment is explained in **Detailed guidance no. 3 – Assessing the workforce**, which employers should read ahead of this guidance.

5. An employer who is considering using postponement should have read **Detailed guidance no. 3a – Postponement** and **Detailed guidance no. 3 – Assessing the workforce** ahead of this guidance.

6. The first time an employer makes an assessment to determine which of the requirements they will have for their workers is on one of the following dates:
   - Their staging date
   - The worker's first day of employment
   - If they have chosen to use postponement:
     - on the deferral date, or
     - on the date an opt-in notice is received from a worker during the postponement period. (The first assessment of a worker on receipt of an opt-in notice is explained in **Detailed guidance no. 6 – Opting in, joining and contractual enrolment**)
   - The worker's 16th birthday
   - The day after active membership of a qualifying scheme has ceased at the workers request (for a worker who was already an active member of a qualifying scheme on the employer's staging date or their first day of employment).
7. This guidance is the last in a subset of guidance on the assessment of a worker and details the next steps for an employer once they know the result of the first assessment to identify automatic enrolment. The assessment of a worker when given an opt-in or joining notice is explained in **Detailed guidance no. 6 – Opting in, joining and contractual enrolment**.

# The result of the first assessment to identify automatic enrolment

8. The worker is an eligible jobholder if, at the end of the assessment, the employer has identified that:

   - the worker is aged at least 22 but under state pension age
   - they are working or ordinarily work in the UK under their contract[1]
   - qualifying earnings are payable in the relevant pay reference period that are above the earnings trigger for automatic enrolment.

9. Any worker who is not an eligible jobholder will either be an entitled worker or non-eligible jobholder. In practice, however, there is no need for an employer to separately identify these categories except where the worker is an active member of a tax registered pension scheme which does not meet the qualifying criteria. More information on the next steps for an employer in relation to a worker who is not an eligible jobholder can be found at paragraphs 34 to 53.

10. The next steps for an employer are to automatically enrol, apply a postponement period, apply the transitional period for schemes with defined benefits , apply an exception or provide information to the worker[2], depending on the category of worker.

11. Applying the transition period for schemes with defined benefits is described in **Detailed guidance no.3b – Transitional period for schemes with defined benefits**. The action required for each other group is described next. In addition, there are two flowcharts in the appendices that detail the entire assessment process.

## Eligible jobholders

12. If this first assessment of the worker identifies that they are an eligible jobholder, then the next steps for the employer depend upon whether:

    - the assessment date is also the employer's first enrolment date and the employer wishes to apply the transitional period for schemes with defined benefits to the eligible jobholder
    - the eligible jobholder is already an active member of a qualifying scheme with that employer, or
    - the eligible jobholder meets the conditions for any of the exceptions from the employer's automatic enrolment duty. The exceptions are described in **Detailed guidance no. 1 – Employer duties and defining the workforce**.

1
Except workers in offshore employment for whom the employer does not have to consider whether they are working or ordinarily work in the UK. A worker in offshore employment is a person who works under a worker's contract in the territorial waters of the UK, or in connection with the exploration of the sea-bed or subsoil, or the exploitation of their natural resources, in the UK sector of the continental shelf (including the UK sector of a cross-boundary petroleum field).

2
The transitional period for schemes with defined benefits includes both defined benefit pension schemes and hybrid pension schemes where a defined benefit pension is offered.

## Applying the transitional period for schemes with defined benefits

13. If the necessary conditions are met and the employer chooses to apply the transitional period for schemes with defined benefits, the employer does not need to assess the eligible jobholder again until the end of the transitional period, unless the worker chooses to opt in to an automatic enrolment scheme or join a pension scheme.

14. The assessment at the end of the transitional period is described in more detail in **Detailed guidance no.3b – Transitional period for schemes with defined benefits**.

## Already an active member of a qualifying scheme

15. If the eligible jobholder is already an active member of a qualifying scheme that the employer provides then none of the employer duties apply. The employer only needs to assess the worker again if active membership of the qualifying scheme ceases.

## No automatic enrolment duty where certain conditions in the exceptions are met

16. All of the exceptions change the automatic enrolment duty if the conditions are met, however the way the duty is changed varies according to the exception. The automatic enrolment duty does not apply at all in specific circumstances within three of the exceptions. These are where the eligible jobholder:

    - opted out or ceased active membership of a qualifying scheme more than 12 months before the assessment date, or
    - was paid a winding up lump sum[3] more than 12 months before the assessment date whilst in employment with the employer and then during the 12 month period that started on the date the payment was made:
        - ceased employment and
        - was subsequently re-employed by the same employer; or
    - meets the definition of a 'qualifying person' for the purposes of cross border pension requirements.

17. In the case of the first bullet above employers should note that ceasing active membership of a qualifying scheme includes where a worker ceases active membership of a pension scheme which would have been a qualifying scheme if the worker had been a jobholder when membership ceased.

3 Under HMRC provisions the trustees of defined contribution (DC) occupational pension schemes in wind up are allowed to commute sums of under £18,000 provided certain conditions are met. The payment of this commuted sum is known as a 'winding-up lump sum payment').

18. In other words it applies in relation to a worker who opted out or ceased active membership of a scheme which met the qualifying criteria for them, irrespective of what category of worker they were on the day membership ceased. And it applies irrespective of the fact that they may have ceased active membership of the scheme before the employer's staging date.

19. Although the automatic enrolment duty does not apply in any of these three cases the employer must give the eligible jobholder information about the right of a jobholder to opt in and the right of an entitled worker to join a pension scheme (see paragraphs 34 to 48).

20. If the reason the automatic enrolment duty does not apply is because the worker meets the definition of a qualifying person for the purposes of the cross border requirements, then the employer does not need to assess the eligible jobholder again as the employer is also exempt from the automatic re-enrolment, opt in and joining duties in relation to this worker.

21. If, however, the automatic enrolment duty does not apply because the eligible jobholder meets either of the conditions in the first two bullets in paragraph 14, then the employer must assess the worker again:

    - at the cyclical automatic re-enrolment date, to identify if they are an eligible jobholder who must be automatically re-enrolled, or
    - if they are given an opt in or joining notice, to determine which process the employer must follow in arranging for active membership.

## Automatic enrolment duty is optional where certain conditions in the exceptions are met

22. The automatic enrolment duty becomes optional within some of the exceptions. This means the employer can choose to automatically enrol the eligible jobholder but is not required to. The employer can choose whether to apply the automatic enrolment duty to an eligible jobholder who:

    - opted out or ceased active membership of a qualifying scheme (or a scheme that would have been a qualifying scheme) within the 12 months before the assessment date

- was paid a winding up lump sum within the 12 months before the assessment date whilst in employment with the employer and then during the 12 month period that started on the date the winding up lump sum payment was made:
  - ceased employment and
  - was subsequently re-employed by the same employer
- has given in their notice to end their employment (resignation or retirement) or been given notice of dismissal by the employer
- has primary, enhanced, fixed or individual protection[4] from tax charges on their pension savings
- holds the office of director with the employer[5]
- is a partner in a Limited Liability Partnership which is the employer, and is not treated for income tax purposes as falling within HMRC's 'salaried member' rules.

23. If any of these conditions are met, on this first assessment date, the employer can choose either:
    - to automatically enrol the eligible jobholder
    - to apply a postponement period of up to three months (unless the assessment date is the deferral date)
    - to not automatically enrol the eligible jobholder.
24. If an employer chooses to automatically enrol an eligible jobholder they are required to follow the automatic enrolment process (see paragraph 25). If an employer chooses not to automatically enrol an eligible jobholder, they will still have an information duty. The only exception is where the eligible jobholder was paid a winding up lump sum within the 12 months before the assessment date whilst in employment with the employer, then during the 12 month period that started when the winding up lump sum payment was made:
    - ceased employment and
    - was subsequently re-employed by the same employer.
25. In all other cases, as this is the first time that the worker is a jobholder with a right to opt in, they must give the eligible jobholder information about the right of a jobholder to opt in and the right of an entitled worker to join a pension scheme (see paragraphs 34 to 48).

4
A worker who has built up pension savings above the Lifetime Allowance for HMRC purposes is protected from tax charges on those savings under HMRC's primary, enhanced, or fixed or individual protection requirements. See paragraph 103 of **Detailed guidance no.1 – employer duties and defining the workforce** for the list of the different types of protection from tax charges included in the exception from the employer duties.

5
Paragraph 32 of **Detailed guidance no.1 – Employer duties and defining the workforce** explains what it means to hold office as a director.

26. In practice, if an employer chooses not to automatically enrol an eligible jobholder, the employer does not need to assess earnings again to identify the next point at which the criteria to be an eligible jobholder are met, until their next cyclical re-enrolment date. The employer will only need to assess the worker again before this date if:

    - they are given an opt in or joining notice, or
    - immediate re-enrolment is triggered. For more information on immediate re-enrolment see **Detailed guidance no. 11 – Automatic re-enrolment**, or
    - if the information requirement to give information about the right to opt in or join is triggered at end of the 12 month period that started on the date the winding up lump sum was paid (and the worker met the other conditions in the second bullet in paragraph 20).

## None of the conditions within the exceptions are met

27. If the eligible jobholder is not already an active member of a qualifying scheme that the employer provides nor do they meet any of the conditions for the exceptions described above, the employer:

    - can choose to either automatically enrol the eligible jobholder or apply a postponement period of up to three months, if the assessment date is not the deferral date
    - must automatically enrol the eligible jobholder if the assessment date is the deferral date.

## Automatic enrolment

28. If the employer is automatically enrolling the eligible jobholder as a result of this first assessment, they must make arrangements so that the eligible jobholder becomes an active member of an automatic enrolment scheme with effect from their automatic enrolment date.

29. The employer must therefore identify the eligible jobholder's automatic enrolment date.

30. The automatic enrolment date is:

    - the first day that the criteria to be an eligible jobholder are met, or
    - if an employer has chosen to use postponement, the deferral date, where the assessment of the worker identified that they were an eligible jobholder on that date, or

- if the eligible jobholder and employer agree that a notice to end employment is withdrawn, the date of that agreement, where the assessment of the worker identified that they were an eligible jobholder on that date, or
- if the eligible jobholder and employer agree that a notice to end employment is withdrawn and the worker is not an eligible jobholder on the date of that agreement, the next date that the worker meets the eligible jobholder criteria.

31. In practice, the automatic enrolment date will be the same date as the assessment date, if the assessment of the worker on that date identifies that the worker is an eligible jobholder.

## Some examples of automatic enrolment dates

Nicola's pay reference period is monthly, from the 1st to the end of the month. Her employer has chosen to use the definition of a pay reference period aligned with the period by reference to which the worker is paid their regular wage or salary. She turned 22 on 10 August (her 'assessment date').

Her employer assessed whether qualifying earnings were payable above the earnings trigger in the period 1-31 August, and identified that they were. Automatic enrolment was triggered from 10 August. Nicola's automatic enrolment date is 10 August.

Phillip's first day of employment with his employer is Thursday 4 October (his 'assessment date') and his employer has decided not to use postponement. He will be paid weekly. Payday is Friday in respect of the period Friday to Thursday. His employer has chosen to use the definition of a pay reference period aligned with tax weeks or months.

His employer assessed whether qualifying earnings were payable above the earnings trigger in the period Friday 28 September to Thursday 4 October, and identified that they were. Automatic enrolment was triggered from 4 October. Phillip's automatic enrolment date is 4 October.

continued...

Barrett's Farm's staging date is 1 May (the 'assessment date'). They have five people working for them on that date. They are paid monthly and their monthly pay reference period is from the 1st to the end of the month. They have chosen to use the definition of a pay reference period aligned with the period by reference to which the worker is paid their regular wage or salary.

Barrett's Farm has decided to use postponement for their five workers and has decided on a deferral date of 1 August. They issued a postponement notice to their workers on 2 May.

On 1 August, Barrett's Farm assessed whether qualifying earnings were payable above the earnings trigger to their five workers in the period 1-31 August, and identified that they were for one of their workers, Hugh.

Automatic enrolment for Hugh was triggered from 1 August. Hugh's automatic enrolment date is 1 August.

Melanie's pay reference period is monthly. Her employer has chosen to use the definition of a pay reference period aligned with tax weeks or months. Melanie handed in her notice to resign her employment on 1 April and had never been an eligible jobholder before this date.

On 30 April Mel and her employer agreed that the notice of resignation would be withdrawn. The employer assessed whether qualifying earnings were payable above the earnings trigger in the period 6 April-5 May, and identified that they were.

Automatic enrolment was triggered from 30 April. Melanie's automatic enrolment date is 30 April.

Lucas handed in his notice to resign his employment on 11 June. His employer has chosen to use the definition of a pay reference period aligned with tax weeks or months. Whenever Lucas had met the eligible jobholder criteria before giving his notice the employer had applied postponement. On each deferral date Lucas had not met the criteria to be an eligible jobholder and so automatic enrolment had never been triggered.

On 3 July Lucas and his employer agreed that the notice would be withdrawn. The employer assessed whether qualifying earnings were payable above the earnings trigger in the period 6 June-5 July, and identified that they were not. The employer knows that they must continue to assess Lucas on the first day of each pay reference period to identify when the eligible jobholder criteria are next met.

In the next pay reference period (6 July to 5 August) the employer assessed whether qualifying earnings were payable above the earnings trigger, and identified that they were Automatic enrolment for Lucas was triggered from 6 July. Lucas' automatic enrolment date is 6 July.

32. The automatic enrolment date is a key piece of information for the employer. It is:
    - the date from which active membership of a pension scheme must start
    - the start date of the joining window (the six week period during which automatic enrolment must be completed)
    - the start date for the calculation of contributions due to the pension scheme.
33. Having identified the automatic enrolment date, the employer must complete the process of automatic enrolment. The process for automatic enrolment is described in **Detailed guidance no. 5 – Automatic enrolment**.
34. Employers should note that because the automatic enrolment date is the first date that the eligible jobholder criteria are met, then a worker who was already an active member of a qualifying scheme at the time of the first assessment will still have an automatic enrolment date if they meet the eligible jobholder criteria whilst an active member. Equally, a worker who is an active member of a qualifying scheme and becomes an eligible jobholder after the first assessment, will have an automatic enrolment date. And a worker who the employer is not required to automatically enrol will also have an automatic enrolment date on the first occasion that the eligible jobholder criteria are met.

# Workers who are not eligible jobholders

35. If this first assessment of the worker identifies that the worker is not an eligible jobholder, the employer must give them prescribed information about the right of a jobholder to opt in to an automatic enrolment scheme and the right of an entitled worker to join a pension scheme, unless they:

    - are already an active member of a qualifying scheme with that employer, or
    - were paid a winding up lump sum within the 12 months before the assessment date whilst in employment with the employer, then during the 12 month period that started when the winding up lump sum payment was made:
        - ceased employment and
        - was subsequently re-employed by the same employer.

36. The information the employer must give is listed in the following box.

## Mandatory information

(This information is prescribed in regulations. The text in bold provides a further explanation from the regulator.)

A statement that by giving written notice to the employer, the worker who is aged at least 16 and under 75 and:

a. who earns now or at any future time more than the lower threshold of qualifying earnings (and the amount must be specified)[6] and is a not an active member of a qualifying scheme, may opt in to an automatic enrolment scheme and will be entitled to employer's contributions; or

b. who earns now or at any future time no more than the lower threshold of qualifying earnings (and the amount must be specified) and is a not an active member of a pension scheme, may require the employer to make arrangements for the worker to become an active member of a pension scheme but will not be entitled to employer's contributions

A statement that a written notice from the worker must be signed by the worker or, if it is given by means of an electronic communication, must include a statement that the worker personally submitted the notice.

6 The lower level of qualifying earnings for 2017-2018 tax year is £6,240. The appropriate thresholds for the worker's pay reference periods (ie £6,240 broken down into the weekly, monthly or other pay reference period) can be found in **Detailed guidance no. 3 – Assessing the workforce**.

37. A template is available on our website at **www.tpr.gov.uk/letter-no**. This template is one way that an employer may choose to communicate the information. An employer may add their own wording or use their own templates as long as the underlying requirements in the box above are met.

38. As the postponement notice must contain the same information, if the employer has previously given a postponement notice to the worker, there is no need to give this information here again.

39. The information must be given in writing. 'Giving' information, in the regulator's view includes:

    - sending hard copy information by post or internal mail
    - handing over hard copy information by hand
    - sending information in the body of an email
    - sending information in PDF attachments or other attachments by email.

40. 'Giving' information does not include merely signposting to an internet or intranet site, attaching a URL or displaying a poster in the workplace. In these circumstances the employer is merely providing the worker access to the information about the duties, not giving the actual information.

41. Someone acting on the employer's behalf, such as an independent financial adviser or benefit consultant, accountant or bookkeeper, can give the information, but it remains the employer's responsibility to make sure it is provided, on time, and is correct and complete.

42. The information must be given no later than six weeks after the first time the worker becomes either:

    - a jobholder with a right to opt in, or
    - an entitled worker with a right to join.

43. In other words, the information requirement is triggered on the earliest of the dates when the worker first becomes a jobholder with a right to opt in or an entitled worker with a right to join. As a result there is no need in practice for the employer to differentiate between a non-eligible jobholder or an entitled worker, unless the worker is an active member of a pension scheme that is tax registered but does not meet the qualifying criteria. This is because if an entitled worker is a member of such a scheme then there is no requirement to give this information (as they do not have a right to join).

44. The worker is an entitled worker if, at the end of the assessment, the employer has identified that:
    - the worker is aged between 16 and 74
    - they are working or ordinarily work in the UK under their contract[7]
    - they do not have qualifying earnings payable by the employer in the relevant pay reference period.
45. Where an employer is giving information to a worker by post, they should allow sufficient time for the delivery of the letter in the ordinary course of post, in order that the information can be given before the end of the specified time limit for giving information. More information on 'giving' information and the point at which it can be considered 'given' can be found in **Detailed guidance no. 10 – Information to workers**.
46. Prior to 1 April 2015 the requirement was to give information about the right relevant to the particular worker at both the first time the worker was a jobholder with a right to opt in or an entitled worker with a right to join. In this case an employer did need to separately identify a non-eligible jobholder and an entitled worker as part of the assessment process in order to identify the relevant information requirement.
47. An employer with a staging date before 1 April 2015 can continue to make this distinction and does not need to change their assessment process. This is because although there is one requirement to give information about the right to opt in and join, within this requirement an employer can choose to give either:
    - only information about the right which is relevant to the worker when the requirement is triggered, or
    - information about both the rights, irrespective of which one is relevant to the worker.
48. This choice is available to allow an employer with a staging date before 1 April 2015 who is giving separate information only relevant to a specific worker category as their approach to the information requirements, to minimise the change to their existing systems and processes.
49. For more information on the information that must be included in the notice where an employer makes use of this facility and the impact of the changes to the information requirements for an employer with a staging date prior to 1 April 2015 see **Detailed guidance no. 10 – Information to workers**.

7 Except workers in offshore employment for whom the employer does not have to consider whether they are working or ordinarily work in the UK. A worker in offshore employment is a person who works under a worker's contract in the territorial waters of the UK, or in connection with the exploration of the sea-bed or subsoil, or the exploitation of their natural resources, in the UK sector of the continental shelf (including the UK sector of a cross-boundary petroleum field).

## After giving the information

50. The employer must be able to identify the receipt of an opt-in or joining notice from the worker. Because this may be received some time after the information has been issued, the employer should ensure that they are ready to manage the receipt and action of such notices.

51. The employer must continue to assess the worker on the first day of each pay reference period, to track if they meet the criteria to be an eligible jobholder to identify if automatic enrolment is triggered, unless the worker:

    - opted out or ceased active membership of a qualifying scheme (or a scheme that would have been a qualifying scheme if they had been a jobholder when they ceased) more than 12 months before the assessment date, or
    - was paid a winding up lump sum more than 12 months before the assessment date whilst in employment with the employer and then during the 12 month period that started when the payment was made:
        - ceased employment and
        - was subsequently re-employed by the same employer; or
    - meets the definition of a 'qualifying person' for the purposes of cross border pension requirements

52. In the case of the first two bullets the employer does not need to assess earnings again to identify the next point at which the criteria to be an eligible jobholder are met, until their next cyclical re-enrolment date. The employer will only need to assess the worker again before this date if:

    - they are given an opt in or joining notice, or
    - immediate re-enrolment is triggered.

53. The assessment of a worker on receipt of an opt-in notice is explained in **Detailed guidance no. 6 – Opting in, joining and contractual enrolment**. The assessment of a worker for automatic re-enrolment is explained in **Detailed guidance no.11 – Automatic re-enrolment**.

54. Once the information has been given there is no need for an employer to assess a worker who meets the definition of a 'qualifying person', for the purposes of the cross border pension requirements again as none of the other duties apply to this worker.

# Subsequent assessments

55. After this first assessment, the employer will be monitoring the age and earnings of workers for each subsequent pay reference period. This is so they are able to identify whether automatic enrolment is triggered for their workers or if they must give them the information about the right to opt in and the right to join.

56. They may also choose to monitor those workers who are active members of a qualifying scheme, so that they are able to identify whether the worker has an automatic enrolment date. In the event active membership were to cease of the jobholder's own account, this monitoring will determine whether the employer will have an automatic enrolment or automatic re-enrolment date for any of those workers.

57. They will also have to assess the worker again on the :

- cyclical automatic re-enrolment date,
- date they are given an opt-in or joining notice
- day after active membership of a qualifying scheme has ceased and it was not at the workers request (immediate re-enrolment)
- date the employer and worker agree that a notice to end employment (resignation or dismissal) is withdrawn[8]
- day after the end of the transitional period for schemes with defined benefits if the employer has applied the transitional period to the worker (or the deferral date if postponement is used at the end of the transitional period)

8
Where notice to end employment is given in respect of a worker to whom the transitional period for schemes with defined benefits has been applied, the automatic enrolment duty only becomes optional in limited circumstances. In these limited circumstances automatic re-enrolment is not triggered if that notice is subsequently withdrawn after the date automatic enrolment was triggered. For more information see **Detailed guidance no.1 – Employer duties and defining the workforce**.

# What next?

Now that an employer knows what categories of workers they have, the next step is to complete the relevant employer duties for those workers.

Every employer who is likely to have any enrolment duties should read the following guidance:

**Detailed guidance no. 4 – Pension schemes**
Explains the criteria that pension schemes must meet to be able to be used in relation to the new duties.

**Detailed guidance no. 5 – Automatic enrolment**
Detailed information on the entire automatic enrolment process.

**Detailed guidance no. 6 – Opting in, joining and contractual enrolment**

**Detailed guidance no. 7 – Opting out**
What to do if a jobholder chooses to opt out of the pension scheme after being enrolled.

Employers who are likely to have workers with a right to join a pension scheme outside the automatic enrolment process, should read **Detailed guidance no. 6 – Opting in, joining and contractual enrolment**.

Employers must also be aware of the legal safeguards that have been put in place to protect the rights of individuals under the pensions reform. These safeguards apply to all employers from the date the law became effective in July 2012. For many, this will be some time ahead of their staging date, so it is vital that employers gain familiarity with these safeguards to ensure compliance. **Detailed guidance no. 8 – Safeguarding individuals** has full details.

Approximately every three years, the employer will have to automatically re-enrol eligible jobholders who have opted out or ceased pension scheme membership. More information on this cyclical automatic re-enrolment can be found in **Detailed guidance no. 11 – Automatic re-enrolment**.

For more information on the assessment at the end of the transitional period for schemes with defined benefits for a worker to whom the employer has applied the transitional period see **Detailed guidance no.3b – Transitional period for schemes with defined benefits**.

**Employers must be aware of the legal safeguards**

# Key terms

## Summary of the different categories of worker

| Category of worker | Description of worker |
|---|---|
| Worker | An employee or someone who has a contract to perform work or services personally, that is not undertaking the work as part of their own business. |
| Jobholder | A worker who:<br>• is aged between 16 and 74<br>• is working or ordinarily works in the UK under their contract<br>• has qualifying earnings. |
| Eligible jobholder | A jobholder who:<br>• is aged between 22 and state pension age<br>• has qualifying earnings above the earnings trigger for automatic enrolment. |
| Non-eligible jobholder | A jobholder who:<br>• is aged between 16 and 21 or state pension age and 74<br>• has qualifying earnings above the earnings trigger for automatic enrolment<br>or<br>• is aged between 16 and 74<br>• has qualifying earnings equal to or below the earnings trigger for automatic enrolment. |
| Entitled worker | A worker who:<br>• is aged between 16 and 74<br>• is working or ordinarily works in the UK under their contract<br>• does not have qualifying earnings. |

## How to contact us

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**Detailed guidance for employers no. 3c**
Having completed the assessment

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