

Auto Enrolment Key terms and definitions

- **Automatic Enrolment (AE)** – The process in which Eligible Jobholders, who are not already a member of a qualifying scheme, must be automatically enrolled into a qualifying pension scheme.
- **Department for Work & Pensions (DWP)** – Policy owner and responsible for enabling and coordinating activity for the programme. Defines the communication required between employers and employees.
- **NEST (National Employment Savings Trust Corporation)** – A pension provider available to all employers who want to use it. NEST is a workplace pension scheme designed for automatic enrolment that is available to any UK employer regardless of the organisations' size.
- **Opt In** – A jobholder has the right to 'Opt In' to an automatic enrolment scheme, unless they are:
 - An active member of a qualifying scheme with that employer.
 - An eligible jobholder for whom the employer has an automatic enrolment duty.
- **Opt Out** – Eligible jobholders may choose to 'Opt Out' after they have been automatically enrolled. Non-eligible jobholders who have opted in may choose to 'Opt Out' after they have been enrolled. Workers who have been enrolled under contractual enrolment and entitled workers who have asked to join a scheme do not have the right to choose to 'Opt Out'. If they want to leave the scheme, they must cease membership in accordance with the scheme rules.
- **Eligible jobholder**
 - Aged between 22 and the state pension age (SPA)
 - Working in the UK
 - Earning above the minimum earning threshold (currently £8,105)
- **Non-eligible jobholder**
 - Aged between 16 and 21 or SPA and 74
 - Working in the UK
 - Earning above the minimum earning threshold**OR**
 - Aged between 16 and 74
 - Working in the UK
 - Earning above the lower earnings threshold (currently £5,564) but below the minimum earning threshold

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- **Entitled workers**
 - Aged 16-74
 - Working in the UK
 - Earning below the lower earnings threshold
- **ORIGO** – An ecommerce standards and services body for the UK financial services industry. Represents several pension providers.
- **Postponement Date** – Postponement allows the employer to postpone the automatic enrolment process for up to 3 months. This can be for:
 - All employees (can only be postponed at staging date)
 - Selected individuals (can be postponed at staging date or when they trigger automatic enrolment)
 - Groups of employees e.g. new starters (can be postponed at staging date or when they trigger automatic enrolment)
- **Qualifying Earnings** – The earnings used to identify whether an employee is an eligible jobholder or a non-eligible jobholder and their level of contributions.
 - When a worker is paid in arrears, the employer considers what is due to be paid in this period regardless of what period it is earned.
 - Includes: salary, wages, commission, bonuses, overtime, SSP, SMP, OSPP, ASPP, SAP.
- **Staging Date** – The date when businesses must start the automatic enrolment process
- **The Pensions Regulator (TPR)** – The UK regulator of work-based pension schemes. Responsible for auditing companies ensuring that employers are compliant with the WPR legislation
- **The Pensions Advisory Service** – An independent non-profit organisation that provides free information and guidance on the whole spectrum of company, personal and stakeholder schemes.

