



Which employees are eligible for auto enrolment?

Earnings	Age 16 - 21	Age 22 - State Pension	State Pension Age - 74
<£6,032	Entitled Worker		
£6,032 - £9,999	Non-Eligible Jobholder		
Over automatic enrolment earnings trigger (£10,000)	Non-Eligible Jobholder	Eligible Jobholder	Non-Eligible Jobholder

Eligible Jobholder = **automatic enrolment**

Non-Eligible Jobholder = right to **opt in**
(with employer contributions)

Entitled Worker = right to **join**
(without employer contributions)

Although the table above expresses annual gross earnings, automatic enrolment is assessed each and every Pay Reference Period. For monthly paid the automatic enrolment earnings trigger is £833 per month before tax, for weekly paid it is £192 week before tax.

Workforce assessment is generally on **all earnings**
(wages, bonuses, commissions etc.) not just Basic Pay.

What are the minimum contributions an employer can make?

As an employer, you are legally obliged to make a minimum contribution. You can increase this contribution if you wish. Minimum contributions are based on an earnings band **between £6,032 and £46,350**.

Qualifying Earnings **include**; salary, wages, overtime, bonuses, commissions, statutory sick pay, maternity pay, ordinary/additional paternity pay and statutory adoption pay.

Date	Minimum Employer	Minimum difference paid by employee (gross)	Total Minimum
April 2018 to March 2019	2%	3%	5%
April 2019 onwards	3%	5%	8%



Do employers have to base contributions on Banded Earnings?

No. As an alternative to using the Banded Earnings Definition, employers may choose to self-certify their scheme as meeting one of the three alternative contribution tiers:

Tier 1 - 9% of Pensionable Pay (not less than basic)

Date	Minimum Employer	Minimum difference paid by employee (gross)	Total Minimum
April 2018 to March 2019	3%	3%	6%
April 2019 onwards	4%	5%	9%

The second and third tiers allow minimum employer contributions but provided pensionable pay is equal (or at least equal) to a fixed percentage of earnings.

Tier 2 - 8% of Pensionable Salary, provided 85% of total payroll is pensionable

Date	Minimum Employer	Minimum difference paid by employee (gross)	Total Minimum
April 2018 to March 2019	2%	3%	5%
April 2019 onwards	3%	5%	8%

Tier 3 - 7% of all earnings

Date	Minimum Employer	Minimum difference paid by employee (gross)	Total Minimum
April 2018 to March 2019	2%	3%	5%
April 2019 onwards	3%	4%	7%