



## Auto-enrolment compliance and enforcement

**The Pension Regulator has published figures which demonstrate compliance with auto-enrolment continues to be the norm but with tens of thousands of small and micro employers staging in the coming months the Pensions Regulator has warned of potential pitfalls to compliance.**

### The results

Between April and June this year the Pension Regulator issued 119 compliance notices, 50 unpaid contribution notices, 68 fixed penalty notices and no escalating penalty notices. The findings highlight that those employers with seasonal and temporary staff must take care when assessing workers or postponing staff.

### Compliance and enforcement strategy

The Pension Regulator has updated its compliance and enforcement strategy and policy. This document details the Pension Regulator's approach to identifying, deterring, preventing and tackling non-compliance and reflects lessons learned about the particular compliance challenges. Employers who are not clear about their duties risk failing to comply on time and are sometimes unaware they will have to pay the missing pensions contributions. The strategy and policy explains the circumstances where the Pension Regulator will require contributions to be backdated. This includes circumstances where the employer will be required to pay the workers contributions as well as their own.

### Auto-enrolment analysis

The Pension Regulator has published its third annual *Auto-Enrolment Commentary and Analysis* for the period from April 2014 to March 2015. The analysis shows that half a million more small and micro employers will have auto-enrolment duties than previously estimated. A total of around 1.8 million small and micro employers will need to meet their pension duties over the next three years.

Other key information included in the report:

- By the end of March 2015, a total of 5.2 million eligible job holders were auto-enrolled. Around 35,000 employers had completed their declaration of compliance between April 2014 and March 2015.
- 68% and 64% of small and micro employers respectively plan to seek help with auto-enrolment from a business adviser with accountants and IFAs likely to be the most commonly used.
- 90% of small employers surveyed two to four months before reaching their staging understood their auto-enrolment duties.
- From July 2012 to March 2015 around 52% of employers used postponement.
- In the year to the end of March 2015 the Pension Regulator used its formal powers on 2,169 occasions, these included 1,682 compliance notices, 424 fixed penalty notices and 5 escalating penalty notices.

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