



# Different ways for you to add your employees into NEST

NEST is a qualifying workplace pension scheme and your employees can join NEST in a number of ways as described below.

## How does auto enrolment work?

The auto enrolment legislation requires employers to assess their employees and enrol those who meet the qualifying criteria. Employers can use postponement to delay their duties, but during the period of postponement the employee can opt-in and join the pension scheme. All employees who have not been enrolled and are not members of a qualifying scheme must be assessed each time they are paid to see if they meet the qualifying criteria to be auto enrolled.

## How does contractual enrolment work?

Instead of automatically enrolling only eligible jobholders, some employers may choose to immediately enrol all or certain groups of workers into a pension scheme when they first start work with the employer.

To do this, employers must obtain the worker's consent to deduct pension contributions. They often use contractual agreements with their staff, for example the contracts of employment, to obtain this consent.

Once members are enrolled they cannot opt out, but they can cease contributions. For those employees who cease contributions the employer will have a duty to re-enrol.

## How does admission by consent work?

The employer offers the employee the opportunity to join a qualifying workplace pension scheme and includes a form which the member is asked to complete and return to the employer. The form confirms that the member wants to join, and it also provides consent to deduct contributions. If this process is completed during a period of postponement and the member elects to join a qualifying pension scheme, then there is no requirement to auto enrol the employee as the duties will have been met.

For those employees who do not join, the employer will still have a duty to assess them and enrol those who qualify.

## What are the differences between auto enrolment, contractual enrolment and admission by consent?

Auto enrolment	Contractual enrolment	Admission by consent
No worker consent is required to join the scheme.	The worker must give consent to join the scheme. This can be achieved by including the consent within the employee's contract of employment	The worker must give consent to join the scheme. This can be a form designed by the employer or a proforma provided by the pension provider.
The employer must deduct contributions from salary, in accordance with the Pensions Act 2008. Permission from the worker isn't needed.	The employer must get the worker's permission to deduct contributions from salary.	The employer must get the worker's permission to deduct contributions from salary.
It is possible to opt out after being auto enrolled.	Workers can't opt out, as defined under the Pensions Act 2008.	Workers can't opt out, as defined under the Pensions Act 2008.
The employer can postpone the auto enrolment date by three months.	The employer can't use postponement to delay contractual joining*.	The employer can use postponement to allow time for these members to join the pension offered to them.
Eligible jobholders can't opt out until they've been auto enrolled, even if they've decided they won't stay in the pension scheme after being enrolled. They must wait until the opt-out period starts before they can opt out.	Workers can decide not to join before contractual enrolment takes place. However, if they do this, the employer will have auto enrolment duties for them.	Workers can decide not to join. If they do this the employer will have auto enrolment duties for them.

\*Although an employer can't delay contractual enrolment by using postponement, they can use the postponement rules to delay the date they have to auto enrol eligible jobholders. As long as they contractually enrol their workers into a qualifying scheme before the deferral date (i.e. the date they postpone to), all their workers will be in a qualifying scheme when the deferral date arrives, so there won't be any workers to auto enrol.