

Freedom of Information request 94/2013

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Information request

I am seeking further information relating to automatic enrolment.

Specifically:

- Have there been any cases where a temporary worker contracted on a weekly basis begins contributions from week one after his company's staging date, but elects to opt out during the 30-day period of grace?
- If so, how many such cases have been recorded?
- In the above cases, where the worker's agency is required to refund his contributions immediately but can then reclaim the cost and the value of their own contribution, have there been any cases where the pension provider has been unable to deal with such agency claims due to a lack of software capability?
- If some pension providers are unable to deal with the above situation as outlined, what measures have been put in place by the DWP to ensure agencies are not left footing the bill?

Details you could provide on the above would be greatly appreciated.

DWP response

The Department does not hold this information.

Automatic enrolment is an employer duty to enrol eligible jobholders into a qualifying workplace pension scheme. It is up to the employer to select a scheme which meets the requirements which could be a trust or contract based scheme. From their staging date, employers must then automatically enrol eligible jobholders. Employers may choose to postpone an individual's automatic enrolment by a period of up to three months. Pension saving is not compulsory and workers who are automatically enrolled have the right to opt out within a period of one month. If they wish to exercise this right, they will need to obtain an opt out from the pension scheme, complete it and return it to the employer. Any contributions which have already been made will be

refunded to the worker by the employer and to the employer by the pension provider. This is a legal requirement regardless of software capability. Employers are required to register with The Pensions Regulator within a period of four months from their staging date. This includes providing some information about the automatic enrolment activity that the employer has carried out.

DWP is committed to evaluating the effects of the reforms. The DWP set out its evaluation strategy in a report published in July 2011, which is available at the following link: <http://research.dwp.gov.uk/asd/asd5/rports2011-2012/rrep764.pdf> . The first in this series of reports – the baseline report describing the landscape before the reforms – was published in July 2012 and is available at the following link: http://research.dwp.gov.uk/asd/asd5/report_abstracts/rr_abstracts/rra_803.asp