



OPERA AUTO ENROLMENT PROCESSING GUIDE



Workplace pensions law has changed and every employer has new duties

[More about automatic enrolment](#)



automatic enrolment



LEGAL NOTICE

PLEASE NOTE THAT THE INFORMATION WITHIN THIS DOCUMENT IS INTENDED TO BE USED AS A GUIDE FOR SETTING UP YOUR PEGASUS OPERA PAYROLL SOFTWARE FOR AUTO-ENROLMENT.

FULL DETAILS OF YOUR REQUIREMENTS AND LEGAL RESONSIBILITIES SHOULD BE OBTAINED FROM THE PENSIONS REGULATOR AND YOUR PENSION ADVISOR.

PEGASUS OPERA VERSIONS THAT ARE “AE READY”:

1. Opera 3: **1.81** onwards
2. Opera II: **7.21** onwards
3. On Line Filing Manager: **3.30** onwards

EMPLOYERS RESPONSIBILITIES/DUTIES:

1. Auto enrol employees into a qualifying scheme
2. Provide information
3. Register with The Pension Regulator
4. Manage Opt-outs
5. Contribute to a qualifying pension scheme

WHY AUTO ENROL ?

- Encourage private saving
- People are living longer
- Many are not saving enough
- Over 50% of adults have no private pension
- Another income source for retirement
- State pension is only £110 per week (single person)
- An estimated 8 million people will be auto enrolled
- People can Opt Out

CONTRIBUTIONS:

	‘ER	‘EE
Staging Date to 30.09.17	1%	1%
01.10.17 to 30.09.18	2%	3%
01.10.18 onwards	3%	5%

THE MAIN PENSION REGULATOR STEPS:

1. NOW


- I. Nominate a point of contact
- II. Know your staging date and develop a plan

2. BETWEEN NOW & STAGING DATE:


- I. Assess your workforce
- II. Review your pension arrangements
- III. Communicate the changes to all your workers


3. AT STAGING DATE & BEYOND:


- I. Automatically enrol eligible jobholders into a pension scheme
- II. Register with The Pensions Regulator and keep records
- III. Contribute to your workers' pensions


 Nominate a point of contact


 Know your staging date and develop a plan

 Assess your workforce

 Review your pension arrangements

 Communicate the changes to all your workers

 Automatically enrol eligible jobholders into a pension scheme

 Register with The Pensions Regulator and keep records

 Contribute to your workers' pensions

AUTO ENROLMENT DUTIES & RESPONSIBILITIES GUIDE		Done ?
	<p>Please note this information is intended to be used as a guide for setting up your opera payroll for auto-enrolment. Full Details/requirements of your legal responsibilities should be obtained from the Pensions Regulator (TPR). The main processing scenarios are covered in this guide but not all, you may need to refer to the TPR for any non-standard processes.</p>	
[1]	TO DO NOW:	
	<p>Nominate a point of contact/responsible person in your organisation for AE Develop a plan for your company Obtain the Staging Date from TPR - www.thepensionsregulator.gov.uk - Enter your PAYE Ref on the TPR website. Consider Postponement (note this does NOT change your staging date) Review your current pension arrangements Obtain a Qualifying Scheme from a pension provider Register this scheme with TPR (Register a company point of contact with TPR on website) & keep records.</p>	
	In Opera:	
1.1	<p><u>ENABLE AUTO-ENROLMENT</u></p> <p>Go to Payroll/Utilities/Auto Enrolment Settings:- Enter your staging date Enter the date your qualifying scheme was registered with the TPR - (Up to 5 months from Staging Date to register the scheme)</p> <div style="border: 1px solid red; padding: 5px; margin-top: 10px; width: fit-content;"> <p style="color: red; text-align: center;">NOTE OF STAGING DATE:</p> </div>	

[2]	TO DO BETWEEN NOW AND STAGING DATE:	
	<p>Assess your workforce (ie. Everyone who holds a Contract of Employment into Eligible Jobholders, Non-eligible Jobholders – see diagram)</p> <p>Communicate the changes to all your workers</p> <p>Switch on Use Advanced Pension Processing (if not already used)</p>	
	In Opera:	
2.1	<p><u>SETUP YOUR PENSION SCHEME</u></p> <p>Go to Payroll/Utilities/Set Options: Page 2: Switch on Use Advanced Pension Processing (if not already used)</p> <p>For <u>NEST schemes only</u> - Go to Payroll/Maintenance/Pension Group:- You must create a grouping code if you have various pension schemes in your organisation. You may have one scheme but you may have various employees that have similar criteria but different from the default (ie rather than The default contributions of 1% a number contribute 2% etc.). Groups are a way of assigning different criteria to the same scheme.</p> <p><i>Note: The Group Description used has to be <u>identical</u> to the code you have used on the NEST website otherwise import files will be rejected.</i></p> <p>For <u>NEST Schemes only</u> - Go to Payroll/Maintenance/Pension Payment Source:- Create a payment source for the scheme contributions (ie a Bank STO)</p>	

Go to **Payroll/Maintenance/Pension Scheme:-**

Create the Default pension scheme information for the scheme(s) in use.

Enter the default employees and employers contributions (whether by % or value - if individual employees have different contribution levels from this these are set at the employee level later)

Scheme Options:

If the Ee's &(or) Er's deductions are to be made net of tax relief at source tick these options. (eg if a £100 contribution but only £78 is to be deducted from pay - topped up by pension company).

If a NEST scheme only the Ees Contributions are available for tax relief and Ees deductions should be taken net of Basic Rate tax as NEST is a Relief at Source scheme.

Tick on the Option to apply Ee's & Er's % contribution to the payment types to be used. * **This info will be available from your Pension provider.**

Tick Clear TD contributions at Tax year end

Tick Clear currently due contributions at update - *this is important if you are creating a submission file for the pension provider. If not cleared then cumulative contributions will be submitted.*

If this scheme is used for Auto-enrolment tick the option on.

From the drop down box options select the earnings restrictions settings (obtain the detail from the Pension Provider).

Operation: select as appropriate from dropdown list (is the scheme tied to employment ?)

On the **Provider Tab** set the pension provider information (this information will be used on correspondence).

If a **NEST** scheme set here the export file format to **NEST**.

If groups being used assign the relevant group code (if this is the case create a new pension scheme with different contribution settings and assign to the group code as necessary).

If a **NEST** scheme assign the default payment source for this scheme.

Enter a reference for the scheme provided by the pension provider.

On the **Administrator Tab** enter the internal company contact that is administering the scheme (for use on correspondence)

	<p>The Pension scheme information is now ready to be assigned to the employees. Do not assign the scheme before the date contributions are due to be deducted (or else Opera will start deducting !)</p>	
<p>2.2</p>	<p><u>SETUP THE PENSION DEDUCTION PROFILES</u></p> <p>Go to Payroll/Maintenance/Payment Profiles:- Against each payment type if the pay type is to be used to calculate the pension contribution tick the Pensionable box If this payment is to be used for Auto Enrolment Qualifying earnings then tick the Auto-Enrolment option also.</p> <p>Go to Payroll/Maintenance/Deduction Profiles:- Create a pension deduction for the employees contribution - set it as a type P. If the scheme dictates that the contributions are to be deducted from gross before tax then tick the option (usually where it is an occupational pension scheme). Create a pension deduction for the employers' contribution - set it as type X (this does not deduct from the employees pay). Assign a pension scheme to the deduction profiles. If more than one scheme then create multiple deduction profiles as necessary.</p>	

[3]	AT STAGING DATE AND BEYOND:	
	<p>Switch on AE Setting Assess workforce Decide whether postponing or not Automatically enrol EJ into a pension scheme Provide Scheme Info to ALL workers Provide Opt-in/out & Joining info to ALL workers as required Contribute to your worker's pensions</p>	
	In Opera:	
3.1	<p><u>TURN ON AE PROCESSING</u></p> <p>Go to Payroll/Set Options/Page 2: tick on "Use Auto Enrolment Processing"</p> <p><i>Note: EJ's must be auto-enrolled within the "joining window" ie. Within one month of Staging Date or when they become eligible</i></p>	
3.2	<p><u>ASSESSING THE WORKFORCE</u></p> <p>In Opera run the Payroll/Calculation routine - as well as calculating the pay this routine will Assess the workforce and update the Settings for category status' - Eligible Jobholder, Non-Eligible Jobholder, Entitled Worker.</p> <p>The category & status' are held against each employee on the Payroll/Processing/Action/Pensions/Auto Enrolment details screen</p> <p>IF YOUR EMPLOYEES ARE ALREADY MEMBERS OF A QUALIFYING SCHEME THEY DO NOT NEED TO BE ENROLLED AGAIN</p>	

3.3

In this instance amend the **Payroll/Processing/Action/Pensions/Auto Enrolment details/Status** field to **Already in a QS**

Note: This can also be done via the Global AE Update routine (Screen 1: Tick "Apply pension scheme selection criteria" & select existing pension schemes. Screen 2: tick Update Employee AE Status and set status to "Already in QS")

Contacting Employees who are already in a Qualifying Scheme

To update the employees globally for letters & to assign pension schemes:-

In Opera go to **Payroll/Global Changes/Auto Enrolment Updates**:-

Screen 1:

choose to report only or update and report when the wizard is run.

Tick "Apply Pension Scheme selection criteria" and select relevant Pension Scheme from Pension Scheme dropdown

On the wizard select the option for **Eligible Jobholders**.

Click Next

Screen 2: Bottom Left

choose Auto Enrolment Details Dates and tick update Employee AE Details date

On the date to be updated dropdown choose **Contract-based Info to EE**

This will update all the relevant employees who are already in a Qualifying Scheme at the Staging Date

In the Set Date to box enter the date that the employees should have received the above pack

<p>3.4a</p>	<p><u>IF POSTPONING AUTO-ENROLMENT FROM THE STAGING DATE</u></p> <p>Auto-enrolment can be postponed for up to 3 months from the staging date. Auto-enrolment procedures must be applied after this as standard.</p> <p>In Opera go to Payroll/Global Changes/Auto Enrolment Updates:- choose to report only or update and report when the wizard is run.</p> <p>Under Auto Enrolment (AE) Status:</p> <p>Screen 2: Select the Update Employee AE Status box. From the Set Status To dropdown choose Postponed. In the Set Postpone End To box choose Input Manually Enter the last day of postponement in the Status Date In the Postpone type dropdown choose Staging Date Set the Postpone Notice Type to the letter sent to the employees Choose Next and run the wizard. The Employees have the postpone date set on their auto-enrolment record screen.</p> <p>Send the Postponement letter to the relevant employees.</p>	
<p>3.4b</p>	<p><u>IF NOT POSTPONING AUTO-ENROLMENT FROM THE STAGING DATE</u></p> <p>AUTOENROLMENT only applies to ELIGIBLE JOBHOLDERS - Other workers have the right to OPT-IN (NEJ) or to JOIN (EW)</p>	

3.5a**ELIGIBLE JOBHOLDERS****Auto Enrol:**

To update the employees globally for letters & to assign pension schemes:-

In Opera go to **Payroll/Global Changes/Auto Enrolment Updates:-**

Screen 1:

choose to report only or update and report when the wizard is run.

On the wizard select the option for **Eligible Jobholders.**

Click Next

Screen 2: Top Left

choose Auto Enrolment AE Status & tick Update Employee AE Status

From Set Status to select "Auto-Enrolled"

For Set AE Date To select "Input Manually" and enter date

Select relevant AE Pension Scheme in "Pension Scheme" box to be applied to the ee's.

Screen 2: Bottom Left

choose Auto Enrolment Details Dates and tick update Employee AE Details date

On the date to be updated dropdown choose **AE Info to EE.**

This will update all the relevant employees with the date they were auto enrolled

In the Set Date to box enter the date you have sent the Auto enrol info letter to the employees.

Send the Eligible Jobholder letter to your employees who are Eligible Jobholders and have been auto-enrolled to inform them of the fact.

Pension provider should now send Scheme Details Pack to employees

Recording Active Membership of Qualifying Scheme

Screen 1:

choose to report only or update and report when the wizard is run.

On the wizard select the option for **Eligible Jobholders**.

Click Next

Screen 2: Bottom Left

choose Auto Enrolment Details Dates and tick update Employee AE Details date

On the date to be updated dropdown choose **Active Memb. Achieved**

This will update all the relevant employees with the date for Active Member Achieved

In the Set Date to box enter the date that the employees became active members (typically Auto Enrolment date)

Recording Pension Scheme Details have been sent to employees

Screen 1:

choose to report only or update and report when the wizard is run.

On the wizard select the option for **Eligible Jobholders**.

Click Next

Screen 2: Bottom Left

choose Auto Enrolment Details Dates and tick update Employee AE Details date

On the date to be updated dropdown choose **Qual. Scheme Info to EE**

This will update all the relevant employees with the date they were to receive Pension Scheme Information Pack from provider

In the Set Date to box enter the date that the employees should have received the above pack

Note: the Opt-Out period starts from the later of the date of the AE Info to EE letter or the date the pack was received

	<p>Setting Opt-Out Period Dates:</p> <p>Screen 1: choose to report only or update and report when the wizard is run. On the wizard select the option for Eligible Jobholders. Click Next</p> <p>Screen 2: Bottom Left choose Auto Enrolment Details Dates and tick update Employee AE Details date On the date to be updated dropdown choose Opt-Out period start In the Set Date To field enter the start date of the Opt-out period.</p> <p><i>Note: Opera will automatically update the Opt-Out Period end date (one month on from the date entered above)</i></p>	
<p>3.5b</p>	<p><u>NON-ELIGIBLE JOBHOLDERS</u></p> <p>Send the Non-Eligible Jobholder letter to your employees who are Non-Eligible Jobholders to inform them they have the right to Opt-in to the scheme.</p> <p>Run the Wizard as above but for the Non-Eligible Jobholders and only for the Auto Enrolment Details Dates option.</p> <p>Screen 1: choose to report only or update and report when the wizard is run. On the wizard select the option for Non-Eligible Jobholders. Click Next</p> <p>Screen 2: Bottom Left choose Auto Enrolment Details Dates and tick update Employee AE Details date On the date to be updated dropdown choose Right to Opt-in Info to EE. This will update all the relevant employees with the date they were sent the right to Opt-In letter In the Set Date to box enter the date that the employees were sent the above letter</p>	

<p>3.5c</p>	<p><u>ENTITLED WORKERS</u> Send the Entitled Worker letter to your employees who are Entitled workers to inform them they have the right to Join the scheme.</p> <p>Run the Wizard as above but for the Entitled Workers only and only for the Auto Enrolment Details Dates option. Screen 1: choose to report only or update and report when the wizard is run. On the wizard select the option for Entitled Workers Click Next</p> <p>Screen 2: Bottom Left choose Auto Enrolment Details Dates and tick update Employee AE Details date On the date to be updated dropdown choose Right to Join Info to EE.. This will update all the relevant employees with the date they were sent the Right to Join letter In the Set Date to box enter the date that the employees were sent the above letter</p> <p style="text-align: center;">ONCE DETAIL OF THE PENSION SCHEME HAS BEEN SENT TO THE EMPLOYEE EITHER BY ADMINISTRATOR OR PROVIDER THEN:-</p>	
<p>3.6</p>	<p><u>Non Eligible Job Holders & Entitled Workers</u> Recording Pension Scheme Details have been sent to employees</p> <p>Screen 1: choose to report only or update and report when the wizard is run. On the wizard select the option for Non -Eligible Jobholders (repeat for Entitled Workers) Click Next</p> <p>Screen 2: Bottom Left choose Auto Enrolment Details Dates and tick update Employee AE Details date On the date to be updated dropdown choose Qual. Scheme Info to EE This will update all the relevant employees with the date they were to receive Pension Scheme Information Pack from provider In the Set Date to box enter the date that the employees should have received the above pack</p>	

[4.0]	ONGOING PROCEDURES	
4.1	<p>Assess your workforce each pay period (Opera calculate routine will do this automatically). Auto-enrolment for individuals can be postponed for up to 3 months from the date they join the company and/or become an Eligible Jobholder.</p> <p><u>To postpone auto-enrolment for individuals in Opera:</u></p> <p>Go to Payroll/Global Changes/Auto Enrolment Updates:- choose to report only or update and report when the wizard is run. Under Auto Enrolment (AE) Status: Select the Update Employee AE Status box. From the Set Status To dropdown choose Postponed. In the Set Postpone End To box choose Input Manually Enter the last day of postponement in the Status Date In the Postpone type dropdown choose New Employee or Eligible Jobholder. Set the Postpone Notice Type to the letter sent to the employees Choose Next and run the wizard. The Employees have the postpone date set on their auto-enrolment record screen.</p> <p>Send the Postponement letter to the relevant employees. (General Notice A (Info to all categories) - General Notice B (Excludes already active members of a QS)</p> <p>Tailored Notice Jobholder (Jobholder not an active member of QS) Tailored Notice Entitled worker (Non active member of QS).</p>	

<p>4.2</p>	<p><u>To Enrol employees who reach 22 years of age in your employment</u></p> <p>When an employee reaches 22 years of age in your employment they become Eligible Jobholders.</p> <p>To set this in opera: The calculate routine will alert you if there are any employees who have reached their 22nd birthday and have yet to be auto-enrolled. Payroll\Processing find the employee Go to Action\Pensions\Auto Enrolment Details form. Select the Override Category and choose a category and status from the lists. Update the relevant dates on the Participate tab and assign a pension scheme. On the Postpone/Stop tab enter the Postpone information and Opt-out Period start date as required.</p> <p>Send the relevant age related auto-enrol letter to the employees.</p>	
<p>4.3</p>	<p><u>To Enrol new employees who qualify as an eligible jobholder</u></p> <p>To set this in opera:</p> <p>Payroll\Processing create the new employee and enter normal joining information as standard Go to Action\Pensions\Auto Enrolment Details form. Select the Override Category and choose a category and status from the lists. Update the relevant dates on the Participate tab and assign a pension scheme. On the Postpone/Stop tab enter the Postpone information and Opt-out Period start date as required.</p> <p>Send the relevant new employee auto-enrol letter to the employees.</p>	

<p>4.4</p>	<p><u>To Enrol Employees who Opt-In/Join - Non-Eligible job holders/Entitled Workers</u></p> <p>To set this in opera: Payroll\Processing find the employee who has provided an opt-in notice. Go to Action\Pensions\Auto Enrolment Details form. Choose Opted-in/Join from the status list as appropriate. Update the relevant dates for the Opt-in commencement/Join Date fields on the Participate tab and assign a pension scheme. On the Postpone/Stop tab enter the Postpone information.</p> <p><i>Send the relevant auto-enrol letter to the employees.</i></p>	
<p>4.5</p>	<p><u>Processing Employees who Opt-out</u></p> <p>Follow these procedures where an employee has provided a valid Opt-out notice form from the Pension Provider (employers cannot choose to Opt-out employees directly)</p> <p>Payroll\Processing find the employee who has provided an opt-out notice. Go to Action\Pensions\Auto Enrolment Details form. On the Postpone/Stop tab enter the opt-out details in the opt-out section. Set the employees Status on the participate screen to Opted-out. Also edit the Employee’s Pension Deductions to read 0% on the Employee Processing\Action\Pensions\Employee Pensions</p> <p><i>Send the relevant auto-enrol Opt-out letter to the employees.</i></p> <p><i>If the Opt-out notice was received in the original opt-out period (1 month from the later of the employee auto-enrol date or the date they are accepted into the Pension scheme by the scheme provider) then the company should refund the contributions deducted. If a NEST scheme these contributions can be withheld from being paid to NEST as standard in Opera. If another scheme is used the refund will be paid to the company by the pension provider and then refunds processed in the opt-out period by the employer.</i></p>	
<p>EMPLOYEES WHO OPT-OUT MUST BE RE-ENROLED EVERY 3 YEARS AFTER THE OPT-OUT DATE WHERE THEY CAN THEN OPT-OUT AGAIN IF SO DESIRED.</p>		

4.6	<u>Employees transfer between pension schemes</u> Follow this procedure where you need to transfer employees from one pension scheme to another. Go to Payroll\Global Changes\Pension scheme transfer Choose Transfer and Update and from the dropdown choose the pension schemes to transfer between. You can optionally choose to copy contribution details between the schemes.	
4.7	<u>Employees who leave</u> In Payroll Processing\Action\Leavers - make the employee a leaver as normal. The calculation routine will update the pension scheme with the date left in Action\Pensions\Employee Pensions .	

USEFUL PENSION AUTO ENROLMENT LINKS

- <http://www.thepensionsregulator.gov.uk/>
- <http://www.nestpensions.org.uk/schemeweb/NestWeb/public/home/contents/homepage.html>
- Pegasus Video – High level summary information – Recommended!
 - <http://www.pegasus.co.uk/content.asp?PageId=3637>
 - http://www.pegasus.co.uk/downloads/videos/auto_enrolment.wmv
