Auto Enrolment:

Discover 5 Strategic Steps to Bureau Profitability

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You can't argue that the UK's payroll landscape has changed forever. The introduction of Auto enrolment has brought employers kicking and screaming into participating in a pension scheme by law. According to research carried out by the [Pensions Regulator](#), just 59% of small and micro businesses due to stage in 2016 are even aware of their staging date. Interestingly, a significant minority of small and micro payroll bureaus were not even aware of their clients staging dates; **notably 23% of accountants and 26% of bookkeepers**.

Such is the lack of understanding surrounding Auto Enrolment; the Pension Regulator continues to struggle to simplify the process for employers. As the number of employers that need to stage increases, the Regulator expects to see an increase in how often they need to enforce their statutory powers. Worryingly, further research indicates that the small, medium and micro businesses are more likely to leave their Auto Enrolment responsibilities closer and closer to their staging dates.
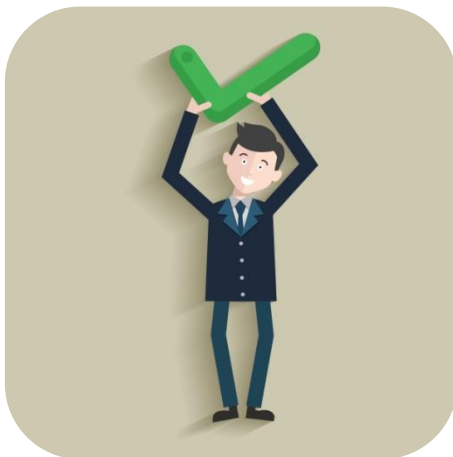

For employers, the time that is involved in complying with these new obligations is a great concern. They are extremely anxious that the process of complying with AE will be time consuming, frustrating and costly. This presents an opportunity for bureaus to add value to their existing services that they already provide for their clients. These clients will require help understanding the implications for them, their employees and their business. Many employers will undoubtedly look to their bookkeeper, accountant or payroll advisor for guidance.

A New Revenue Stream

As trusted advisors, bureaus need to be aware that many employers are more than interested in making sure they are Auto Enrolment ready. For these employers they will want to look at key areas where they can minimise the internal costs involved with Auto Enrolment compliance while saving time, effort and energy. By offering a complete end-to-end solution, bureaus can generate income and enhance client relationships.

Payroll bureaus can offer a package that looks after all the initial administrative burden and handles the ongoing AE duties. The value proposition for these clients will include reducing their costs, removing the stress and ensuring they are Auto Enrolment compliant. There is a distinct window of opportunity to provide AE as a chargeable service to your existing clients and potentially gain new ones. The advantages for any payroll business are obvious; gain market share and grow revenue.

The first step is to review your existing payroll systems to check if it is suitable for all that is involved in preparing these clients for Auto Enrolment. There is a number of free or competitively priced payroll software with Auto Enrolment features included. However, be cautious, as some solutions are charging extra for additional employees, employers and customer support.

Solution for Bureaus

Fortunately, modern innovative solutions exist that can automate these Auto Enrolment chores. Armed with the employer staging date, bureaus can now simply enter the date to assess each employee's eligibility for Auto Enrolment at the staging date. Good payroll software will further handle all employee AE communications based on each employee's individual eligibility. For large, repetitive or time sensitive tasks, the speed of automated Auto Enrolment offers significant cost savings to bureaus. This will be especially relevant when these employers approach their bureaus close to, at or even after their staging date.

Employee communication will play an important part and is often considered the most challenging part of the process. Sophisticated payroll and Auto Enrolment software will be able to handle staging, employee assessment, postponement, **all employee communications,** ongoing monitoring, opt outs and refunds. Integration with AE pension providers will be a key consideration to think about when weighing up the various payroll solutions out there. Another major factor to take into account will be the long term customer support costs that may be an additional charge.

BrightPay is an Auto Enrolment solution that will empower bureaus to improve profit margins and increase the turnaround of these clients. The software has been designed to take all of the grunt work out of Auto Enrolment. BrightPay is a huge time saving tool which effectively handles every stage of the Auto Enrolment process for bureaus. According to the Institute of Certified Bookkeepers accreditation report, **"In simple terms "it just works!" The ability to manage pensions is easy and will become more important in the payroll world going forward."** Workflow is increased since bureaus are no longer wasting time on the manual admin tasks involved with AE, therefore they are working more efficiently.

BrightPay's Five Strategic Steps to Bureau Profitability

1. **Automation –** By automating as many of the Auto Enrolment tasks, bureaus can reduce overheads per client, increase staff efficiency and increase bureau profits.

2. **Functionality –** Ensure your solution has everything to prepare your clients for Auto Enrolment. The majority of admin tasks can take up a lot of additional time and resources to assess and complete manually.

3. **Hidden Costs –** Check to see if there are any hidden charges when it comes to the number of employees, employers and the level of support that is provided. Many solutions are advertising a low buy in price with exorbitant hidden costs.

4. **Timing –** Ensure that whatever solution you adopt is in place from the start of the relevant tax year. The last thing you want to contend with is changing payroll software mid-year which could lead to additional complications.

5. **Communication –** Be proactive by educating and communicating directly with your clients about what is involved for them. Effective communication will build a strong business relationship with your clients.

How can BrightPay help?

BrightPay have embraced auto enrolment and are providing a number of online resources to bureaus across the UK, including free auto enrolment webinars and guides.

Book a demo with our sales team today to find out how BrightPay handles auto enrolment and how it can increase the efficiency of your bureau. You can also try out the software with a 60 day free trial.

Book a Demo   **Download Now**

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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.

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