

Information
for software
developers

A quick guide to

recent changes to the automatic enrolment regulations

This quick guide highlights the technical changes we have made to our **Detailed guide to automatic enrolment for software developers** which has been updated in light of changes to automatic enrolment legislation.

The Department for Work and Pensions (DWP) recently made technical changes to automatic enrolment legislation to improve the ease of administration of the new duties. Changes to the regulations took effect from either 1 November 2013 or 1 April 2014.

Developers whose employer customers have more than 50 persons in their PAYE scheme will want to know what changes will impact software that they have developed.

If you haven't yet developed software for automatic enrolment, then you don't need to read this guide but you should look at our **Detailed guide to automatic enrolment for software developers**. (We refer to this as 'Our guide' throughout this document for ease of reference).

Relevant changes are listed in the following tables, along with a note on the changes we have made to our guide.

Changes from 1 November 2013

Defining pay reference periods ('PRPs') for assessing automatic enrolment duties

Since 1 November 2013, employers are able to choose to use an alternative definition of PRP (the period over which qualifying earnings are measured) which is aligned to tax weeks or months in their assessment.

i The alternative definition is described in paragraphs 104 to 153 on pages 28 to 44 of our guide. There are also updates to section 2.4 of our guide – Automation of the assessment process (previously Scenarios and common questions) on page 129.

Employers who use the definition of PRPs aligned to the period by reference to which the worker is paid their regular wage or salary can continue to use that definition or can choose to change and use the new definition on or after 1 November 2013.

i See paragraphs 210 to 221 on pages 64 to 69 of our guide.

There have been no changes to the data items and calculation routines as a result of these technical changes as these all remain true for whichever definition of the PRP the employer is using.

Defining PRPs for assessing the minimum contribution requirement

Since 1 November 2013, there are three alternative definitions of PRPs for the purposes of the minimum contribution requirement. The minimum contribution entitlement is part of the qualifying criteria which a pension scheme must meet if the employer is using it for their duties.

i See paragraphs 240 to 307 on pages 73 to 114 of our guide.

This is only relevant where the pension scheme rules or governing documentation define pensionable pay as qualifying earnings in the relevant PRP.

Employers currently using a pension scheme with such a rule for their employer duties can choose to continue to use their existing definition or change to one of the alternatives on or after 1 November 2013.

i See paragraphs 308 to 318 on pages 117 to 127 of our guide.


i C16 has been updated on pages 214 to 220 of our guide.

There have been no other changes to the data items and calculation routines as a result of these technical changes because it remains the case that the pension contribution calculation is governed by the pension scheme rules and governing documentation, and not by legislation.

Changes from 1 November 2013 continued...

Introducing consistency for contribution payment deadlines for all pension scheme joiners


The extended deadline by which contributions deducted from earnings are required to be paid over following automatic enrolment, re-enrolment or opt in has been expanded to apply to entitled workers joining a pension scheme after a joining notice and jobholders contractually enrolled into what would be a qualifying scheme if it were being used for the duties.

 See paragraphs 319 to 327 on pages 127 to 129 of our guide. There are no changes to the data items or calculation routines.

Changes from 1 April 2014

Length of the joining window

Since 1 April 2014, the length of the joining window (the period the employer has to complete the statutory steps for automatic enrolment, automatic re-enrolment and enrolment (opt in)) has been extended from one month to six weeks.

 References to the joining window have been updated, in particular in section 3 of our guide.

Any joining window starting on or after 2 March 2014 is, in practice, a period of six weeks from the automatic enrolment or enrolment date.

Information requirements


There are corresponding changes made to most of the information requirements. Since 1 April 2014, the deadline for giving:

- information to a jobholder about the right to opt in to an automatic enrolment scheme is no later than six weeks after the right to opt in first applies to the jobholder.
- information to an entitled worker about the right to join a pension scheme is no later than six weeks after the right to join first applies.
- a notice to an eligible jobholder about the transitional period for schemes with defined benefits (where the employer has chosen to apply the transitional period) is no later than six weeks after the employer's first enrolment date.

Changes from 1 April 2014 continued...

Information requirements

- a postponement notice (of any type) to a worker (where the employer has chosen to use postponement) is no later than six weeks after the day after:
 - the employer's staging date, if they are choosing to use postponement on their staging date in respect of any workers employed on their staging date
 - the first day of employment, if they are choosing to use postponement on the first day of employment in respect of any worker starting employment after the employer's staging date
 - the date the criteria to be an eligible jobholder are met, if they are choosing to use postponement on the day a worker employed by them meets the criteria to be an eligible jobholder after the employer's staging date
 - the date with effect from which arrangements for active membership fall to be made under the transitional period for DB and hybrid pension schemes with defined benefits.


 References to the deadlines for giving these different information requirements have been updated in section 3 from page 242 of our guide.

Again this will be of relevance to those developers who have built in end-to-end support of the employer duties in excess of the core functionality.

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Other changes to be aware of

The **Detailed guide to automatic enrolment for software developers** also now includes the functionality for cyclical automatic re-enrolment. This has resulted in a new data item at A6 on page 169, a new calculation routine at C30A on page 223 and a new report on page 230.

 Guidance on cyclical automatic re-enrolment can be found at paragraphs 60 to 78 on pages 17 to 23 of our guide, and in the corresponding **Detailed guidance for employers**.


 The data items that may be supported by software can be found on pages 236 to 240 of our guide.

The cyclical automatic re-enrolment. Re-declaration of compliance (re-registration) is the provision of information by an employer to The Pensions Regulator to demonstrate how they have complied with their automatic re-enrolment duties.

The qualifying earnings thresholds and the earnings trigger for automatic enrolment have been updated with the values for 2014-2015.

 These can be found at A2 to A4 on pages 166 to 168 of our guide.

We have also published an updated test data companion that accompanies the guidance. The test data companion provides fictitious case studies that illustrate some of the more complex scenarios in the core functionality in section 2 of our **Detailed guide to automatic enrolment for software developers**.

 The Test data companion can be found on our website at:
www.tpr.gov.uk/docs/test-data-companion-v3.pdf

How to contact us

If you have any queries, please email us at pensoftware@thepensionsregulator.gov.uk

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