

# 10 Biggest Auto Enrolment Mistakes & how to avoid them



Brought to you by



## Communicating with Clients

There are many ways to communicate with your clients in relation to their [automatic enrolment](#) duties. Not every method is right for every situation or for every client. Clients can respond to different marketing messages in different ways. It might be useful to use several forms of communication to get the best result. For example, you could send a series of three emails and / or letters to your clients, 6 months before they are due to stage. It would then be important to follow up with a phone call, adding a personal touch.



## Planning

Auto enrolment applies to every employer in the UK, even if you have no eligible jobholders. All organisations, large and small, may have limited resources to handle auto enrolment, especially when we look at the small and micro employer market. In addition, more and more employers are being fined for missing their staging date. A well thought out planning process will be key to success. Setting goals is a good idea in order to help you and your clients handle the stages of AE.

## Miscalculations



Assessing each employee's worker category and calculating the contributions and deductions is a crucial aspect of [AE](#). Make sure that you have each employee's information recorded correctly, such as their age and qualifying earnings. Your payroll software should then easily carry out the assessments for you. Your payroll should also automate the contributions and deductions each pay period, thus avoiding any miscalculations.

## Pension Scheme Setup

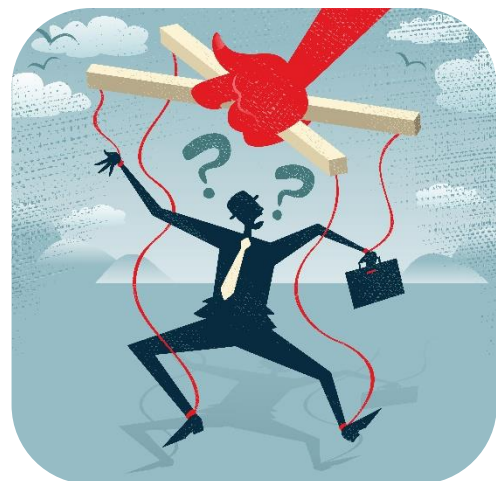
For you and your client, setting up a pension scheme for the first time can take time. Many accountants fail to give their clients adequate time to select and prepare for the setting up of a pension scheme. Your client will need to do some research and choose the best pension scheme for their business and their employees.

## Staff Resources

This year alone, approximately half a million small and micro employers will reach their staging date. If you offer payroll services to your clients, it will be important to check their staging dates to find out if you require extra staff resources to handle each client. Good payroll tools should relieve the administrative burden of AE, so you should need minimal, if any, additional staff resources.

## Pension & Payroll Compatibility

Each auto enrolment pension provider requires their pension data to be sent to them in a unique and specific format. With the main pension providers, your payroll should easily prepare the contributions file in the correct format for you. Check to see what pension providers are compatible with your [payroll software](#). API tools are another useful feature to speed up the AE process. An API is an integration feature which allows for both pension and payroll to directly communicate with each other. NEST have released API tools which can validate setup information, approve payments and submit pension file data from within the payroll to NEST. Check to see if your payroll offers API features that link payroll to pension.



**To find out more click on [BrightPay & NEST web services / API](#).**

## Cost



You may need to factor in costs to cover any investment in software to cater for automatic enrolment. Some software providers are charging for an AE module or AE add-on. Paying extra for AE functionality will only eat into your profits. Auto enrolment functionality should be a free component as part of your payroll software. For example, BrightPay offer payroll and auto enrolment software for £199 + VAT / tax year.

## Declaration of Compliance

It is quite common for employers to fully carry out each of the automatic enrolment duties correctly, only then to forget to complete and submit their declaration of compliance. Check with your client to see who will be responsible for this task. Mark the declaration deadline in your calendar to ensure you remember to submit the declaration.

## Director Only Companies

Sole directors who have no employees do not have automatic enrolment duties to perform. However, some of these companies are under the impression that they don't need to do anything. It is important to understand that if you think that AE does not apply to you then you must communicate this to the Pensions Regulator. More detailed information on director only companies is available on the Pensions Regulator's website.



## Postponement



Some employers believe that if they choose to postpone all employees for 3 months at their staging date then nothing needs to be done in that 3 month period. This is not the case, as all employees must receive a communication within 6 weeks of the staging date advising them that they have been postponed and to let them know when they will be re-assessed. If this communication is not issued, then the

postponement effectively never happened and enrolment must be completed retrospectively back to the staging date, which will in itself be a nightmare.

---

**This guide is brought to you by  
BrightPay Payroll & Auto Enrolment Software**

New accountant customers can now receive a [25% discount](#) off a BrightPay 2016/17 bureau licence if they switch from another payroll software provider. Offer applies to new customers for the first year subscription only.

You can [purchase online](#) or contact our sales team on 0845 3004 304 or [sales@brightpay.co.uk](mailto:sales@brightpay.co.uk) and quote 'Accounting Web'.

Find out here [Why are accountants switching to BrightPay??](#)

**Book a free [online demo](#) now or download our [free 60 day trial](#).**

**Book a Demo**

**60 Day Trial**

## About BrightPay

[BrightPay](#) is created by a company with over twenty years of industry experience in the UK and Ireland. We have grown to a team of twenty two talented individuals.

As a team, our collective goal is to intelligently create, successfully deliver and professionally support the best payroll and HR software and services for SMEs in the UK and Ireland.

Our products are currently used by over 80,000 employers across the UK and Ireland. As a customer-focused company, we strive to look after each and every one of them.

BrightPay are highly commended for their level of customer support, their simple pricing structures and their user-friendly software.

[Read customer testimonials here.](#)

**99.4%**  
customer  
satisfaction  
rate

**98.8%**  
recommend  
BrightPay

**98.5%**  
satisfied with  
customer  
support

## Get in touch today to see how BrightPay can help you prepare for auto enrolment.

**Call:** [0845 3004 304](tel:0845 3004 304)

**Email:** [sales@brightpay.co.uk](mailto:sales@brightpay.co.uk)

**Visit:** [www.brightpay.co.uk](http://www.brightpay.co.uk)

**Follow:**

