

3b

Detailed guidance for employers

Appendix A: Summary of the differences in the assessment process and next steps for a worker to whom the employer has applied the transitional period for schemes with defined benefits and other workers

This document accompanies:

Detailed guidance no. 3b – Transitional period for schemes with defined benefits

This appendix should be read in conjunction with Detailed guidance no.3b – Transitional period for schemes with defined benefits where more detail and examples can be found on all these points.

When the transitional period ends on the date set in law – 30 September 2017

1. Automatic enrolment must be into a scheme with defined benefits. This includes the defined benefit provisions within a hybrid scheme. For more information on the type of scheme with defined benefits than can be used see paragraphs 66 to 72.
2. Accrual under the scheme must be backdated to 1 October 2017 irrespective of the date the workers meets the eligible jobholder criteria on or after 1 October 2017, unless postponement at the end of the transitional period is used and the worker meets the eligible jobholder criteria on the deferral date.
3. Postponement can only be used once at the end of the transitional period. Postponement cannot be used again if the worker is not eligible at the end of that postponement period, and then subsequently meets the eligible jobholder criteria.
4. When using postponement at the end of the transitional period the postponement notice must be given on or before 1 October 2017. There is no 6 week period after the date postponement has been applied for giving the notice.
5. The joining window is the 6 week period that starts on 1 October 2017 irrespective of the date the workers meets the eligible jobholder criteria on or after 1 October 2017.
6. The Notice exception does not apply at automatic enrolment to the majority of workers to whom an employer has applied the transitional period. Even if notice to end employment has been given the employer must automatically enrol the worker when the eligible jobholder criteria are met unless:
 - a. the employer's first enrolment date falls within the period 19 August 2017 to 30 September 2017, and
 - b. notice is given before the end of the 6 week period from the first enrolment date, and
 - c. automatic enrolment is triggered for the worker to whom the transitional period has been applied before the end of the 6 week period from the first enrolment date

7. In the rare cases that the notice exception can be applied, the requirement to immediately re-enrol a worker where a notice to end employment has been given and is then withdrawn does not apply.

When the transitional period ends early before 30 September because the conditions stopped being met

8. If the employer chooses to use an automatic enrolment scheme with defined benefits for the automatic enrolment of workers to whom they had applied the transitional period, accrual under the scheme must be backdated to the day after the conditions stopped being met. This is true irrespective of the date the worker meets the eligible jobholder criteria on or after the day after the conditions stopped being met, unless postponement at the end of the transitional period is used and the worker meets the eligible jobholder criteria on the deferral date.
9. If the employer chooses to use an automatic enrolment scheme with defined benefits, postponement can only be used once at the end of the transitional period. Postponement cannot be used again if the worker is not eligible at the end of that postponement period, and then subsequently meets the eligible jobholder criteria.
10. If the employer chooses to use a defined contribution automatic enrolment scheme, postponement can be used both at the end of the transitional period and again if the worker is not eligible at the end of that postponement period, and then subsequently meets the eligible jobholder criteria.
11. If the employer chooses to use a defined contribution automatic enrolment scheme, active membership (and contributions) must be backdated to the eligible jobholder's original automatic enrolment date (likely to be the staging date). This is true irrespective of the date the worker meets the eligible jobholder criteria on or after the day after the conditions stopped being met, unless postponement at the end of the transitional period is used and the worker meets the eligible jobholder criteria on the deferral date.
12. When using postponement at the end of the transitional period, the postponement notice must be given on or before the day after the conditions stopped being met. There is no 6 week period after the date postponement has been applied for giving the notice.
13. The joining window is the 6 week period that starts on the day after the conditions stopped being met irrespective of the date the workers meets the eligible jobholder criteria on or after that date.

14. The Notice exception does not apply at automatic enrolment to the majority of workers to whom an employer has applied the transitional period. Even if notice to end employment has been given the employer must automatically enrol the worker when the eligible jobholder criteria are met unless:
 - a. the employer's first enrolment date falls within the period 19 August 2017 to 30 September 2017, and
 - b. notice is given before the end of the 6 week period from the first enrolment date, and
 - c. automatic enrolment is triggered for the worker to whom the transitional period has been applied before the end of the 6 week period from the first enrolment date
15. In the rare cases that the notice exception can be applied, the requirement to immediately re-enrol a worker where a notice to end employment has been given and is then withdrawn does not apply.

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Appendix A: Summary of the differences
in the assessment process

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