

**Appendix A****Assessing a worker – Transcript**

(Postponement not used)

This is a transcript of the flowchart intended as supporting material for  
**Detailed guidance no. 3c – Having completed the assessment**

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.

Please note:

\* This amount is for the 2017-2018 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](http://www.tpr.gov.uk/earnings-thresholds)

\*\* An employer may have determined a set of business rules around the application of some or all of the exceptions which may mean that this step features earlier in the process.

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

\*\*\*\* See paragraph 100 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.

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

No – No duties

Yes – Go to 2

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

Yes – **No information or enrolment duties.** The employer must not take any act or omission which ceases that active membership of the qualifying scheme.

No – Go to 3

**3. Assessing 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.

£10,000 (pro rata)\* or below\* – Go to 5

More than £10,000 (pro rata)\* – Go to 4

**4. Assess age**

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

No – Go to 5

Yes – Go to 4.1

**4.1. Eligible jobholder**

Have they previously been paid a Winding Up Lump Sum (WULS) whilst in employment, left employment and then been re-employed?\*

Yes – Go to 4.11

No – Go to 4.2

**4.2.** Have they previously ceased active membership of a qualifying scheme (or a scheme that would be a qualifying scheme if the worker had been a jobholder) that the employer provides?\*

Yes – Go to 4.9

No – Go to 4.3

**4.3. Have they given or been given their notice to end the employment?\***

Yes – Go to 4.10

No – Go to 4.4

**4.4.** Do they hold office as a director\*\*\* of the employer?\*

Yes – Go to 4.10

No – Go to 4.5

**4.5.** Are they a partner in the employer, where the employer is an LLP?\*

Yes – Go to 4.6

No – Go to 4.7

**4.6. Do they fall within HMRC's salaried members rules for income tax purposes?**

Yes – Go to 4.7

No – Go to 4.10

4.7. Does the employer have reasonable grounds to believe that the eligible jobholder has Primary, Enhanced or Fixed tax protection\*\*\* on their pension savings?\*\*

Yes – Go to 4.10

No – Go to 4.8

4.8. **Automatic enrolment**

The employer must automatically enrol the worker

4.9. **Did they cease that membership in the last 12 months?**

No – Go to 4.13

Yes – Go to 4.10

4.10. 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.

4.11. Was the WULS paid in the last 12 months?

No – Go to 4.13

Yes – Go to 4.12

4.12. The employer can choose to 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.

4.13. No automatic enrolment duty applies as either active membership ceased more than 12 months ago or the WULS was paid more than 12 months ago. The employer must give them information about the right of a jobholder to opt in and the right of an entitled worker to join. The employer need assess the worker again at the cyclical automatic re-enrolment date or if they are given an opt-in or joining notice.

5. **Non-eligible jobholders or entitled workers**

Have they previously been paid a Winding Up Lump Sum (WULS) whilst in employment, left employment and then been re-employed?

Yes – Go to 5.5

No – Go to 5.1

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

Yes – Go to 5.2

No – Go to 5.3

5.2. **Assess earnings**

1. Identify pay reference period
2. Assess qualifying earnings payable in that pay reference period
3. Compare against the lower qualifying earnings threshold (£5,876) appropriate to the pay reference period

£5,876 or below – Go to 5.4  
More than £5,876 – Go to 5.3

**5.3. 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, unless already given. Keep assessing the worker to identify if eligible jobholder criteria are met.

**5.4. Entitled worker**

No information duty applies. Keep assessing the worker to identify if eligible jobholder criteria.

**5.5. Was the WULS paid in the last 12 months?**

No – Go to 5.7  
Yes – Go to 5.6

5.6. No information duty applies until the end of the 12 month period that started on the date the WULS was paid. The worker cannot opt in or join until after the end of the 12 month period.

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