

5 Clever Ways
Payroll Bureaus
can **Make a**
Profit with Auto
Enrolment



Auto Enrolment & Small Employers

Recently there has been a lot of discussion around the complexities of auto enrolment. A growing trend is emerging, that small employers will need help and advice to prepare for auto enrolment. In 2015, [The Pensions Regulator](#) wrote to over 1.5 million businesses as part of a campaign to raise awareness about auto enrolment, and associated employer duties. The campaign aimed to ensure that every employer will at least be made aware of their staging date.



Opportunity for Payroll Bureaus

A large portion of small employers are not completely aware of what is involved to comply with these AE duties. Payroll bureaus can help their payroll clients avoid penalties by offering a service that facilitates them to comply with their employer duties. Be prepared - if you have payroll clients, they may ask you about workplace pensions and what is involved for them and their business.



Savvy bureaus will want to increase the profitability and effectiveness of this kind of payroll work. Research by the Pensions Regulator indicates that small employers will look to their payroll bureau to help them grasp the implications for their business and make the right decisions. The question remains: how can we turn this situation into a positive for bureaus and employers alike? It is all about efficiency and there are several challenges which need to be overcome to achieve this and retain profit.

Discover how savvy bureaux can benefit financially from Auto Enrolment.

If you have payroll clients, there are **five important things** to consider which will improve profits and increase the turnaround of payroll clients:



1. Engage with your Clients

It will be important to engage with the small and micro employers that have not yet staged. These employers will be required by law to automatically enrol eligible employees into a qualifying workplace pension scheme when they run their payroll on their staging dates. The first thing to do is to find out your clients' staging date to start planning accordingly. It is possible to look up the staging date on The Pensions Regulator's website, if you have their PAYE information. Be aware, that if you decide not to process AE, there will be a risk that you will lose some or all of your payroll clients.

2. Avoid Penalties

The impact of automatic enrolment will affect your clients business now and for the foreseeable future. [The Pension Regulator](#) continues to enforce fines and penalties for non-compliance. Not allowing enough time to plan could lead to your clients being fined which they won't thank you for. AE penalties range from £50 to £10,000 depending on how many employees your client has. Non-compliance fines range from £1,000 to £5,000 and civil penalties range from £5,000 to £50,000. In 2014, The Pensions Regulator fined 169 employers for failing to comply. By planning ahead, it will allow you to avoid hefty penalty fines.

3. Be an Expert

By understanding employer AE obligations, bureaux can position themselves as an expert and authority figure. Employers outsource their payroll processes to you because you have the expertise and it saves them time and money. Today, with auto enrolment, it is not only about cutting costs for employers but trusting you as a payroll professional to make sure they are fully AE compliant with the law. Furthermore, some employers may not have the competency, time or know-how to handle AE. Once employers have confidence in your expertise and ability they should be open to the idea of outsourcing these auto enrolment tasks to you for a chargeable fee.



4. Payroll Software - Ensure AE Functionality

Payroll software will play a vital role in ensuring the success of automatic enrolment. Without the appropriate systems, bureaux will need additional time and resources to plan for AE. Payroll software can provide the necessary functions to automate the employer admin tasks. You will need to know which employees need to be automatically enrolled and which people have the option to opt in. Payroll software can access employee pay and other information so as to establish who will be eligible, non eligible or entitled. [The Pensions Regulator](#) further urges bureaux and employers to check with their payroll provider to ensure that it will correctly identify the duty you have for each employee and to see if the system will support the requirements of automatic enrolment.



5. Increase Revenue

Automatic enrolment is presenting bureaux with a unique platform to increase profits. There is a market of small and micro employers due to stage this year that are ripe for the picking. It will be important to capitalise on this window of opportunity. By offering AE as a chargeable service, bureaux can improve productivity for payroll processes and enhance client relationships. These services can add additional revenue streams to your organisation, provide added value to your existing clients and increase the possibility of bringing new clients on board. It further provides a competitive edge to you over other bureaux that refuse to provide AE as a service to their clients.



Now you know how to improve profits, you need the correct payroll tools in place to streamline these processes:

Payroll & Auto Enrolment Software



Payroll software that can automate these employer admin tasks such as employee assessment, personalised communication, ongoing monitoring, opt-outs, refunds, mandatory reporting and pension contribution deductions will be vital to improving profits. If automatic enrolment is not already included with your current software provider as standard, you may have to pay additional costs for AE functionality and support.

Bureaus do have the option to consider an [alternative software](#) package that

has AE features included and no hidden support charges. The advantages of AE software are numerous, but mainly it significantly increases the efficiency and effectiveness of payroll work.

If changing payroll software, it is advisable to effect the change from the start of the payroll year, thereby avoiding any of the complications of a mid-year change e.g. importing cumulatives, ensuring RTI fields are correct, etc.

The Solution

BrightPay is payroll and auto enrolment software which will enable bureaus to help their clients prepare for their staging dates. [BrightPay](#) is an all encompassing solution that works to automate and simplify the AE process, making it as easy as possible for you to help your clients achieve compliance.



Employee Assessment

With BrightPay you can create a nominated auto enrolment scheme, assess each employee's qualifying earnings and easily determine which employees to automatically enrol based on their work status. Simply enter the staging date and [BrightPay](#) will automatically let you know when you need to enrol your employees.

Employee Communication

By law, each employee will need to be informed about key stages of the AE process. The communications will need to be personalised and tailored based on the employee's work status. BrightPay automates each employee's communications to include a personalised statement from the employer detailing their retirement options, investment choices, contributions, costs and charges which can either be printed or emailed.

Accredited Payroll Software

BrightPay does more than look after your auto enrolment needs. The software is HMRC recognised and RTI submission compatible. BrightPay has recently been awarded an accreditation for payroll software by the Institute of Certified Bookkeepers in the UK. Read full report [here](#).

"In simple terms "it just works!" The ability to manage pensions is easy and will become more important in the payroll world going forward."

ICB Accreditation

Hidden Charges



The auto enrolment features are completely free of charge and are included as part of your BrightPay licence. For bureaux, there are no limitations on the number of employers or employees that can be set up. What's more full email and phone support is included with all our packages. Our pricing model is easy to understand with no hidden charges.

Reporting & Integration with AE Pension Providers

BrightPay is integrated with a number of AE pension providers including NEST, NOW: Pensions, Scottish Widows, The People's Pension and many more. It is mandatory for employers to produce certain information to the regulator about their pension scheme. Flexible reporting allows you to choose the information you want to produce. You can open multiple reports side-by-side and save report templates. [BrightPay](#) can produce customisable reports based on any number of criteria.

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.](#)

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customer
satisfaction
rate

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

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