Detailed guidance for employers

Appendix A: Assessing a worker

This document accompanies:
Detailed guidance no. 3c – Having completed the assessment

If you decide to print it out it’s best viewed at A3 size, so you’ll need to ensure that the A3 paper tray is selected on your printer. If your printer doesn’t have an A3 tray, the document will print on A4 but you may find the text size too small to read comfortably.
Appendix A – Assessing a worker (Postponement not used)

A flowchart showing the next steps following the first assessment of a worker aged between 16 and 74. Assessment dates include:

- the employer’s staging date
- the worker’s first day of employment
- the deferral date (if postponement used at the staging date or first day of employment)
- the worker’s 16th birthday
- the day after active membership of a qualifying scheme ceases

Where the assessment date is the deferral date (if postponement used at the staging date or first day of employment) see Appendix B. If the first assessment is because the worker has asked to join the scheme during a postponement period see Appendix C.

More than £10,000 (pro rata)*

Assess age
Are they aged at least 22 but under State Pensions Age (SPA)?

Yes

No

£10,000 (pro rata)* or below

Assess earnings
1. Identify pay reference period
2. Assess qualifying earnings payable in that pay reference period
3. Compare against the earnings trigger for automatic enrolment (£10,000) and appropriate to the pay reference period

Eligible jobholder
Have they previously been paid a Winding Up Lump Sum (WULS) whilst in employment, and during the 12 month period that started on the date the payment was made left employment and then been re-employed?***

Yes

No

Non-eligible jobholder
or entitled worker
Have they previously been paid a Winding Up Lump Sum (WULS) whilst in employment, and during the 12 month period that started on the date the payment was made left employment and then been re-employed?

Yes

No

Are they working, or ordinarily working, in the UK under their contract?

Yes

No

Are they an active member of a qualifying scheme with that employer?

Yes

No

The employer must automatically enrol the worker or
exercise their discretion to not automatically enrol the worker. No information duty about opt in and joining applies during the remainder of the 12 month period.

The employer must give the information about the right of a jobholder to opt in and the right of an entitled worker to join.

Give information
The employer must give the information about the right of a jobholder to opt in and the right of an entitled worker to join.

Assess earnings
1. Identify pay reference period
2. Assess qualifying earnings payable in that pay reference period
3. Compare against the earnings trigger for automatic enrolment (£10,000) and appropriate to the pay reference period

Non-eligible jobholder
or entitled worker
Have they previously been paid a Winding Up Lump Sum (WULS) whilst in employment, and during the 12 month period that started on the date the payment was made left employment and then been re-employed?

Yes

No

Are they an active member of a non-qualifying pension scheme?

Yes

No

The employer can choose to automatically enrol the worker or exercise their discretion to not automatically enrol the worker. If they decide on the latter they must give the information about the right of a jobholder to opt in and the right of an entitled worker to join.

Are they a partner in the employer where the employer is an LLP**

Yes

No

The employer must automatically enrol the worker

Assess earnings
1. Identify pay reference period
2. Assess qualifying earnings payable in that pay reference period
3. Compare against the earnings trigger for automatic enrolment (£10,000) and appropriate to the pay reference period

More than £6,136

£6,136 or below

Entitled worker
No duties

No duties

This amount is for the 2019-2020 tax year. These figures are reviewed annually by the Department for Work and Pensions (DWP). Where there is a change, the figures for the next tax year after they have been announced by the DWP, as well as the historic and current amounts can be found on our website at: www.tpr.gov.uk/earnings-thresholds

Paragaph 32 of Detailed guidance no: 1 – Employer duties and identifying the workforce explains what it means to hold office as director

See paragraph 103 of Detailed guidance no: 1 – Employer duties and identifying the workforce for the list of the different types of protection from tax charges included in the exception from the employer duties.

Detailed guidance no: 1 – Employer duties and identifying the workforce for the list of the different types of protection

Individual tax protection**** on their pension savings?

**** See paragraph 103 of Detailed guidance no: 1 – Employer duties and identifying the workforce.