

Re-enrolment Update

As people are living longer they need to plan and save for their retirement. To assist them in doing this the Government introduced legislation in 2012 requiring employers to assess their workforce and automatically enrol eligible job holders into a qualifying pension scheme if they are not already in one. An employer must also continuously review their employees and are required to undertake a re-enrolment exercise every three years.

The Council's original staging date was 1 March 2013 and an exercise was done on 1 June 2013 to automatically enrol staff into the Local Government, Teachers and NHS Pension Schemes administered by Brent Council. The legislation also requires that employers must carry out re-enrolment every three years.

The Council's re-enrolment date was 1 March 2016 and officers in the Council chose to bring forward the re-enrolment date to 1 February 2016 in order to avoid re-enrolment at year end.

The Council's workforce includes the staff directly employed by the Council and those staff who are working in maintained schools but not those staff in foundation or voluntary aided schools. This made the re-enrolment process more complex as the Council does not provide a payroll service to the 39 maintained schools who were subject to the re-enrolment date of the Council.

On the 1 February 2016 there were 4780 workers employed by London Borough of Brent, including the 39 maintained schools.

4184 were already employed in an eligible workplace pension

259 were enrolled into the Local Government Pension Scheme(LGPS)

147 were enrolled in to the Teachers' Pension Scheme(TPS)

2 were enrolled into the NHS Pension Scheme (NHS)

188 workers were not eligible job holders so did not meet the requirements to automatically join a workplace pension. For example some were over State Pension Age, under 23, had opted out within the previous 12 months or earned less than an annualised figure of £10,000 per annum.

In the following two months 65 staff opted out, 54 from the LGPS, 1 NHS and 10 from TP. More opt outs were received after this time and are being dealt with as they occur under normal opt out procedures.

A further 10 staff who were contributing to the 50:50 section of the LGPS were enrolled into the main scheme with effect from 1 February 2016, 7 of whom made a new election to carry on with the 50:50 section of the scheme.

The process was not without its challenges and one of the payroll providers who a number of schools used had some technical difficulties that resulted in 102 eligible job holders not being enrolled into a qualifying pension scheme on 1 February 2016. The payroll provider contacted the affected staff, apologised for the error and put measures in place to rectify the situation. The Pension Regulator was notified of the Council's failure to implement re-enrolment successfully.