



Workplace Savings

An Isio blog

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How do you know if you are doing it right?

Auto Enrolment (AE) compliance...

Who is this for? HR Directors, Heads of Pensions, Payroll Managers, Benefits / Reward Managers

Getting AE compliance wrong can be really expensive. It isn't just a regulatory requirement. Any breach (small or large...one-off or systemic) can lead to snowballing fines or anti-avoidance powers of tPR. And worse public naming and shaming, and stressed employee relations.

We find the three most common (and unnecessary!) AE compliance mistakes are:

- 1) Data is simply inaccurate or substandard
- 2) Regulations (and practicalities) for leadership and payroll teams are not adequate
- 3) Administration processes and controls aren't robust or embedded

In the event of such breaches tPR will insist the employer 'puts it right', for example by:

- paying the underpaid amount back to members;
- reconciling overpayment to members;
- insisting that employers correct leavers (also those who have since passed away);
- making good on lost investment returns - going back up to 8 years;

'Putting it right' can add up to a very expensive headache for everyone including the Finance Director.

We have found that many organisations think they're doing AE right but it turns out they're not! It's worth getting it checked by independent specialists, noting that the initial work is a low cost 'health check'. At Isio we have delivered countless tPR rectification projects for our clients. We are entirely independent, with no associated product to sell. We get right in there with you, roll up our sleeves and get it sorted, no judgement!

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