



Your New Workplace Pension

Employer Guide

Introduction

Congratulations on establishing your Workplace Pension Scheme with us.

This is a basic guide for managing your Workplace Pension Scheme and it will take you from your first assessment of your employees, through to the day to day running of your Scheme.

If you are not familiar with some of the terms used, there is a glossary to help you in Section 1.

As well as our guide, we suggest you also read the standard guidance published by The Pensions Regulator for employers, which you can find with this link:

<http://www.thepensionsregulator.gov.uk/employers.aspx>

This guide should be used in conjunction with the **Options UK – eConnect Member Data Upload User Guide**

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Section 1: Glossary of Terms

Us, Our, We	Options Corporate Pensions UK Limited (Options).
Administration Team	Options Corporate Pensions UK Ltd (Options), the appointed Administrator of the Pension Scheme.
Assessment	This is when the employer 'assesses' their workforce to establish the category of worker that each jobholder belongs to.
Communications	This refers to any correspondence issued to employees from either the employer or the Scheme.
Contractual Joiner	If a new employee is contractually obligated (it is written into their contract of employment) to join the Scheme, regardless of their eligibility, they are known as a Contractual Joiner.
eConnect Upload Template	The eConnect Upload Template that provides details of all the Member's personal details, joiner & leaver dates and the contribution amount paid for that payroll period.
eConnect	The portal you access to submit any member contributions including any changes.
Employer	This means any company, firm or person which is accepted to participate in the Scheme and who employs the Member for the time being.
Enrolment	This is when an employee joins the Scheme based on their category of worker status.
Deferred Member	A Member who is no longer an active member. They are no longer making contributions but still have a pension fund invested with the Scheme.
First Assessment	This refers to the first time you assess your workforce under Auto Enrolment to establish the type of worker and whether they will be automatically enrolled.
Opt-in	When an employee elects to join the Scheme but has not been automatically enrolled.
Opt-out	When an employee decides that they do not want to remain in the Scheme after they have been automatically enrolled. Once the opt-out process has been successfully completed the employee must receive a full refund (they must be refunded so that it is as if they had never been enrolled).
Opt-Out Window	This refers to the period of time a worker has to leave the Scheme and receive a full refund of any contributions made to the Scheme. This Window lasts for 30 days from the date that Welcome Letters are generated and made available by the Scheme to the employee.
Salary Exchange	<p>This refers to the contractual arrangement where a member makes contributions by 'exchanging' part of their future earnings or bonus for a non-cash benefit.</p> <p>The exchanged amount would normally be paid into a member's pension plan as an employer contribution. National Insurance Contributions will not be paid on the amount of salary that has been exchanged.</p>
Staging date (Duty) Start date	<p>This refers to the date when legal duties came into effect after 2012 and up to November 2017 requiring employers to assess and enrol some or all of their workers.</p> <p>This refers to the date when legal duties came into effect for new businesses set up after November 2017 requiring employers to assess and enrol some or all of their workers.</p>
Postponing/ Postponement	An employer can elect to postpone running their first assessment for 3 months following their Staging Date. Employees can still opt-in during this period but a formal assessment of the whole workforce does not need to take place. Once the postponement date is reached it is treated as the employers Staging date and an assessment of the full workforce will be required to take place.
Qualifying Earnings	<p>'Qualifying earnings' is a reference to earnings of between the Lower and Upper Earnings Limits* made up of any of the following components of pay ('earnings') that are due to be paid to the worker:</p> <ul style="list-style-type: none"> • salary • wages • commission • bonuses • overtime • statutory sick pay • statutory maternity pay • ordinary or additional statutory paternity pay • statutory adoption pay
The Pensions Regulator	The Pensions Regulator is the regulatory body that oversees and enforces Auto Enrolment.
Whistleblowing	This refers to the duty of care that both the employer and the Scheme Administrator have for reporting breaches and misconduct.

Section 2: Registering with The Pensions Regulator (TPR)

Now your Scheme has been established, you'll receive an email from our Onboarding Team confirming registration of the Scheme with The Pensions Regulator and a gentle reminder that you need to register as an employer directly with The Pensions Regulator.

Legally you have to complete the Pensions Regulator's declaration of compliance, you can do this by going to their website using this link: <http://www.thepensionsregulator.gov.uk/employers/automatic-enrolment-registration.aspx> and following their instructions for registration.

You have five months following your Scheme duty date (or re-enrolment date if moving from another provider) to complete the declaration of compliance. We're not allowed to complete this on your behalf.

You'll need the following information about your Scheme in order to complete this registration:

Your Pension Scheme Reference Number

This is the Pensions Regulator's reference for the Scheme master trust. This reference number will be included in your confirmation email from our Onboarding Team. PLEASE NOTE that this reference is **not** the HM Revenue and Customs (HMRC) pension Scheme tax reference number.

Your Employer Scheme Reference Number

This is the reference number we use to identify your Scheme on our system, allocated by us. This will also be included in your confirmation email from our Onboarding Team and is a mandatory field in your eConnect Upload Template.

Section 3: Your first employee assessment and communication

Your first assessment should be carried out at your Scheme start date and determine which category each employee is. The following are the categories of worker:

Category	Qualifying Status	Pensions Rights
Worker	An employee or someone who has a contract to perform work or services	If an employee does not fall within one of the categories outlined below, they will not be auto enrolled or have the right to join the Scheme.
Entitled	<ul style="list-style-type: none"> Over 16 Under 74 And earning equal to or less than the Lower Earnings Limit (LEL) * Is working or ordinarily works in the UK under their contract 	Staff member entitled to join the Scheme but will not be auto enrolled. Staff members in this category are required to opt-in if wishing to join the company pension Scheme. Employers are not required to contribute to the member's pension.
Non-Eligible	<ul style="list-style-type: none"> Over 16 but under 22 Or over normal retirement age but under 74 And earning between the Lower Earnings Limit (LEL) * and the Auto-enrolment threshold * Is working or ordinarily works in the UK under their contract 	Staff member entitled to join the Scheme but will not be auto enrolled. Staff members in this category are required to opt-in if wishing to join the company pension scheme. Employers have to contribute to the member's pension.
Eligible	<ul style="list-style-type: none"> Over 22 and under normal retirement age And earning more than the Auto-enrolment threshold * Is working or ordinarily works in the UK under their contract 	Staff member is auto enrolled into the Scheme with the employer required to make contributions. To leave the Scheme the staff member must personally opt-out or cease membership.

* Please follow this link for the values of the Lower Earnings Limit (LEL) & Auto-enrolment threshold for the current tax year: <http://www.thepensionsregulator.gov.uk/automatic-enrolment-earnings-threshold.aspx>

You have to let your employees know which category they are in because some employees that are not eligible for auto-enrolment may still want to join your company Scheme.

Please note that this assessment of your employees has to be carried out at every payroll period.

Most payroll providers have software that will do the assessments and communications automatically for you.

Section 4: Postponing your start date

You may postpone your start date and delay assessing who is eligible to join your Scheme for up to 3 months, but you will need to clearly communicate this to your employees within a set time period specified by The Pensions Regulator, which is up to 6 weeks after the postponement date.

Details can be found here: <http://www.thepensionsregulator.gov.uk/employers/postponement.aspx>

If you have postponed, then your first assessment should be run following your postponement end date.

IMPORTANT: Please note any eligible employees can choose to opt-in at any time from your Scheme duty date, even if you have chosen to postpone. You'll need to assess any employee that requests to opt-in, to check their eligibility.

There are some exceptions, details can be found here:

<http://www.thepensionsregulator.gov.uk/doc-library/automatic-enrolment-detailed-guidance.aspx#s11494>

Section 5: Your employee or member data

Any employee in or joining the workplace pension Scheme is referred to as a Scheme "member".

Contribution and Member Data (eConnect Portal)

What is eConnect?

eConnect is a fully secure online portal that gives you the functionality to upload, manage and track all member contributions and data.

How do I get the contribution and member data to you?

You'll be provided with a login and temporary password to gain access to eConnect. Details of this will follow in a separate email once your access has been set up (usually within 48 hours) Once the registration process has been completed you simply need to follow the upload process using the eConnect Upload Template and attached user guide.

We have used the contact details on the Scheme application to set up the login for eConnect. If the upload of your member data is managed by a third party (payroll provider, financial advisor, HR service) we can easily add additional users or change the current one, you just need to let us know.

Please see the **Options UK – eConnect Member Upload Template** attached to the email you received from the Onboarding Team. There were 2 versions attached. One template provides guidance on the data required along with examples and one is the raw file that should be used for the upload to eConnect.

We have worked with all the large payroll providers to ensure the template is ready to use in their software. Please note, there are over 100 payroll software providers so if our template is not available, we would be more than happy to work with your provider to make this happen.

What if a member has no contributions for the current period?

Where an employee is a member of the workplace pension Scheme, but they do not have a contribution for the current period, they still need to be included in the upload template. You simply need to add zero amounts into the contribution fields.

This ensures a full transaction history for the members when viewing their record online.

What if we are moving our Scheme from another pension provider?

If you are moving from another pension provider, you will need to ensure all existing Scheme members have a 'Y' populated in the Contractual Joiner field for your first upload into eConnect. This is to ensure the correct version of the Welcome Letter is produced for the members.

Only new joiners to the pension Scheme will receive an opt out period (unless a Contractual Joiner). If they are a Contractual Joiner please populate the **Contractual Membership** field with a 'Y'.

The Options UK – eConnect Member Data Upload User Guide will walk you through the process of uploading the member contributions and data. We will of course always be at the end of the phone to assist you. No wait times, no choosing from 10 different options, no voice activated choices, just 'talking directly to a person' support we all prefer.

Section 5: Your employee or member data (Continued)

How will my employees be communicated with?

Upon receipt of your first member data upload emails will be issued to all members inviting them to complete a registration process and log in to their online portal to view their Welcome Letter. Please ensure that email addresses (ideally a personal one) are supplied for **ALL** employees.

Guide to completing your eConnect Upload Template

All information uploaded to eConnect must pass all validation rules. We have provided a checklist below that should be used in conjunction with the eConnect User Guide you received with your onboarding email:

1. You should only include members of staff that have been enrolled/joined the Scheme.
2. The eConnect Upload Template headers must not be changed, added to or deleted before upload.
3. Please note the email address provided should NOT be a shared mailbox as this will be used to communicate with the members of the Scheme. Failure to provide a valid email address for an employee will lead to a delay in processing their communications.
4. There must be no negative contributions listed.
5. Payroll Reference number must be unique because we will use this to reconcile member records. If an employee leaves employment with you, you **must not** reassign the employee number to another member of staff.
6. No formulas should be included in the spreadsheet.

Multiple payrolls

If you run multiple payrolls you will need to let us know. This should be done in writing and is acceptable via email. In order to ensure that your Scheme is set up properly, this should be confirmed before you start to provide data. You will need upload your data via eConnect for every payroll assessment you complete.

Section 6: Processing opt-outs

Important Note:

Employers are not allowed to hold Opt-out forms for their employees. It is important that they are not seen to be influencing employees to “opt-out”. The Pensions Regulator will not tolerate this practice.

Employees can't opt-out until they are an active member of the Scheme. Active membership starts when the login registration email is sent or as of the date on the Welcome Letter if posted.

Your employees will be entitled to a refund of their contributions if they opt-out within 30 days from the date that Welcome Letters are generated and made available by the Scheme to the employee. This is called the “opt-out window”.

Employees will need to request an opt-out form from us using the contact details provided online or in their Welcome Letter. Alternatively, the form can be downloaded from their online account.

Members who wish to opt out must complete an opt out form. The form is available for electronic completion via the member portal (eMember). Alternatively, a paper form can be requested from the scheme administrators.

If completed online, the opt out request will populate the payroll changes report available for the employer to view within the eConnect system. If manually completed and signed, the form must be sent by the member to the employer. With either method the employer will then need to notify the scheme administrators via the eConnect upload template to allow the opt out to be processed (please see section 8 for further details).

Subsequently, the contributions are then refunded to the employer. If there has been a delay in the employer notifying scheme administrators of the member opting out, a disinvestment maybe required. The member record status is updated to Exit (Closed).

Once you receive notification of an opt-out from your employee, you will need to:

- **Record the date that it was received**
- **Keep the original on file**
- **Ensure the Date of Leaving is populated for the member who has opted out in your next eConnect Upload Template**

Section 6: Processing opt-outs (Continued)

If an employee opts-out before your next payroll run, you don't have to deduct contributions but you must notify us they have left by populating the **Date Of Leaving** field on the eConnect Upload Template.

The employee **must** then be removed from any subsequent eConnect Upload Templates.

Employees that opt-out of the Scheme within the opt-out window and have had contributions deducted are entitled to a full refund of their contributions. This should be refunded through your payroll within 30 days of you receiving notification of the opt-out.

If contributions have been received into the Scheme bank account for an employee that opts-out, the refund to the employee should still be processed by your payroll within 30 days, even if you have not received the refund from the Scheme.

We will not invest member contributions for 45 days from the date of the login registration email or Welcome Letter to allow for any opt-out refunds to take place before investment. If we are notified after the 45 days, the member contributions will have been invested and we will need to instruct a disinvestment of contributions to make payment back to you. If the contributions make an investment loss, we can only refund the value of the contributions following disinvestment. In this instance you will still need to make a full refund back to the member.

Employees that wish to opt-out after the opt-out window will be processed as a standard leaver.

Section 7: Processing opt-ins – start date and postponement

If you are postponing, you will need to make sure that this has been communicated to your employees within the time period specified by The Pensions Regulator. You can choose to delay working out who to put into a pension Scheme for up to three months for some or all of your staff. This is known as postponement. You must write to your staff to tell them what you are doing and how automatic enrolment applies to them.

Useful information from The Pensions Regulator on postponement site can be found by this link: <https://www.thepensionsregulator.gov.uk/en/employers/new-employers/im-an-employer-who-has-to-provide-a-pension/work-out-who-to-put-into-a-pension/postponement>

Eligible employees can opt-in during your postponement period, before they are automatically enrolled. Non-eligible and entitled workers can also opt-in following your Scheme Duty Date. If one of your employees wishes to opt-in to the Scheme you will need to assess the employee and provide us with their member data as you would for your regular payroll (see Payroll Section).

You must notify us the employee has opted-in by populating the **Date Joined Scheme** field on the eConnect Upload Template.

We will then issue the employees who have opted-in with a login registration email and they will have 30 days to opt-out.

Contractual Joiners

If a Contractual Joiner joins the Scheme they will need to be provided with an alternative Welcome Letter that does not include details for opting out.

You will therefore need to inform us of this status when you submit their data for the first time. You must notify us the employee is a Contractual Joiner by populating the **Contractual Membership** field with a 'Y' on the eConnect Upload Template.

If a Contractual Joiner wishes to leave the Scheme, they can elect to cease membership at any time and will be processed as a standard leaver. You must notify us they have left by populating the **Date Of Leaving** field on the eConnect Upload Template.

The employee **must** then be removed from any subsequent eConnect Upload Templates.

Auto-enrolment and re-enrolment

After ceasing membership, an employee will again be subject to enrolment if they subsequently become an eligible jobholder and be automatically enrolled every 3 years in line with auto-enrolment legislation.

Further details can be found here: <http://www.thepensionsregulator.gov.uk/docs/detailed-guidance-6.pdf> (paragraphs 81-104)

Section 7: Processing opt-ins – start date and postponement (Continued)

Standard Leavers

Standard Leavers will be sent a Leaver Letter from the Scheme. If an employee leaves employment and they have made a contribution to the Scheme through your payroll you must notify us they have left by populating the **Date Of Leaving** field on the eConnect Upload Template.

Once the employee has left the Scheme and we have been notified of this via eConnect they **must** be removed from subsequent eConnect Upload Templates.

Changes

Member detail changes are changes to any information requested on the eConnect Upload Template which can be changed any time and their records will automatically be updated with the information provided on the latest eConnect Upload Template.

Short service refunds of contributions are no longer available due to changes in legislation. Any employee who joined the Scheme after the 1st of October 2015 can only transfer to another pension provider or become a deferred member.

Section 8: Payroll and Contributions

As covered earlier, you will need to submit your member data to us on completion of your payroll using the eConnect Upload Template.

We require member data for each payroll that you run and you should be assessing your employees every time you run your payroll.

Important notes about your data

Only employees that have been enrolled/joined the Scheme should be included in the eConnect Upload Template.

Where a member opts out of the Scheme you must notify us they have left by populating the **Date Of Leaving** field on the eConnect Upload Template.

The employee **must** then be removed from any subsequent eConnect Upload Templates.

Where a member leaves employment you must notify us they have left by populating the **Date Of Leaving** field on the eConnect Upload Template.

The employee **must** then be removed from any subsequent eConnect Upload Templates.

Part of the responsibility of the Scheme Administrator is to ensure we monitor that the contributions deducted are being paid in accordance with the Auto-enrolment legislation, as required by The Pensions Regulator. To enable us to complete this check you must include the salary figure the contribution was based on by populating the **Earnings** field in the eConnect Upload Template – as a minimum this should be Qualifying Earnings for the pay period.

There are currently two methods of receiving contribution payments from you.

Direct Debit

Our preferred method for receipt of contribution payments is via direct debit. As part of the onboarding process you will receive a Direct Debit mandate for completion.

Contribution payments must be made within the regulatory deadline which is 22nd of the month following the month in which they were deducted. To achieve this, we will need to receive your contribution schedules by the 19th of the month each month. This will provide us with sufficient time to reconcile and process the schedule for the direct debit collection.

PLEASE NOTE: Where direct debit is not used as your contribution payment method there will be an annual charge applied of £200 per year.

Section 8: Payroll and Contributions (Continued)

BACS Payment

If you do not wish to use our Direct Debit payments method, we will charge an annual fee, as mentioned on previous page.

We will expect to receive payments into the Scheme bank account in line with contribution data. For example: If you run your payroll weekly you must submit a weekly member data template and you will need to pay contributions weekly into your Scheme bank account.

Contribution payments should be made to the Scheme bank account, the details of which have been supplied by us. Payment should be made by direct payment (e.g. BACS) into the account.

You will **not** receive an invoice for contribution payments; they should be paid directly into the Scheme bank account once deducted from an employee's salary.

All contributions **must** be deducted gross from your employees' salaries, under the net pay arrangement.

BACS payments must equal the contributions total on the eConnect Upload Template you have submitted.

Section 9: Contributions and statutory reporting

Important notes about the law

The timescales for payment of contributions are laid down in legislation, so if contributions remain outstanding for a period of 90 days from their due date, the Scheme trustees must report this to The Pensions Regulator.

The Scheme trustees also must report an employer if contributions are consistently paid late. We will therefore make a report to The Pensions Regulator if contributions are paid late for three or more months in a row.

If we are required to make such a report to The Pensions Regulator, we may apply an employer charge of £75 + VAT to cover our costs of submitting the report.

We always ask that you contact us in the event of any difficulties so that we are aware of this at an early stage

Section 10: Enforcement

We are governed by law too. So, if you fail to meet your lawful duties as an employer under auto-enrolment regulation, we must report breaches to The Pensions Regulator within 10 days of discovering the breach.

Examples of reportable breaches include:

- Not enrolling employees within regulatory timeframes
- Not paying contributions within regulatory timeframes
- Not refunding opt-outs within regulatory timeframes

The Pensions Regulator has a number of enforcement options that it uses depending on the individual circumstances that surround a breach.

Initially, The Pensions Regulator may take informal action. This can be in the form of an instruction by telephone, email, letter, or in person confirming a set timeframe for compliance with the duties. A warning letter may also be issued in response to a minor alleged breach.

The other enforcement options that The Pensions Regulator may use are:

Statutory Notices – These are notices that can direct you to comply with your duties and/or pay any contributions you have missed or are late in paying.

Penalty Notices – These are notices to punish persistent and deliberate non-compliance. These usually contain details of fines payable. They may also highlight any court action that may be used.

Third Party Notices – These are issued directly to any third parties involved and, if not complied with, can lead to a penalty fine.

The Pension Regulators enforcement decisions can be challenged by requesting a review and, if still dissatisfied, making a reference to the first-tier tribunal.

More information can be found by following this link:

<http://www.thepensionsregulator.gov.uk/employers/what-happens-if-i-dont-comply.aspx>

Section 11: Who to contact

Our Corporate Administration Team will provide support Monday to Thursday from 8am to 6pm, and Friday from 8am to 5pm

The Corporate Administration Team

Onboarding Team:

Contact for any matters relating to the setting up of a new Scheme.

Email: onboarding@optionspensions.co.uk

Tel: 0330 124 1510

Dedicated Teams Contact Information

Options - TAM

Contact for any queries

Email: TAM@optionspensions.co.uk

Tel: 01908 106444

Options Workplace Pension (including former Amber schemes)

Contact for any Queries

Email: OWPT@optionspensions.co.uk

Tel: 01908 106443

Islamic Pension Trust

Contact for any Queries

Email: OWPT@optionspensions.co.uk

Tel: 01908 106447

Management Contacts

Nichola.Whitaker@Optionspensions.co.uk - Head of Service & Administration

Sara.Barlow@optionspensions.co.uk - Service Manager – Options TAM Section

David.Jones@optionspensions.co.uk - Service Manager – Options and Islamic Pension Trust

Please do not hesitate to contact us if you have any questions, issues or need any assistance. We are here to help and support you.



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FOR MORE INFORMATION PLEASE CONTACT
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