

Re-enrolment: the 3-year cycle

We're here to help you along the way



For people, not profit

the
people's
pension



Re-enrolment is a statutory process that all employers have to go through

This guide tells you what you have to do and how The People's Pension makes the process easier.

Around three years ago you went through enrolment and chose us as your provider. Now you need to prepare for re-enrolment – and we're here to help.

If you switched to us from another provider and weren't with us for your initial automatic enrolment, no problem – our team can guide you.

➤ Re-enrolment at a glance	Page 1
➤ How The People's Pension can help	Page 2
➤ The four steps in detail – from choosing a re-enrolment date to re-declaring your compliance	Page 4
➤ What next?	Page 15



Did you use contractual enrolment rather than enrolment?

Some employers chose to put all their employees into a pension scheme to keep things simple – rather than having to work out who needs to be put in and who doesn't.

If that includes you, please note, the re-enrolment process still applies to you.

Re-enrolment at a glance

- You have to check whether any of your employees need to be re-enrolled in your workplace pension, and then re-enrol anyone that does on the re-enrolment date.
- You then need to re-declare your compliance with The Pensions Regulator, to show you're continuing to meet the government's workplace pension regulations.

The re-enrolment process is a cyclical process – you need to repeat it every three years. So sometimes the process is referred to as 'cyclical re-enrolment.' The process of re-enrolment is broadly the same as for automatic enrolment.

The four steps to re-enrolment

- **Step 1**
: Choose a date to re-enrol your employees
- ▼
● **Step 2**
: Work out which of your employees to re-enrol
- ▼
● **Step 3**
: Re-enrol your employees on your chosen date
- ▼
● **Step 4**
: Re-declare your compliance to The Pensions Regulator

We'll explore the steps in detail on page 4. It's important you read all four steps as some details may or may not affect you. But just turn over to see how we can help you.



How The People's Pension can help

Three years ago we helped you through enrolment. And since then we've worked together to help you run your workplace pension.

Now we're here to support you through the next stage – re-enrolment.

- ▶ As a not-for-profit organisation, we put our revenue back into developing The People's Pension. This means we're well placed to keep moving forward and meeting your needs. With our Defaqto 5 Star Rating for our workplace pension, we'll use our experience to help you with re-enrolment.
- ▶ We keep things simple for you and for your employees. We want to make it easy for you to complete the process. We'll explain how it works in simple terms, and give you a step-by-step checklist to keep you on track.
- ▶ Although it's a process you have to complete, we'll be there to help. And we'll let you know what you need to include in your re-declaration of your compliance, and when you have to do this.





Here's what we can offer

- This guide to re-enrolment for you to keep handy
- A re-enrolment checklist in Online Services at www.onlineservices.bandce.co.uk
- A report in your Online Services account to help identify who you may need to re-enrol
- Plenty of online info at www.thepeoplespension.co.uk/re-enrolment
- And we'll send you email reminders when you're approaching re-enrolment

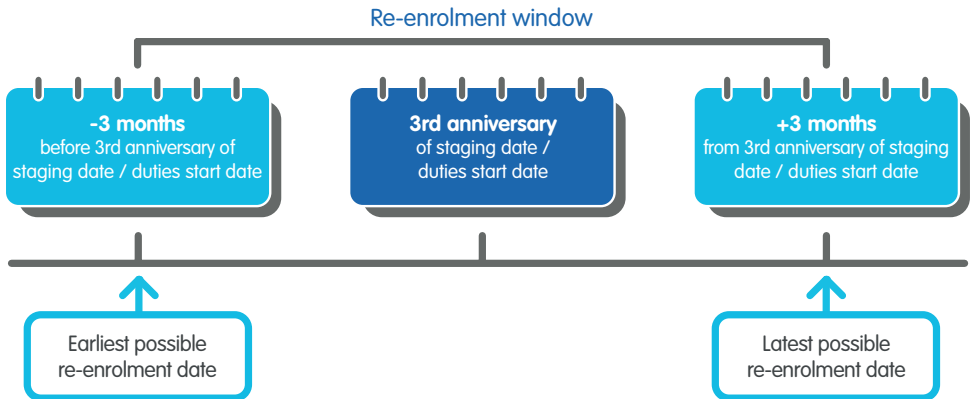
The four steps in detail

Step 1

Choosing a date to re-enrol your employees

This is your re-enrolment date – the date your payroll, HR and software processes must be ready to go. It's sometimes referred to as your re-enrolment date.

If you have employees to re-enrol, you can choose any single date in a six-month window, centred on the third anniversary of your staging/duties start date. Remember – your staging/duties start date is the date your enrolment duties first came into effect.



The re-enrolment date is also:

- the date from which membership of The People's Pension starts for those employees you need to re-enrol
- the start of the six-week period during which re-enrolment must be completed and the re-enrolment letter sent to your employees (don't worry, we do this for you)
- the date from which the calculation of pension contributions usually starts for those employees you're re-enrolling.

The four steps in detail (continued)

Here are some things to consider

- You must consider what's payable in the whole pay period (PRP), irrespective of whether the re-enrolment date falls part way through a PRP. It's just one date per employer, so if you operate more than one PAYE payroll, think about a date that best aligns to all the payrolls you operate.
- Consider any upcoming business priorities you want re-enrolment to coincide with, or any you don't.
- Remember your next re-enrolment window will open in another three years – whatever date you choose this time, you'll use that date as the centre of your re-enrolment window next time.
- Beware: unlike your original automatic enrolment sign-up, you can't use postponement for re-enrolment.



Make sure you tell us your re-enrolment date

Once you've decided your re-enrolment date, you need to tell us the date. It's important that you do this as soon as possible to avoid any delays in the normal operation of your account with The People's Pension.

If you haven't told us your re-enrolment date within two months of the third anniversary of your staging/duties start date, our system may stop you uploading your employee data. This is because it is compulsory for employers to go through the re-enrolment process. You may then be unable to submit any data until you've told us your re-enrolment date.

Step 2

Working out which of your employees to re-enrol

You need to re-enrol certain employees who were previously automatically enrolled as 'eligible jobholders' and are no longer active members of an automatic enrolment scheme. This applies to eligible staff who have, over a year before your chosen re-enrolment date:

- opted out of an automatic enrolment pension scheme
- voluntarily ceased active membership of your pension scheme or stopped contributions into the scheme
- stayed in your pension scheme but have chosen to reduce the level of pension contributions to below the minimum level.

These employees also need to meet the age and earnings criteria to be re-enrolled.

From these employees you need to check who's currently eligible for automatic enrolment – and therefore now needs to be re-enrolled into The People's Pension.

You may not need to re-enrol all of these employees though – there are certain requirements and some exceptions.



Automatic enrolment terminology

You may have seen The Pensions Regulator describing employees who need to be automatically enrolled in a pension scheme as 'eligible jobholders' and, more recently, as 'type 1' employees. The Pensions Regulator is gradually simplifying terminology in the pensions industry – but for the purposes of this guide we'll just refer generally to these employees as 'eligible jobholders'.

Thinking about your employees

Working out who to re-enrol

Here's where your re-enrolment report comes in handy

1. No need to enrol

- those subject to postponement
- have not previously been automatically enrolled

2. Assess your other employees to see who's eligible

- normally work in the UK
- earn above £10,000 a year (2018/2019 tax year)
- aged between 22 and State Pension age

3. The exceptions – you can choose whether to include them or not

If you choose not to re-enrol them, you'll have no duty to re-enrol them until your next re-enrolment date.

- those who've left the scheme in the 12 months up to your re-enrolment date
- if they're leaving and their notice period is no more than six weeks and overlaps with the re-enrolment date
- those with HMRC tax protected status for their pension savings
- those who have received a pension winding-up lump sum payment in the preceding 12 months
- directors who have a contract of employment with the company
- genuine partners of a limited liability partnership – those partners who are not employees for tax purposes

The four steps in detail (continued)

We can help you work it out

We'll provide a re-enrolment report in your Online Services account at **www.onlineservices.bandce.co.uk**. This will help you to identify the employees you may need to re-enrol. You'll need to download the report and give us the date you intend to use for your re-enrolment date.

Your report includes employees who have previously been assessed as 'eligible jobholders', who have either:

1. opted out
2. been recorded on your employee data submission (file upload) as a scheme leaver because they've:
 - opted out of the scheme or
 - left your employment
3. not received a contribution in the three months before the 'as at' date the report was generated.

If your payroll software has been carrying out your automatic enrolment assessment, you should discuss the re-enrolment process with them as you may not need to use this report.

The four steps in detail (continued)

How to use your re-enrolment report

1. Review the list to identify which of the employees listed are no longer in your employment.
2. Decide whether or not you'd like to include the employees where an exception applies as outlined on page 8 – who you don't have to re-enrol unless you want to.
3. Include the employees you want to re-enrol in your employee data, as explained on page 11.
4. Even if you don't have any employees who need to be re-enrolled, you still need to re-declare your compliance to The Pensions Regulator. Otherwise you could be fined.

A typical re-enrolment report looks like this.

	A	B	C	D	E	F	G	H	I
1	Forename	Middlename	Surname	Date of Birth	Ni Number	Unique ID	AE Date	Ceased Active Membership Date	Employment End Date
2	Anne		Example	17/04/70	AB123456C	12345678	01/01/13	01/02/13	
3									
4									
5									
6									
7									
8									
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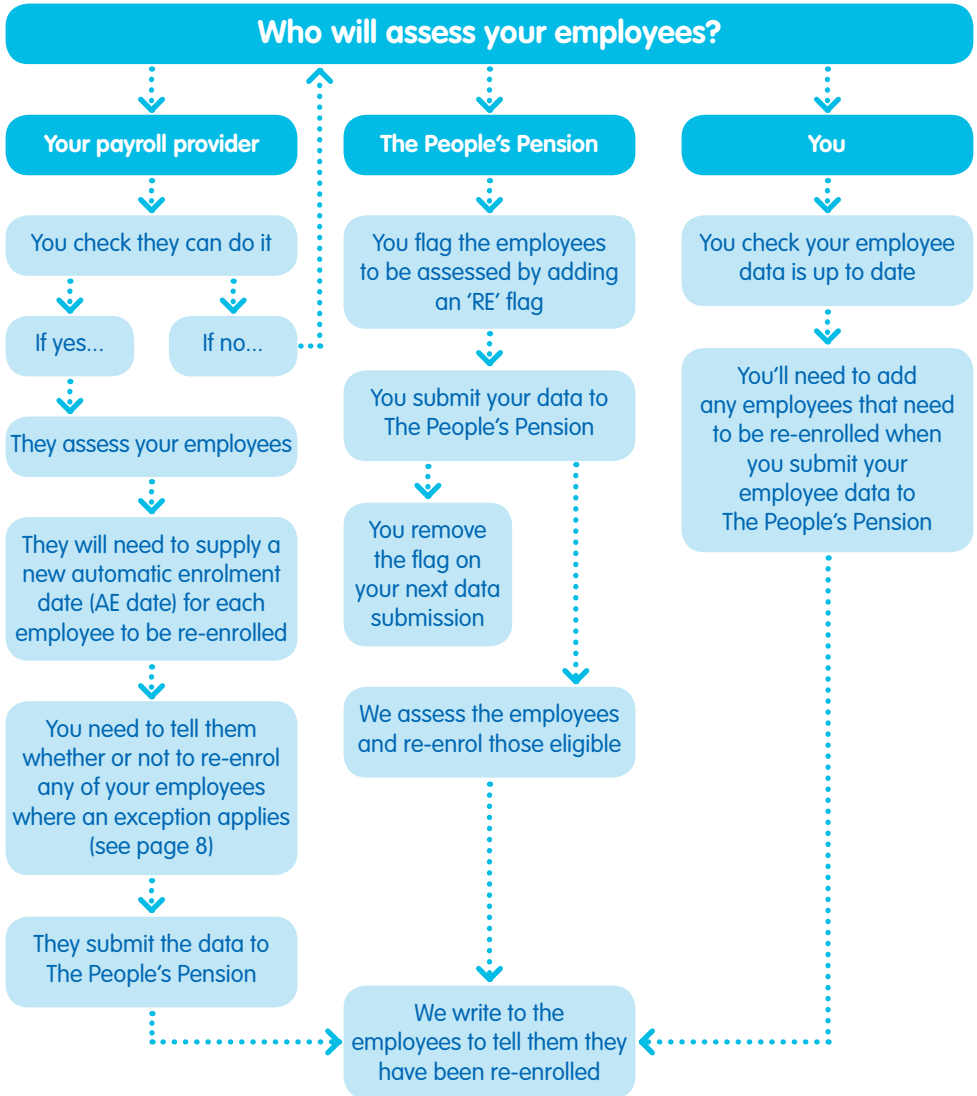
Remember

You can access your re-enrolment report and an in-depth guide to the report in your Online Services account at www.onlineservices.bandce.co.uk.

Step 3

Re-enrol your employees

There are different ways to do this, depending on how you assess your employee pension contributions at the moment. Here's an overview – then we'll give you the details and show you how to use your re-enrolment report, if you need it.



Remember: The ongoing assessment of all your employees still needs to continue as usual to keep their pension contributions accurate.

The four steps in detail (continued)

Whoever you use to assess your employees, your re-enrolment report can help. It lists the employees who you may want to re-enrol.

Do you use The People's Pension assessment tool?

If yes, here's how it works for re-enrolment

1. On your employee data submission that relates to the **pay period** in which your re-enrolment date falls, identify those workers who need to be assessed for re-enrolment by inserting the code **'RE'** in the **Starter/Leaver** field – field S.
2. The assessment tool will assess them and suggest their status and contribution level on the assessment report, based on the data that has been submitted. Please proceed as normal with uploading the information back into your payroll.
3. Please ensure the indicator is removed on all subsequent files.
4. There is no separate employee data submission for re-enrolment; it will be processed on your usual employee data submission alongside normal contributions and the initial enrolment of new employees and/or workers who have met the criteria for eligible jobholder for the first time. You can continue to apply postponement to workers who you are enrolling for the first time

Do you use a payroll provider to assess your employees?

If you use payroll software, they may be arranging this all for you – you just need to let them know when you want your re-enrolment date to be.

The key thing is to discuss the process with them, and the availability of the re-enrolment report in case they need it. If they can't manage re-enrolment, we can do it for you, or you can choose to do it yourself.

If they can manage the process

- Your payroll software will assess which of your employees are eligible jobholders from those who have stopped contributing to The People's Pension.
- They should supply a new AE date on your employee data file.
- You may also need to tell them whether or not you want to re-enrol any of your exempt employees.



Remember

You'll still need to complete the re-enrolment checklist and re-declare your compliance with The Pensions Regulator.

If you assess your employees manually

You'll need to check your employee data includes everyone who should be re-enrolled.

- You'll need to check all your employee data is up to date so we can re-enrol your employees for you
- You'll need to add any employees that need to be re-enrolled when you submit your employee data to us.

Contacting your employees

It's good practice to tell your employees in advance that you'll be re-enrolling them, but you don't have to. We have a template letter you can use for this, which you will find in the resource library on The People's Pension website.

Whether or not you have told your workers in advance that they will be re-enrolled, within six weeks of your re-enrolment date we'll write to them to make sure they understand their workplace pension.

- It's the same information whether they're being automatically enrolled for the first time or re-enrolled.
- And any eligible employees who are re-enrolled will have the same rights to opt out as they did when they were originally enrolled.

The four steps in detail (continued)

Step 4

Re-declare your compliance with The Pensions Regulator

You're legally required to re-declare your compliance on The Pensions Regulator website to show you've complied with your employer duties. At the end of the re-enrolment section of our website, you'll find a link to The Pensions Regulator's website where you can submit your re-declaration.

You must complete your re-declaration within five calendar months of the third anniversary of your staging/duties start date (or last re-enrolment date).

You'll need to include details of yourself, the company, PAYE schemes and your workforce, as well as our details:

- Occupational pension scheme
- Pension scheme name – The People's Pension Scheme
- Pension scheme provider address – Manor Royal, Crawley, West Sussex, RH10 9QP
- PSR – 12005993.



Remember

If you don't re-declare your compliance in time, you may be fined.

What next?

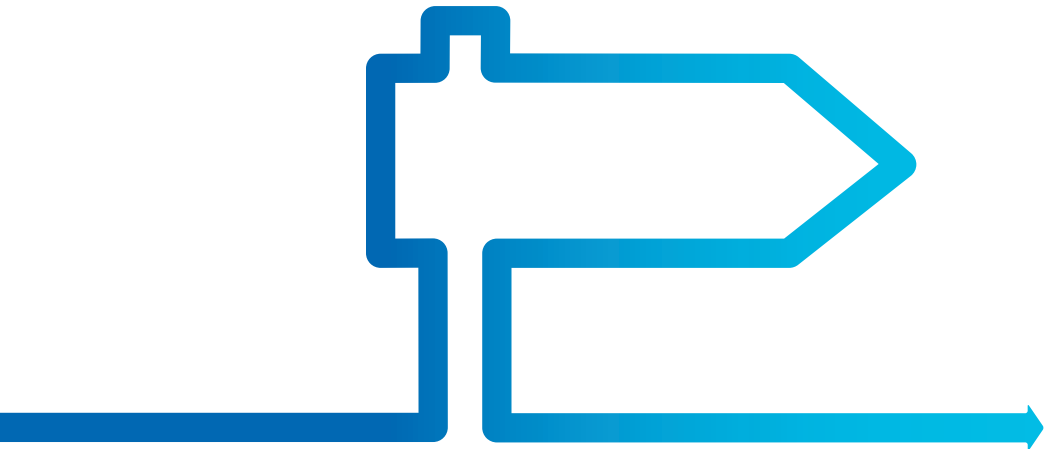
That's it – for the next three years...

When you've submitted your re-declaration to The Pensions Regulator, they'll send you an acknowledgement letter. This completes your re-enrolment duties until your next re-enrolment window in around three years.

Our systems store some of the information from re-enrolment, but you may want to note your re-enrolment and declaration dates if you need in-depth records, as well as which employees you're re-enrolling.

Oh, and one final thing

If you're using another workplace pension scheme alongside The People's Pension to meet your enrolment duties, you'll also need to go through the re-enrolment process for that scheme.



Want to know more?

✉ support@bandce.co.uk

☎ 01293 586666

Useful links

The People's Pension

Here's where to find more information about re-enrolment, and our approach:

www.thepeoplespension.co.uk/re-enrolment

The Pensions Regulator

The Pensions Regulator has more information on their website:

www.thepensionsregulator.gov.uk/en/employers/automatic-re-enrolment

They also have 11 detailed guides to enrolment:

www.thepensionsregulator.gov.uk/doc-library/automatic-enrolment-detailed-guidance

The most relevant guide for re-enrolment is 'Re-enrolment: Putting workers back into pension scheme membership':

www.thepensionsregulator.gov.uk/docs/detailed-guidance-11.pdf

There's also a declaration of compliance checklist, which you can also use for re-declaration.

www.thepensionsregulator.gov.uk/docs/automatic-enrolment-online-registration-checklist.pdf



For people, not profit

For more information

☎ 01293 586666

✉ support@bandce.co.uk



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Manor Royal, Crawley, West Sussex, RH10 9QP. Tel 0300 2000 555 Fax 01293 586801.

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