



Opera 3 (2.25)
Opera II (7.45)

Pensions 'How To' Guide

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Version 1.0

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Opera II (7.45)

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1. About this guide

This guide is provided to help you understand the steps you need to complete to set up Opera for Pensions Auto Enrolment. The guide also includes the steps that you need to follow for Auto Enrolment and Cyclical Automatic Re-Enrolment tasks after setting up Opera.

If you use NEST or NOW: Pensions there are also steps to follow to create the necessary enrolment and contribution files for those pension providers.

This guide also includes background information for Auto Enrolment and links to relevant websites for more details.

1.1 Intended audience

This guide is intended for customers who use the Opera Payroll application for their Auto Enrolment and Cyclical Automatic Re-Enrolment duties.

1.2 Organisation of this guide

The following sections are included:

Section	Description
Background	This section introduces the duties of the employer, the different categories of workers, the types of pension schemes that are suitable for Auto Enrolment, what the qualifying earnings are, and links to relevant websites.
Getting started	This section includes the steps for the initial set up of Opera for Auto Enrolment and Cyclical Automatic Re-Enrolment.
Auto enrolment tasks	This section includes the steps for Auto Enrolment from your staging date.
Cyclical re-enrolment tasks	This section includes the steps for re-enrolment tasks from your Cyclical Automatic Re-Enrolment date.
Global changes	This section includes the steps for updating more than one employee at the same time.
Creating pension files	This section includes the steps for creating NEST and NOW: Pensions enrolment and contributions files.
Pensions report	This section includes the different reports available for pensions and how to run them.
Employee details	This section describes where the pension details are held for employees.
Lookup tables & settings	This section describes where list tables and settings for Auto Enrolment are recorded.

2. Introduction



The law on workplace pensions requires employers to automatically enrol any eligible staff working for them into a qualifying pension scheme, and also to pay a minimum employer contribution. This means that you will have to enrol your employees into a pension scheme and pay into that scheme - referred to as 'auto enrolment'. A qualifying pension scheme must meet certain requirements. Full details are provided in the guide *Pension schemes: Pension schemes under the new employer duties* at www.thepensionsregulator.gov.uk/employers/does-your-existing-scheme-qualify.aspx.



For a full explanation, read the *Automatic Enrolment - An Explanation of the automatic enrolment process* guide at www.thepensionsregulator.gov.uk/docs/pensions-reform-automatic-enrolment-v3.pdf.

2.1 Auto enrolment staging date

The date when the new law is 'switched on' for employers is known as the 'staging date'. The staging date for employers varies according to the number of employees they employ. Employers will gradually be brought on board (from the largest to the smallest) until approximately 2017 by which time all employers will be operating under the new legislation.



You can find your staging date using the *Finding out your staging date* page at www.thepensionsregulator.gov.uk/employers/staging-date.aspx.

2.2 Cyclical automatic re-enrolment

If an employee is not in a qualifying pension scheme either because they opted out of their pension or ceased membership more than 12 months before the Cyclical Automatic Re-Enrolment date', you must assess them every three years or so using the 'Cyclical Automatic Re-Enrolment' process.

The Opera Payroll application allows the following for Cyclical Automatic Re-Enrolment:

- Recording your Cyclical Automatic Re-Enrolment date.
- Identifying employees to reassess.
- Enrolling the reassessed Eligible Jobholders into a qualifying pension scheme.
- Reporting on the employees who have been enrolled.
- Including the employees in the enrolment and contribution files for NEST and NOW: Pensions.



The information provided in this guide is correct at the time of publication. You should check with The Pensions Regulator and the Department of Work and Pensions for the latest information.

3. Background

3.1 Employers duties

Employers will have to automatically enrol eligible jobholders into a qualifying pension scheme and make an employer contribution towards it. If an employee is already a member of a qualifying pension scheme on your staging date, you do not have to enrol that employee again.

The main things you the employer must do are:

- Provide a qualifying pension scheme for your workers
- Automatically enrol all eligible jobholders into the scheme within your joining window
- Pay employer contributions for eligible jobholders to the scheme
- Tell all eligible jobholders that they have been automatically enrolled and they have the right to opt out if they want to do so
- Register with The Pensions Regulator and supply details of your qualifying scheme and the number of people you have automatically enrolled.

3.1.1 Cyclical automatic re-enrolment

If an employee is not in a qualifying pension scheme either because they opted out of their pension or ceased membership more than 12 months before the Cyclical Automatic Re-Enrolment date', you must assess them every three years or so using the 'Cyclical Automatic Re-Enrolment' process.

For information, see the Cyclical automatic re-enrolment section.

3.1.2 Employers' Contributions

The minimum contribution levels will be phased in over time. Initially the total minimum contribution is 2% of qualifying earnings. At least 1% must be paid by you. Qualifying earnings for Auto Enrolment refers to an employee's relevant earnings between the qualifying earnings lower threshold and the qualifying earnings upper threshold. You can contribute more to reduce the employee's minimum contribution.

From October 2017 you must contribute at least 2% of your employee's qualifying earnings. From October 2018 you must contribute at least 3%. Your employee will be responsible for paying the rest. They will get tax relief on their contribution and the total combined contribution will eventually be a minimum of 8%.

Minimum contributions are based on the employee's qualifying earnings for the pay reference period.

Minimum Contributions			
	2012	2017	2018
Employer	1%	2%	3%
Employee	1%	3%	5%
Total	2%	5%	8%

3.2 Worker categories

Auto-enrolment only applies to employees who are classed as eligible jobholders. The category that is relevant for an employee determines your Auto Enrolment duties in relation to that employee.

3.2.1 Eligible Jobholders

Aged between 22 and state pension age and has auto enrolable earnings above the earnings trigger. They must be auto enrolled at your staging date.

3.2.2 Non-Eligible Jobholders

Either:

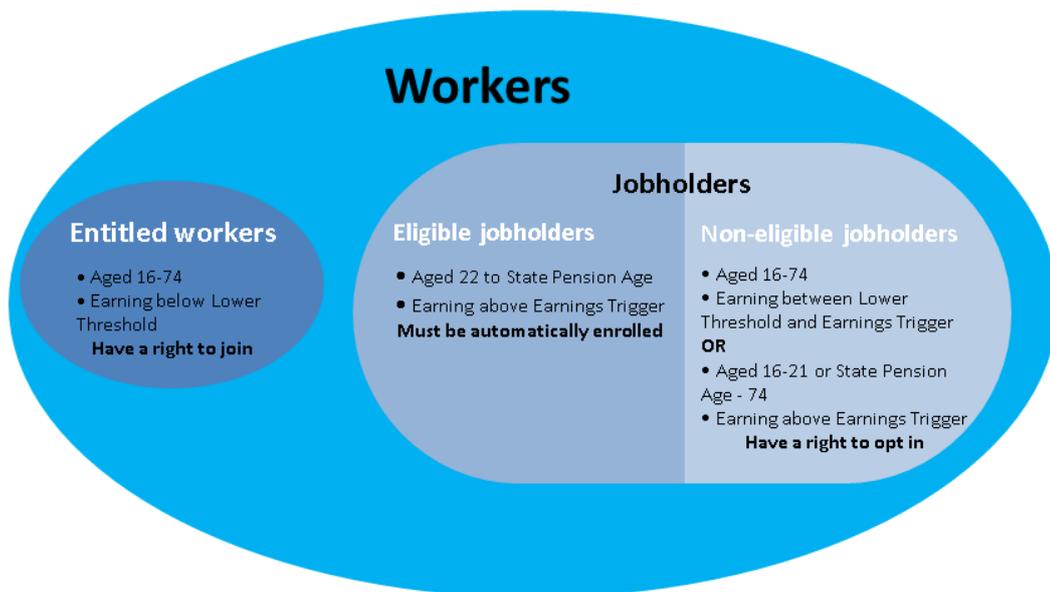
1. Aged between 16 and 74, has auto enrolable earnings below earnings trigger but above the qualifying earnings lower threshold.
2. Aged 16 to 21, or state pension age to 74, and has auto enrolable earnings above the earnings trigger.

These employees are not auto enrolled; however they can opt into a qualifying pension scheme. In such circumstances both you and the employee will make contributions.

3.2.3 Entitled Workers

Aged between 16 and 74 and has auto enrolable earnings below the qualifying earnings lower threshold. These employees are not auto enrolled but can join a pension scheme if they want to.

The different categories of worker



3.3 Auto enrolment schemes

There are a number of different pension schemes that qualify as qualifying pension schemes. A qualifying pension scheme must meet the minimum requirements and qualifying criteria for a pension scheme.

3.3.1 Using an Existing Scheme for Auto Enrolment

If your employees are already members of pension schemes you may not need to set up new pension schemes for Auto Enrolment. You may need to change some aspects of an existing scheme to ensure that it meets the required criteria for Auto Enrolment.

Some pension providers may not be prepared to accept all of your eligible jobholders into a pension scheme. You may need to set up an alternative scheme like a National Employment Savings Trust (NEST) scheme for those employees to comply with your duties.

3.3.2 Auto Enrolment Schemes

There are a number of pension schemes that qualify as Auto Enrolment schemes:

Defined Contribution scheme

A defined contribution scheme is where the future benefits (return value) of the scheme fluctuate based on the invested earnings of both yours and the employee's contributions. A defined contribution scheme can be used as an Auto Enrolment scheme if it meets the relevant defined contribution criteria.

Defined Benefit scheme

A defined benefit scheme is where after both you and the employee having made contributions into the scheme, when the employee retires the scheme promises to pay a predetermined amount based on various factors, such as the employee's earnings and their length of service. A defined benefit scheme can be used as an Auto Enrolment scheme if it meets the associated defined benefit criteria.

Certified Defined Contribution scheme

Ordinarily for a defined contribution scheme to be used as an Auto Enrolment scheme then the scheme must meet minimum contribution requirements. If you already provide a defined contribution scheme, there is an alternative way of meeting that aspect of the requirements. That is called certification.

Certification allows you to self-certify that your defined contribution scheme meets the Auto Enrolment requirements. You can do this if the scheme, for example:

- Calculates contributions from the first pound earned (as opposed to the portion between the Auto Enrolment thresholds), or
- Does not include all The Pensions Regulator defined payment types within the earnings figure used for calculating contributions (some schemes may not include overtime or bonuses).

The self-certification process requires you to assess the existing contribution amounts made into the defined contribution scheme and then satisfy yourself that they meet The Pensions Regulator criteria for defined contribution schemes.

Hybrid scheme

A hybrid scheme is a scheme which is neither only a defined benefit scheme nor only a defined contribution scheme, but has elements of both.

Department of Work and Pensions plans to publish guidance to help you determine whether their hybrid scheme meets The Pensions Regulator criteria for Workplace Pensions Reform.

Defined Benefit/Hybrid transitional period

Department of Work and Pensions allows for a transitional period to be applied to defined benefit or hybrid schemes. The transitional period allows you to delay Auto Enrolment for certain eligible jobholders who meet specified criteria. This delays Auto Enrolment until after the end of the transitional period.

Where a transitional period applies, the eligible jobholder can choose to opt-in to an Auto Enrolment scheme.

Department of Work and Pensions has not confirmed how long the transitional period will last for. The transitional period does not apply to defined contribution schemes.

Contract Based scheme

A contract-based pension scheme is also more commonly known as a personal pension.

Workplace based pension schemes can be contract-based where each employee has their own personal pension which is not tied to their employer. An example is a stakeholder pension. It is likely that both you and the employee will contribute to these schemes.

A contract-based scheme can be used as an Auto Enrolment scheme if it meets The Pensions Regulator criteria for contract-based schemes.

Occupational scheme

An occupational scheme is different to a personal (contract-based) pension scheme because it is tied to the employer. If the employee leaves they do not take the pension with them.

An occupational scheme can be used as an Auto Enrolment scheme if it meets The Pensions Regulator criteria for occupational schemes. An example is a Contracted Out Salary Related pension.

3.4 Qualifying earnings

3.4.1 How Auto-Enrollable Earnings are Calculated

If the auto enrolable earnings is:

The qualifying earnings for the period is:

More than the upper threshold

All the auto enrolable earnings between the lower and upper thresholds.

Between the lower threshold and the upper threshold

All the auto enrolable earnings above the lower threshold.

Less than the lower threshold

Zero

Please see www.thepensionsregulator.gov.uk website for information about the auto enrolment thresholds.

3.5 Useful web sites

The following web site links will be helpful in relation to Auto Enrolment. These are correct at the time of publication.

Publisher

Site

NEST

The National Employment Savings Trust is a government established pension scheme for low to medium income earners. NEST has a public service obligation so must accept any employer. NEST is one of a number of new or existing pension schemes that employers can choose to fulfil their new duties. NEST pension schemes are regulated using the same principles as every other scheme.

www.nestpensions.org.uk

NOW: Pensions

NOW: Pensions is one of a number of pension schemes that employers can choose to fulfil auto enrolment duties. Pensions enrolment and contribution information for this provider will be exported from Opera in the same file.

www.nowpensions.com

The Pensions Regulator

The Pensions Regulator is the UK regulator of work-based pension schemes, empowered by the UK government to regulate work-based pensions

www.thepensionsregulator.gov.uk

The Pensions Regulator's Auto Enrolment detailed guidance page

www.thepensionsregulator.gov.uk/employers/the-essential-guide-to-automatic-enrolment.aspx

The Pensions Regulator's Cyclical Automatic Re-Enrolment detailed guidance page

www.thepensionsregulator.gov.uk/employers/automatic-reenrolment.aspx

Department of Work and Pensions

Department of Work and Pensions UK government department responsible for welfare and pension policy in the UK

www.dwp.gov.uk/

Background to automatic enrolment from Department of Work and Pensions

www.dwp.gov.uk/policy/pensions-reform/workplace-pension-reforms/automatic-enrolment-background/

Latest news for auto-enrolment from the Department of Work and Pensions

www.dwp.gov.uk/policy/pensions-reform/latest-news/

4. Getting started

4.1 Setting up Advanced Pension Processing

This section describes how you should set up advanced pension processing in Opera.

Advanced Pensions Processing makes it possible to easily set up pension schemes, link these schemes to your employees, and manage the employer and employee contributions that are paid into the schemes. Advanced Pensions Processing also allows you to send enrolment and contribution files to NEST and NOW: Pensions. To set up Opera for auto enrolment you should use Advanced Pensions Processing.

If you start using the Advanced Pension Processing feature, do the following:

1. Open the Payroll - Maintenance - Pension Scheme form and create a pension scheme record for your pension provider.
2. Open the Payroll - Maintenance - Deduction Profile form and link the new pension scheme record to each existing pension deduction profile (for both employee and employer contributions).
3. Open the Payroll - Processing - Pensions - Employee Pensions form for each employee record and add the pension scheme. Update the boxes as necessary (like the date joined and contributions to date boxes for employee and employer contributions).



If you create new deduction profiles for pensions rather than use existing deduction profiles, you must also remove the old deduction profiles from each employee's record.

HELP? Select F1 to see full explanations for the different boxes and options.



If NEST is your pension provider, follow the steps in the Setting Up Opera for NEST Pensions section. If NOW: Pensions is your pension provider, follow the steps in the Setting Up Opera for NOW: Pensions section.

4.2 Setting up Opera for auto enrolment

This section describes how you should prepare Opera for Auto Enrolment after your company's staging date.



For full details about Auto Enrolment please refer to the information provided by The Pensions Regulator and the Department of Work and Pensions. Some of these sources of information are listed in the Useful Web Sites section.

The Pensions Regulator will contact you before your staging date. You can ask the regulator to bring the date forward. Shortly after becoming subject to the duties for the first time, you are obliged to submit information to the regulator giving details of how you have discharged your duties. This is your 'registration date'.

HELP Select F1 to see full explanations for the different boxes and options.

1. Update your Auto Enrolment settings on the **Payroll - Utilities - Auto Enrolment Settings** form. Enter your staging date on the **Employer Settings** tab.

Select the **Pensions Regulator Settings** tab to see the thresholds and other settings relevant for Auto Enrolment. These details cannot be changed; they are maintained by Pegasus Software Ltd.

2. Update the payment profiles for Auto Enrolment on the **Payroll - Maintenance - Payment Profiles** form. These are the payments that will be taken into account when assessing an employee's auto enrolment category. These must include salary, wages, commission payments, bonus payments, overtime payments, statutory sick pay, statutory maternity pay, statutory paternity pay (ordinary or additional) and statutory adoption pay.

4.2.1 Mark the pension scheme/s for Auto Enrolment

1. Open the **Payroll - Maintenance - Pension Scheme** form.
2. Find the pension scheme and select the **Use for Auto Enrolment** option.
3. Choose either 'Personal Pension' or 'Occupational Pension' from the **Operation** box.
4. Under **Default Contributions**, enter default employer and employee contributions for the scheme. Initially the total minimum contribution is 2% of qualifying earnings. At least 1% must be paid by the employer.
5. Under **Earnings Restrictions**, select the appropriate type. Your selection depends on the pension scheme used.

4.2.2 Switch on Auto Enrolment

1. Open the **Payroll - Utilities - Set Options** form.
2. Select the **Use Auto Enrolment Processing** option.
3. To align the Pay Reference Period with tax periods rather than your pay periods select the **Align Pay Reference Period with Tax Period** option.

Opera is now set up for Auto Enrolment.



If you are going to use a National Employment Savings Trust pension scheme please follow the steps in the Preparing Opera for NEST pensions section. Then update your employees with the relevant status and categories using the relevant section under the 'How to ... Process pension auto enrolment' node in the **Contents** pane.

4.3 Setting up Opera for NEST

This section describes how you should set up Opera for National Employment Savings Trust pension schemes after you have registered with NEST. NEST is one of a number of pension schemes that employers can choose to fulfil auto enrolment duties. Pensions enrolment and contribution information for this provider can be exported from Opera.

4.3.1 Overview

NEST pensions can be used in Opera after:

these have been set up on the **Payroll - Maintenance** menu:

- Pension Groups
- Pension Payment Sources
- Pension schemes (with a provider of 'NEST').

and these options are selected on the **Options Page 2** tab on the Payroll - Utilities - Set Options form:

- Use Advanced Pension Processing
- Use Auto Enrolment Processing.



Complete the steps in the Setting Up Opera for Auto Enrolment section before following these steps.

HELP? Select F1 to see full explanations for the different boxes and options.

Follow these steps to prepare Opera for NEST pensions before enrolling your employees in the pension.

4.3.2 Set up pension groups

Pension groups are used to define common attributes for workers in NEST or NOW Pension schemes, for example the employer and employee contribution percentages. You can have one or more pension groups for each payroll group.



There is an employer factsheet on the NEST web site called 'Ideas on how to organise groups'.

1. Open the **Payroll** folder and then click Maintenance or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Maintenance**.
2. Click **Pension Group**.
3. To create a new record, click the  icon on the toolbar or press **CTRL+N**.
4. In the boxes provided, enter the code and description for the pension group and then select a contribution frequency, which defines how often you will be paying pension contributions to NEST.
5. To save the record, click the  icon on the toolbar or press **CTRL+S**.
6. Close the form.

4.3.3 Set up payment sources

Each employee in a NEST pension scheme must be allocated both a payment source and a pension group. NOW Pensions require a pension group only. These codes are included in the files sent to the pension provider.

1. Open the **Payroll** folder and then click Maintenance or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Maintenance**.
2. Click **Payment Source**.
3. To create a new record, click the  icon on the toolbar or press **CTRL+N**.
4. In the boxes provided, enter the details for the payment source.
5. To save the record, click the  icon on the toolbar or press **CTRL+S**.
6. Close the form.

4.3.4 Set up NEST pension scheme

The default values entered on a pension scheme are automatically inherited by each employee that is linked to the scheme.

1. Open the **Payroll** folder and then click Maintenance or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Maintenance**.
2. Click **Pension Scheme**.
3. To create a new record, click the  icon on the toolbar or press **CTRL+N**.
4. In the boxes provided, enter the pension scheme details.

On the Provider tab under Export File

1. Choose 'NEST' from the **Type** list box.
2. Select a default pension group and payment source that will be used as default selections for employees in this pension scheme.
3. Select the **Hold onto contributions** option if you intend to hold onto contributions taken from employees who are in their opt out period. An employee has about one month after being auto enrolled to decide whether they want to opt out of a pension scheme. You can hold onto someone's contributions so that if they do opt out you can easily return their contributions to them. You will not therefore need to ask for them to be returned.
1. **Note:** You can also set this option for each individual employee on the Payroll - Processing - Employee Pensions - Action - Additional Details form.
4. Select the **Employees Opt-Out via provider** option if necessary. Select this option to indicate that, if employees do opt out of the pension scheme, they will do so directly with NEST. These employees will not be included in the NEST contribution file created in the Payroll - Pensions Report - Contribution File command.
5. To save the record, click the  icon on the toolbar or press **CTRL+S**.
6. Close the form.



You can create more than one NEST pension scheme record in Opera if you need to - even if the different records are actually part of the same NEST pension scheme reference. This may be necessary if you have different employer and employee contribution rates and limits for different employees, for example. The schemes can also be included in the same contribution file that is sent to NEST as long as they have the same pension scheme reference.

4.3.5 Update Set Options

If required you can set up a default pension group and payment source for the selected payroll group. These will be used for all employees in NEST schemes in the payroll group unless they have been set up on the pension scheme or employee record.

1. Open the **Payroll** folder and then click **Utilities** or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Utilities**.
2. Click **Set Options**. If you are using groups, select the necessary group/s and then click **OK**.
3. Select the **Options Page 2** tab:
 - Tick **Use Advanced Pension Processing**
 - Tick **Use Auto Enrolment Processing**.
4. Select the **Options Page 3** tab.
 - Under **NEST Export File Defaults for this Payroll Group**, choose a pension group and payment source for the payroll group.
5. Close the form.



Repeat these steps for each payroll group. Also make sure that each employee's address including the country is recorded correctly on the Payroll - Processing - Details & Bank form.

Opera is now set up for NEST pensions. You now need to enrol your employees as required depending on their Auto Enrolment status.

4.4 Setting up Opera for NOW Pensions

This section describes how you should set up Opera for NOW: Pensions schemes after you have registered with NOW: Pensions. NOW: Pensions is one of a number of pension schemes that employers can choose to fulfil auto enrolment duties. Pensions enrolment and contribution information for this provider will be exported from Opera in the same file.



Complete the steps in the Setting up Opera for Auto Enrolment section before following these steps.

4.4.1 Overview

NOW: Pensions can be used in Opera after:

these have been set up on the **Payroll - Maintenance** menu:

- Pension Groups
- Pension schemes (with a provider of 'NOW Pensions').

and these options are set on the Payroll - Utilities - Set Options form:

Options Page 2 tab :

- Use Advanced Pension Processing
- Use Auto Enrolment Processing.

Options Page 3 tab :

- Export File to 'NOW Pensions'
- Payroll code.

HELP? Select F1 to see full explanations for the different boxes and options.

Follow these steps to prepare Opera for NOW: Pensions before enrolling your employees in the pension scheme.

4.4.2 Set up pension groups

Pension groups are used to define common attributes for workers in NEST or NOW Pension schemes, for example the employer and employee contribution percentages. You can have one or more pension groups for each payroll group.

1. Open the **Payroll** folder and then click Maintenance or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Maintenance**.
2. Click **Pension Group**.
3. To create a new record, click the  icon on the toolbar or press **CTRL+N**.
4. In the boxes provided, enter the code and description, select 'NOW Pensions' from the **Export File** list and enter the scheme code supplied by NOW: Pensions (this is normally in the range 101 - 105).
5. To save the record, click the  icon on the toolbar or press **CTRL+S**.
6. Repeat for each pension group, then close the form.

4.4.3 Update Set Options

If required you can set up a default pension group for the selected payroll group. These will be used for all employees in NOW: Pensions schemes in the payroll group unless they have been set up on the pension scheme or employee record.

1. Open the **Payroll** folder and then click **Utilities** or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Utilities**.
2. Click **Set Options**. If you are using groups, select the necessary group/s and then click **OK**.
3. Select the **Options Page 2** page:
 - Tick **Use Advanced Pension Processing**
 - Tick **Use Auto Enrolment Processing**.

4. Select the **Options Page 3** tab, under **Pension Export File Settings for this Payroll Group**:

Select 'NOW: Pensions' from the **Export File** list.

Choose a default pension group for this payroll group if a different group is required to that defined on the pension scheme.

Enter the payroll code used when setting up the scheme with NOW: Pensions. You may have used separate payroll codes for different pay frequencies, for example 'MNTH' for a monthly payroll or 'WEEK' for a weekly payroll.

5. Close the form.



Repeat these steps for each payroll group.

4.4.4 Set up NOW pension scheme

The default values entered on a pension scheme are automatically inherited by each employee that is linked to the scheme.

1. Open the **Payroll** folder and then click Maintenance or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Maintenance**.
2. Click **Pension Scheme**.
3. To create a new record, click the  icon on the toolbar or press **CTRL+N**.
4. In the boxes provided, enter the pension scheme details.
5. On the **Provider** tab under **Export File**:
 - i. Choose 'NOW: Pensions' from the **Type** list box.
 - ii. Select the default pension group for employees in this scheme. The defaults can be changed on the employee record if necessary.
 - iii. Select **Provider deals with all communications** if you want NOW: Pensions to send statutory letters to all the employees (rather than you, the employer). All employees will be included in the contribution file, including entitled workers and non-eligible jobholders who are not in a NOW: Pensions scheme.
6. Enter the scheme reference supplied by NOW: Pensions.
7. To save the record, click the  icon on the toolbar or press **CTRL+S**.
8. Close the form.



You can create more than one NOW: Pensions scheme record in Opera if you need to - even if the different records are actually part of the same NOW: Pensions scheme reference. This may be necessary if you have different employer and employee contribution rates and limits for different employees, for example. The schemes can also be included in the same contribution file that is sent to NOW: Pensions as long as they have the same pension scheme reference.



Make sure that each employee's address including the country is recorded correctly on the Payroll - Processing - Details & Bank form. For employees living outside of the United Kingdom you must also record the country.

Opera is now set up for NOW: Pensions. You now need to enrol your employees as required depending on their Auto Enrolment status.

4.5 Setting up Salary Sacrifice for pensions

This section describes how to set up salary sacrifice in Opera 3 for pension contributions.

You can set up value-based salary sacrifice payments for employees who agree to give up some of their contractual cash pay in return for non-cash benefits. Value-based salary sacrifices can be set up either for a pension contribution or for other types of contribution, for example child care vouchers or the Cycle to Work scheme. When **Advanced Pensions Processing** is in use you can also set up percentage based salary sacrifice pension payments so that salary sacrifice payments are calculated automatically.

This can be financially beneficial to both you the employer and also to the employee because of lower Income Tax and National Insurance contributions. If the employee's pay is subject to an attachment order you should contact HMRC to check whether their attachable pay is affected.

This is not a deduction from pay but rather an agreement to give up part of cash pay in return for non-cash benefits. They are displayed as a negative payment (not a deduction) on both the **Payments** tab of the Payroll - Processing - Pay & Deductions form and on the employee's payslip.



For details of salary sacrifice arrangements including how statutory payments and leave can be affected, please see www.hmrc.gov.uk/payert/payroll/special-pay/salary-sacrifice.htm.

1. Open the **Payroll** folder and then click Maintenance or click the **Payroll & HR** tab on the Ribbon Bar and then click **Payroll - Maintenance**.

4.5.1 Update pension schemes

1. Click **Pension Scheme**.
2. Create a new pension scheme or locate the first existing affected scheme using the **List** tab or by pressing **CTRL+F** to search for the record.
3. Select the **Salary Sacrifice** box on the **General** tab and select these related options if required:
 - Calculate Employer's Contribution on Post-Sacrifice Pay** if your contribution must be calculated after the employee's salary sacrifice has been deducted.
 - Add Employer's NI Saving to Contribution** if you are going to contribute all or some of your NI saving to the employee's pension.
4. Update the other boxes as necessary.
5. To save the record, click the icon on the toolbar or press **CTRL+S**.
6. Repeat for each relevant pension scheme. Then close the form.

4.5.2 Maintain the payment profiles

1. Click **Payment Profile**.
2. Create a new profile for salary sacrifice or locate the first existing affected payment profile using the **List** tab or by pressing **CTRL+F** to search for the record.
3. On the **General** tab enter a description, leave the **Type** box blank and set the **Taxable** and **NI'able** boxes as necessary - depending on whether the Income Tax and National Insurance contributions will be reduced by the salary sacrifice payment.
4. Select the **Salary Sacrifice** box and choose 'Pension'. If **Advanced Pensions Processing** is in use you must also enter a pension scheme.
5. To save the record, click the icon on the toolbar or press **CTRL+S**.
6. Repeat for each relevant payment profile. Then close the form.

4.5.3 Maintain the deduction profiles

1. Click **Deduction Profile**.
2. Create a new profile for the employer's pension contribution or locate the first existing affected payment profile using the **List** tab or by pressing **CTRL+F** to search for the record.
3. On the **General** tab, enter a description and select 'X' in the **Type** box list, enter a pension scheme and select the other boxes and options as required.
4. To save the record, click the  icon on the toolbar or press **CTRL+S**.
5. If you are going to be contributing the employer National Insurance savings to employees' pension contributions as a 'top-up':

Create another profile for the employer's pension contribution top-up.

Enter a deduction code and description and select 'X' in the **Type** box list.

If **Advanced Pensions Processing** is in use select the same pension scheme as above.

Select the **Er's Salary Sacrifice NI Saving** box.

6. To save the record, click the  icon on the toolbar or press **CTRL+S**.
7. Then close the form.

4.5.4 Update each employee's pension record

1. Open the **Payroll** folder and then click **Processing** or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Processing**.
2. Locate the first affected employee using the **List** tab or by pressing **CTRL+F** to search for the record.
3. From the **Action** menu, open the **Pensions - Employee Pensions** form.
4. If an employee chooses not to participate in salary sacrifice, clear the **Salary Sacrifice** box in the **Employee** section of the **General** tab.
5. Update the other boxes in the **Employee** and the **Employer** sections of the form (for example **Contrib. Type** (value or percentage) and **Period Contrib.** boxes).
6. To save the record, click the  icon on the toolbar or press **CTRL+S**.
7. Close the form and repeat for each relevant employee.



To assign employees to new pension schemes, use any of these commands: Payroll - Processing - Pensions - Employee Pensions, Payroll - Processing - Pensions - Auto Enrolment Details, Payroll - Global Changes - Auto Enrolment Updates, Payroll - Global Changes - Pension Scheme Transfer.

Salary sacrifice is now set up. The salary sacrifice setting for each employee will be automatically updated according to the pension scheme's salary sacrifice setting. The Calculation command will add the salary sacrifice payments to the Payroll - Processing - Payments & Deductions form for each relevant employee and will reduce their gross pay by the salary sacrifice amount.

 This feature is available in Opera 3

4.6 Setting up stakeholder pensions

The following is a step-by-step guide to help you process stakeholder pensions in the system that only applies if you are not using the advanced pension processing facility.

4.6.1 Creating a deduction for employee pension Contributions

1. Open the **Payroll** folder and then click Maintenance or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Maintenance**.
2. Click **Deduction Profile**.
3. Create a deduction type for employee stakeholder pension contributions. Use a description of 'StakeHold' for example.
4. In the **Type** list, click to select the blank option (Standard).



You must not set Type to one of the existing pension deductions types, such as 'P'. Also, you must not set the Deduct Before Tax and Deduct Before NI indicators. Stakeholder pension contributions are to be deducted from an employee's net pay, they are not to be deducted from an employee's gross pay before calculation of tax and NI.

5. Complete the remaining boxes as required.

4.6.2 Creating a deduction for employer pension contributions

This step is optional, depending on whether the employer has chosen to make additional contributions to the employee's stakeholder pension scheme.

1. Open the **Payroll** folder and then click Maintenance or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Maintenance**.
2. Click **Deduction Profile**.
3. Create a deduction type for employer stakeholder pension contributions. Use a description of 'ERStake' for example.
4. In the **Type** list, click to select 'X' (Employers Pension).
5. Complete the remaining boxes as required.

4.6.3 Applying stakeholder pension deductions

1. Open the **Payroll** folder and then click **Processing** or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Processing**.
2. If you are using groups, in the **Select Payroll Groups** list, click to select the group(s) you want to process and then click **OK**.
3. Locate the employee you want to maintain, click **Action** and then click **Payments & Deductions**.
4. Click the **Deductions** tab, click **Action** and then click **Add Item**.
5. In the **Deduction** list, click to select the deduction type created in Step 1 and then click **OK**.
6. In the **Perm. Value** column, type the fixed value to be deducted from an employee's net pay.
7. If you have chosen to make employers contributions to an employee's stakeholder pension scheme, repeat steps 5 to 7, but this time selecting the deduction type created in Step 2 and typing the employer's contribution value or percentage in the **Perm. Value** column.

An employee's stakeholder pension contribution can be based upon a 'percentage of pay' rather than a fixed value. However, the application will not allow percentage values to be entered against the deduction created for employee's stakeholder pension contributions. In this situation the contribution value must be calculated by manually applying the percentage required to those payments that are to be included for the purpose of stakeholder pension contributions. Enter the calculated contribution amount as a fixed value against the appropriate deduction, as described above. For 'percentage of pay' calculations, you can choose whether to base employee stakeholder pension contributions on gross taxable pay (including bonuses and so on) or just basic pay (excluding bonuses and so on).

Processing other deductions before stakeholder pensions

Employee stakeholder pension contributions are classed as 'voluntary deductions'. All other 'statutory deductions', such as National Insurance, **PAYE** and Attachment of Earnings Orders, must be taken from an employee's pay first. Whilst National Insurance and PAYE will be dealt with automatically by the payroll software, it is the responsibility of the employer to ensure all other 'statutory deductions' are processed accordingly with respect to stakeholder pension contributions.

Showing the stakeholder pension contribution on the payslip

Payslips will automatically include stakeholder pension deductions, if applicable, on the standard payslips.



If the number of deductions exceeds the report design limit, any further deductions will be included in the 'Other' deduction total. Refer to your Reseller for further information on customised report designs.

4.6.4 Reporting stakeholder pension contributions

To help identify how much has to be paid to the stakeholder pension provider, for employee and employer contributions, and also to provide some form of printed record, existing payroll reports can be used as follows:

1. Open the **Payroll** folder and then click **EOY/Special Reports** or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - EOY/Special Reports**.
2. Click **Payments/Deductions List**.
3. If you are using groups, in the **Select Payroll Groups** list, click to select the group(s) you want to process and then click **OK**.
4. In the list box provided on the **Payments/Deductions List** selection form, click to select the stakeholder deduction set for employee, complete any other criteria required and then click **OK**.
5. On the **Publisher** form, click the tab to select the output device you want to use and then complete any settings you want to apply to the output device. To process the output, click **Publish**.
6. If applicable, repeat the above steps selecting the deduction type for the employer stakeholder pension contributions in the list box.

You must produce the Payment/Deduction List report(s) every period using the figures to identify the total payment that must be paid to the stakeholder pension provider. If several pay periods' worth of pension contributions are to be paid to the stakeholder pension provider in one go, the figures from the Payment/Deduction List report(s) for those several pay periods can be accumulated to obtain the true total payment figure. Where applicable, you can use the Reporter application to produce more tailored reports such as combining both the employee and employer pension contributions onto the one report.

Please check with the stakeholder pension provider for precise details about the information required to accompany the payment of pension contributions and the information that must be recorded for employees. The employer must manually record any additional information that is not currently held in the Payroll.

4.7 Postponing auto enrolment

This section describes what you must do in Opera if you postpone Auto Enrolment.

You can postpone each employee's Auto Enrolment for up to three months after the following dates:

- your staging date, or
- new employees' start dates, or
- the date that employees become 'Eligible Jobholders'.

This is also referred to as the 'waiting period'.

To exercise that choice, you must issue the worker or workers with a postponement notice. There are three options with varying levels of information.

Postponement can only be used for a worker or workers on certain dates:

- your staging date for employees working for you on that date
- the first day of employment for new employees starting after your staging date
- the date your employee meets the criteria to be an eligible jobholder for the first time after your staging date.



For full details about Auto Enrolment please refer to the information provided by The Pensions Regulator and the Department of Work and Pensions. Some of these sources of information are listed in the Useful Web Sites section.



You must send information about postponement to each affected employee. You must tell them what the deferral date is and that they will be automatically enrolled after that date if they meet the criteria for an eligible jobholder.



Before completing these steps follow these sections to prepare Opera for Auto Enrolment:

1. Setting Up Opera for Auto Enrolment
2. Setting Up Opera for NEST Pensions (only if you are using a NEST pension scheme for Auto Enrolment)
3. Setting Up Opera for NOW Pensions (only if you are using a NOW: Pensions scheme for Auto Enrolment)

HELP? Select F1 to see full explanations for the different boxes and options.

These steps must only be completed after your company's staging date.

1. Open the **Payroll** folder and then click **Global Changes** or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Global Changes**.
2. Select **Auto Enrolment Updates**.
3. Update the boxes on the first page to select the employees to update. Click **Next**.

4.7.1 Choosing the auto enrolment status

1. Under **Auto Enrolment (AE) Status**, select the **Update Employee AE Status** box.
2. Choose 'Postponed' from the **Set Status To** list.
3. In the **Set Postpone. End To** box, choose a postponement date or choose 'Input Manually' and enter a date in the **Status Date** box.
4. Select a postponement type and notice type from the lists in the **Postpone. Type** and the **Postpone. Notice Type** boxes.
5. Select **Next** and then select **Start** to complete the update.



Use the reports in Opera to see how each employee has been updated, for example the Payroll - Pensions Reports - Auto Enrolment Details report.



Run the **Calculation** command when required and complete other required payroll processes as normal. The employees must be assessed again on the day after the postponement period ends. This is known as the deferral date. In the pay period when the postponement period ends the calculation will warn you. You will then need to run either the Payroll - Global Changes - Auto Enrolment Updates form or the Payroll - Processing - Auto Enrolment Details form and change the employees' Auto Enrolment status.

5. Auto enrolment tasks

5.1 How Opera assesses auto enrolment categories and calculates pension deductions

After you have set up Opera for Auto Enrolment, the global Payroll - Calculation and the individual Payroll - Processing - Calculate commands use each **employee's qualifying earnings** (This includes salary, wages, commission, bonuses, overtime, statutory sick pay, statutory maternity, paternity and adoption pay. Plus any pay element which could be considered as any of the above.) to assess their auto enrolment category (eligible jobholder, non-eligible jobholder or entitled worker).

Payment profiles

The calculation uses the payment profiles (set up on the Payroll - Maintenance - Payment Profiles form) when assessing each employee's auto enrolment category and calculating pension deductions.

- The qualifying earnings and the auto enrolment category are assessed for each employee using profiles that have been set up with the **Auto Enrolment** box selected.
- The pension deductions are calculated using profiles that have the **Pensionable** box selected.

The screenshot shows the 'Payment Profile : 001 - Basic' form. The 'General' tab is selected. The form contains the following fields and options:

- Payment Code: 001
- Description: Basic
- Type: Default
- Mask NL Code:
- Print if Zero:
- Nominal Code: W110
- Multiply for Holidays:
- Retain Units:
- Print Balance:
- Taxable:
- Balance Description: Year T.D.
- NI'able: (highlighted with a red box)
- Auto Align: N None
- Hol'able:
- Balance Number: 0
- Attachable:
- Last Modified Date: 05/11/2013
- Auto Enrolment: (highlighted with a red box)
- Triv. Commut.: No

At the bottom of the form, there is a 'Close' button and a 'Modified' status bar.

New or existing pension scheme?

For new defined contribution pension schemes set up for Auto Enrolment, if pension deductions are to be calculated on qualifying earnings (between the qualifying earnings lower threshold and qualifying earnings upper threshold), the payment profiles must be set up with both the **Auto Enrolment** and **Pensionable** boxes selected.

For existing schemes that meet the requirements for Auto Enrolment, the assessment of qualifying earnings and calculation of pension contributions may need to be done using different profiles. For example, overtime payments will be used for assessment but may not be included for calculating pension deductions. In situations like this pension deductions may be calculated on earnings outside the qualifying earnings lower threshold and qualifying earnings upper thresholds. It is important then that the **Earnings Restrictions** boxes for the pension scheme (Payroll - Maintenance - Pension Scheme form) are set appropriately for the scheme.

5.2 Updating employees already in qualifying schemes

This section describes how you should set up existing employees in Opera who are already in a qualifying pension scheme at your staging date. All these employees will be aged from 16 to the state pension age.



For full details about Auto Enrolment please refer to the information provided by The Pensions Regulator and the Department of Work and Pensions. Some of these sources of information are listed in the Useful Web Sites section.



Before completing these steps follow these sections to prepare Opera for Auto Enrolment:

1. Setting Up Opera for Auto Enrolment
2. Setting Up Opera for NEST Pensions (only if you are using a NEST pension scheme for Auto Enrolment)
3. Setting Up Opera for NOW Pensions (only if you are using a NOW: Pensions scheme for Auto Enrolment)

These steps should only be completed after your company's staging date.

1. Open the **Payroll** folder and then click **Global Changes** or click the **Payroll & HR** tab on the Ribbon Bar and then click **Payroll - Global Changes**.
2. Select **Auto Enrolment Updates**.
2. Update the boxes on the first page to select the employees to update. Click **Next**.
3. Under **Auto Enrolment (AE) Status**, choose 'Already in QS' from the **Set Status To** list.
4. Select **Next** and then select **Start** to complete the update.
5. Use the reports in Opera to help you understand each employee's status. For example, the **Payroll - Pensions Reports - Auto Enrolment Details** report and the **Payroll - Periodical Reports - Employee Record Print**.



You must send relevant information to each employee who is already in a qualifying pension scheme.

6. Use the **Payroll - Global Changes - Auto Enrolment Updates** form again to update your employee's records to indicate that the required information has been sent to them. The relevant boxes are in the **Auto Enrolment (AE) Details Dates** section of the form.
7. Run the **Calculation** command and complete other required payroll processes as normal.

5.3 Changing the status of postponed employees

You can postpone each employee's Auto Enrolment for up to three months after the following dates:

- your staging date, or
- new employees' start dates, or
- the date that employees become 'Eligible Jobholders'.

This is also referred to as the 'waiting period'.

It is likely then that postponement dates will be different for many employees, depending on their circumstances. You will therefore need to ensure that, as employees reach the end of the postponement period, that their status is changed from 'Postponed' to another status like 'None'. You may want to do this in batches only for employees who reach the end of their postponement period, for example only employees who reach the end of the postponement period in a certain month, say April 2013.



For full details about Auto Enrolment please refer to the information provided by The Pensions Regulator and the Department of Work and Pensions. Some of these sources of information are listed in the Useful Web Sites section.



Before completing these steps follow these sections to prepare Opera for Auto Enrolment:

1. Setting Up Opera for Auto Enrolment
2. Setting Up Opera for NEST Pensions (only if you are using a NEST pension scheme for Auto Enrolment)
3. Setting Up Opera for NOW Pensions (only if you are using a NOW: Pensions scheme for Auto Enrolment)

HELP? Select F1 to see full explanations for the different boxes and options.

These steps can only be completed after your company's staging date.

1. Open the **Payroll** folder and then click **Global Changes** or click the **Payroll & HR** tab on the Ribbon Bar and then click **Payroll - Global Changes**.
2. Select **Auto Enrolment Updates**.
3. Update the boxes on the first page to select the employees to update. Click **Next**.

5.3.1 Setting the auto enrolment status

1. Select the **Update Employee AE Status** box under **Auto Enrolment (AE) Status**.
2. In the **Set Status To** list, choose the status that you want to set the postponed employees to, for example 'None' or 'Auto Enrolled'.
3. Under **Additional Criteria**, select the **Include employees based on their existing status** box. Then set the **Include Where Existing Status** boxes to 'Already Postponed' to select only employees that have already been postponed.
4. In the **End Date** boxes, enter the date range when the postponement period will end. For example, to include all employees whose postponement period ends during June 2013, enter '01/06/2013' to '30/06/2013'.
4. Update other boxes as necessary. This will depend on what is selected in the list in the **Set Status To** box.
5. Select **Next** and check the list of employees on the page. The select **Start** when to commence the update.



Use the reports in Opera to see how each employee has been updated, for example the Payroll - Pensions Reports - Auto Enrolment Details report.

5.4 Auto enrolling eligible jobholders

This section describes how you should set up existing employees at your staging date. All these employees will be aged between 22 and the state pension age and have auto enrolable earnings above the earnings trigger.



For full details about Auto Enrolment please refer to the information provided by The Pensions Regulator and the Department of Work and Pensions. Some of these sources of information are listed in the Useful Web Sites section.

These steps must only be completed after your company's staging date.

Use the reports in Opera to help you understand each employee's status. For example, the **Payroll - Pensions Reports - Auto Enrolment Details** report and the **Payroll - Periodical Reports - Employee Record Print**.



You must send information about Auto Enrolment to each employee who is already in a qualifying pension scheme. You must also explain that they can opt out if they want to and tell them where to find more information about pensions and saving for retirement.



Before completing these steps follow these sections to prepare Opera for Auto Enrolment:

1. Setting Up Opera for Auto Enrolment
2. Setting Up Opera for NEST Pensions (only if you are using a NEST pension scheme for Auto Enrolment)
3. Setting Up Opera for NOW Pensions (only if you are using a NOW: Pensions scheme for Auto Enrolment)

HELP ? Select F1 to see full explanations for the different boxes and options.

These steps must only be completed after your company's staging date. You must enrol all employees with a status of eligible jobholder and make sure each employee has all the information about the enrolment before the end of the joining window, which is within one month of the Auto Enrolment date.

1. Open the **Payroll** folder and then click **Global Changes** or click the **Payroll & HR** tab on the Ribbon Bar and then click **Payroll - Global Changes**.
2. Select **Auto Enrolment Updates**.
3. Update the boxes on the first page to select the employees to update. Click **Next**.

5.4.1 Setting the auto enrolment status

1. Select the **Update Employee AE Status** box.
2. Choose 'Auto-Enrolled' from the **Set Status To** list.
3. In the **Set Status Date To** box, choose an Auto Enrolment date or choose 'Input Manually' and enter a date in the **Status Date** box.
4. Select the **Assign pension scheme to employee** box and choose a pension scheme from the list.
5. Select **Next** and then select **Start** to complete the update.

5.4.2 Update the employee records after sending mandatory information

1. Use the Payroll - Global Changes - Auto Enrolment Updates form again to update your employee's records to indicate that the required information has been sent to them. The relevant boxes are in the **Auto Enrolment (AE) Details Dates** section of the form.



The calculation will warn you if employees have not been auto enrolled when they should have been. If this happens you must use either the Payroll - Global Changes - Auto Enrolment Updates form or the Payroll - Processing - Auto Enrolment Details form to firstly enrol the affected employees and providing them with the necessary information. You must then run the calculation again.

5.5 Enrolling 22-year old employees

This section describes how you can set up Auto Enrolment in Opera for existing employees who become 22 whilst in your employment. Employees aged between 22 and state pension age are eligible jobholders if their qualifying earnings are above the earnings trigger.



For full details about Auto Enrolment please refer to the information provided by The Pensions Regulator and the Department of Work and Pensions. Some of these sources of information are listed in the Useful Web Sites section.

These steps must only be completed after your company's staging date. The calculation's audit report will warn you if one or more employees become 22 in the next pay reference period. The employee must be auto enrolled in that period before the end of the joining window, which is within one month of the Auto Enrolment date.



Before completing these steps follow these sections to prepare Opera for Auto Enrolment:

1. Setting Up Opera for Auto Enrolment
2. Setting Up Opera for NEST Pensions (only if you are using a NEST pension scheme for Auto Enrolment)
3. Setting Up Opera for NOW Pensions (only if you are using a NOW: Pensions scheme for Auto Enrolment)

Follow these steps in the month that the employee turns 22:

HELP ? Select F1 to see full explanations for the different boxes and options.

1. From the **Payroll - Processing** form, open the employee's **Pensions - Auto Enrolment Details** form. Select the **Override Category** box and choose a **Category** and **Status** from the lists.
2. Update the necessary dates in the **Participate** tab, for example the Auto Enrolment date (**AE Date**), Auto Enrolment information to the employee date (**AE Info. to EE**). The employee's birthday should be their Auto Enrolment date.
3. Select the **Assign Pension Scheme to Employee** box and choose a pension scheme from the list.
4. Click **Save**.

You must provide all necessary information to the employee after they have been auto enrolled before the end of the joining window. They will then be able to opt-out of the pension if they want to. The new employee's pension details will be included on the various reports under the **Pension Reports** menu.

Note: After you have received notification from the pension provider that the employee has been enrolled, update the **Active Member Achieved** date on the **Payroll - Processing - Auto Enrolment Details** form.

5.6 Enrolling new employees

This section describes how you can set up Auto Enrolment in Opera for new employees who start after your staging date.



For full details about Auto Enrolment please refer to the information provided by The Pensions Regulator and the Department of Work and Pensions. Some of these sources of information are listed in the Useful Web Sites section.

These steps must only be completed after your company's staging date. You must enrol all employees with a status of eligible jobholder and make sure each employee has all the information about the enrolment before the end of the joining window, which is within one month of the Auto Enrolment date.



Before completing these steps follow these sections to prepare Opera for Auto Enrolment:

1. Setting Up Opera for Auto Enrolment
2. Setting Up Opera for NEST Pensions (only if you are using a NEST pension scheme for Auto Enrolment)
3. Setting Up Opera for NOW Pensions (only if you are using a NOW: Pensions scheme for Auto Enrolment)

HELP Select F1 to see full explanations for the different boxes and options.

1. When creating the new employee record on the **Payroll - Processing** form, the employee's **Auto Enrolment Details** form will be displayed. Select the **Override Category** box and choose a **Category** and **Status** from the lists.
2. Update the necessary dates in the **Participate** tab, for example the Auto Enrolment date (**AE Date**) and Auto Enrolment information to the employee date (**AE Info. to EE**).
3. Select the **Assign Pension Scheme to Employee** box and choose a pension scheme from the list.
4. Click **Save**.



After you have received notification from the pension provider that the employee has been enrolled, update the **Active Member Achieved** date on the **Payroll - Processing - Auto Enrolment Details** form.

5.7 Enrolling employees who opt-in

This section describes how you can set up Auto Enrolment in Opera for existing employees who opt-in whilst in your employment. Your employee can require you to arrange for them to become an active member of an Auto Enrolment scheme. This applies to employees who are categorised as non-eligible jobholder.



For full details about Auto Enrolment please refer to the information provided by The Pensions Regulator and the Department of Work and Pensions. Some of these sources of information are listed in the Useful Web Sites section.

These steps must only be completed after your company's staging date. Your employee will give you an opt-in notice to opt-in. You must assess the employee on the first day of the next pay reference period after the opt-in notice has been received to assess whether the employee is categorised as a non-eligible jobholder. If so, the employee must be opted-in in that period.



Before completing these steps follow these sections to prepare Opera for Auto Enrolment:

1. Setting Up Opera for Auto Enrolment
2. Setting Up Opera for NEST Pensions (only if you are using a NEST pension scheme for Auto Enrolment)
3. Setting Up Opera for NOW Pensions (only if you are using a NOW: Pensions scheme for Auto Enrolment)

HELP Select F1 to see full explanations for the different boxes and options.

Follow these steps in the pay reference period that the employee gives you an opt-in notice.

1. From the **Payroll - Processing** form, open the employee's **Pensions - Auto Enrolment Details** form.
2. In the **Opt-In** section on the **Participate** tab, enter the date that the opt-in notice was received in the **Notice Received On** box.
3. Click **Save** and **Close**. Do not yet set the employee's status to 'Opted-In' yet - this must be done in the pay reference period after the employee gives you an opt-in notice. Complete your payroll processes as normal for the current pay period.

Follow these steps at the start of the pay reference period after the employee gives you an opt-in notice.

1. From the **Payroll - Processing** form, open the employee's **Pensions - Auto Enrolment Details** form.
2. Choose 'Opted-In' from the **Status** list.
3. Update the necessary dates under **Opt-In** in the **Participate** tab, for example the **Opt-In Commencement** date. The commencement date must be the first day of the pay period.
4. Select the **Assign Pension Scheme to Employee** box and choose a pension scheme from the list.
5. Click **Save**. Pension contributions will be deducted during the next payroll run.

You must provide all necessary information to the employee after they have been opted in. The employee's pension details will be included on the various reports under the **Pension Reports** menu.

Note: After you have received notification from the pension provider that the employee has been enrolled, update the **Active Member Achieved** date on the **Payroll - Processing - Auto Enrolment Details** form.

5.8 Enrolling employees who want to join

This section describes how you can set up Auto Enrolment in Opera for existing employees who want to join a pension scheme whilst in your employment. This applies to employees who are categorised as entitled workers.



For full details about Auto Enrolment please refer to the information provided by The Pensions Regulator and the Department of Work and Pensions. Some of these sources of information are listed in the Useful Web Sites section.

These steps should only be completed after your company's staging date.



Before completing these steps follow these sections to prepare Opera for Auto Enrolment:

1. Setting Up Opera for Auto Enrolment
2. Setting Up Opera for NEST Pensions (only if you are using a NEST pension scheme for Auto Enrolment)
3. Setting Up Opera for NOW Pensions (only if you are using a NOW: Pensions scheme for Auto Enrolment)

HELP? Select F1 to see full explanations for the different boxes and options.

Follow these steps in the pay reference period that the employee gives you an opt-in notice. Only employees who are categorised as an entitled worker can join a scheme.

1. From the **Payroll - Processing** form, open the employee's **Pensions - Auto Enrolment Details** form.
2. Under **Category & Status (as at This Period)** select 'Joined' from the **Status** list.
3. On the **Participate** tab, in the **Join** section enter both the date that the join information was given to the employee and the join date.
4. Select the **Assign Pension Scheme to Employee** box and choose a pension scheme from the list.
5. Click **Save** and **Close**. Pension contributions will be deducted for the employee during the next payroll run. As an entitled worker the employee's auto enrolment category will also still be assessed for auto enrolment every time the calculation is run.

You must provide all necessary information to the employee after they have joined. The employee's pension details will be included on the various reports under the **Pension Reports** menu.

Note: After you have received notification from the pension provider that the employee has joined, update the **Active Member Achieved** date on the **Payroll - Processing - Auto Enrolment Details** form.

5.9 Opting out an employee

It is compulsory for you to automatically enrol eligible jobholders into an automatic enrolment scheme. However, ongoing membership of the scheme is not compulsory for the jobholder, as long as they opt out before the end of the opt out period. A non-eligible jobholder can also decide to opt out after voluntarily opting in to an automatic enrolment scheme.

This section describes how you should update Opera if an employee decides to opt out of an Auto Enrolment pension.



For full details about Auto Enrolment please refer to the information provided by The Pensions Regulator and the Department of Work and Pensions. Some of these sources of information are listed in the Useful Web Sites section.

HELP Select F1 to see full explanations for the different boxes and options.

1. Open the **Payroll** folder and then click **Processing** or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Processing**.
2. Open the employee's **Pensions - Auto Enrolment Details** form.

5.9.1 Choosing the auto enrolment status

1. Choose 'Opted-Out' from the **Status** list.
2. Enter the **Opt-Out Notice Received On** date and **Opt-Out Form Reference**.
3. Click **Save** and then click **Close**.

5.9.2 Updating the employee record

1. Open the employee's **Pensions - Employee Pensions** form.
2. On the **General** tab, under **Employer**:
 - Clear the **Period Contrib.** box
 - Clear the **Contribs Currently Due** box.
3. On the **General** tab, under **Employee**:
 - Clear the **Period Contrib.** box
 - Clear the **Contribs Currently Due** box
 - Clear the **Pensionable Pay Currently Due** box
 - Clear the **AVC Currently Due** box.
4. Click **OK**.

5.9.3 Dealing with refunds

When an employee opts-out of an auto enrolment scheme, any contributions that the employee and employer have made to the pension must be refunded.

One way to do this in Opera is to enter a temporary negative deduction amount for all of the employee's contributions (for the current and earlier pay periods) on the Payroll - Processing - Pay & Deductions form. This is treated as a refund by the payroll calculation so the employee will receive all of their contributions back.

Unless you have held onto contributions you will need to contact NEST or NOW: Pensions to recover the employer contributions and contributions the employee made in earlier pay periods.

5.10 Ceasing an employee's active membership

A jobholder's right to choose to opt out expires at the end of the opt-out period. If they want to leave the scheme after this, they can cease active membership in accordance with the scheme rules.

This section describes how you should update Opera if an employee decides to cease their membership of an Auto Enrolment pension.



For full details about Auto Enrolment please refer to the information provided by The Pensions Regulator and the Department of Work and Pensions. Some of these sources of information are listed in the Useful Web Sites section.

HELP Select F1 to see full explanations for the different boxes and options.

1. Open the **Payroll** folder and then click **Processing** or click the **Payroll & HR** tab on the Ribbon Bar and then click **Payroll - Processing**.
2. Open the employee's **Pensions - Auto Enrolment Details** form:

5.10.1 Choosing the auto enrolment status

1. Choose 'Ceased' from the **Status** list.
2. Enter the date that the employee ceased being an active member in the **Cease Active Membership** box.
3. Click **Save** and then click **Close**.

5.10.2 Updating the employee record

1. Open the employee's **Pensions - Employee Pensions** form.
2. On the **General** tab, under **Employer**:
Clear the **Period Contrib.** box.
3. On the **General** tab, under **Employee**:
Clear the **Period Contrib.** box.
4. Click **OK**.

5.11 Transferring employees between schemes

This command is available so that employees in a pension scheme can easily be transferred to a new pension scheme.



Make sure the scheme to which you are going to transfer the employees is set up on the Payroll - Maintenance - Pension Schemes form before transferring employees between pension schemes.

1. Open the **Payroll** folder and then click **Global Changes** or click the **Payroll & HR** tab on the Ribbon Bar and then click **Payroll - Global Changes**.
2. Click **Pension Scheme Transfer**.
3. If you are using groups, in the **Select Payroll Groups** list, click to select the group(s) you want to process and then click **OK**.
4. The **Report Only** option is selected automatically to allow you to first view a report before transferring the employees. However, you can both transfer the employees and print the report at the same time by selecting the **Transfer and Report** option.
5. In the boxes provided, choose the **From** and **To** Schemes, enter a range and select the attributes to copy.
6. Click **OK**.
7. On the **Publisher** form, click the tab to select the output device you want to use and then complete any settings or options you want to apply to the output device. To process the output, click **Publish**.

6. Cyclical re-enrolment tasks

6.1 Cyclical automatic re-enrolment date

You must reassess your employees at your Cyclical Automatic Re-Enrolment date. This is a date of your choosing up to three months before or after the third anniversary of your original Auto Enrolment staging date. If your staging date was 1 April 2013, your Cyclical Automatic Re-Enrolment date could be any time from 1 January 2016 to 30 June 2016.

You should ideally choose a Cyclical Automatic Re-Enrolment date that falls on the first day of a pay reference period otherwise you may have to deduct pro-rata pension contributions (this depends on scheme rules). However you can only choose one date, even if you run more than one payroll with different pay frequencies, say monthly and weekly.

Note: If an employee opted-out or ceased membership of a qualifying pension scheme during the 12 months before the Cyclical Automatic Re-Enrolment date, you can decide whether to re-assess them or not, but you do not have to.

If an employee is not in a qualifying pension scheme either because they opted out of their pension or ceased membership more than 12 months before the Cyclical Automatic Re-Enrolment date, you must assess them every three years or so using the 'Cyclical Automatic Re-Enrolment' process.

6.2 Who to reassess

These employees must be reassessed:

- Those employees who opted-out of a qualifying pension scheme more than 12 months before the Cyclical Automatic Re-Enrolment date.
- Those employees who ceased membership of a qualifying pension scheme more than 12 months before the Cyclical Automatic Re-Enrolment date.

6.3 Checking employee records before assessing your employees

Before assessing your employees you must make sure that employee records are updated with the settings and dates to reflect the correct status. These settings and dates are held on the Payroll - Processing - Pensions - Auto Enrolment Details form.

It is important that the relevant **Auto Enrolment related dates** (Auto Enrolment, Opt-in, Join, Miscellaneous, Postponement, Opt-out and Ceased dates) are recorded on the **Auto Enrolment Details** form for all employees assessed as Eligible Jobholders, Non-Eligible Jobholders or Entitled Workers.

Entitled Workers are only considered for Cyclical Automatic Re-Enrolment if they have ceased contributing to a qualifying pension scheme. These dates must be recorded for them before they will be considered in Opera for Cyclical Automatic Re-Enrolment:

- The **Active Member of QS Achieved** date on the **Participate** tab.
- The **Date Ceased** active membership on the **Postpone or Stop** tab. This must be at least twelve months before the Cyclical Automatic Re-Enrolment date.



If these dates have not been recorded you can update them using either the Payroll - Global Changes - Auto Enrolment Updates command or the directly from the Auto Enrolment Details form.

6.4 Using the Auto Enrolment Details report to identify who to assess

Use the Payroll - Pensions Reports - Auto Enrolment Details report to view the employees who must be assessed.

To ensure that employees who either opted-out or ceased active membership more than twelve months ago are included, these boxes are updated automatically when the **Must be assessed at cyclical re-enrolment date** option is selected:

- The **Opted-Out**, **Ceased** and **Cycl. Assess** boxes.
- The **To** date is set to twelve months before your Cyclical Automatic Re-Enrolment date.

The screenshot shows the 'Auto Enrolment Details' dialog box with the 'Additional Criteria' tab selected. The 'Sequence' is set to 'Employee' and 'Sort within Sequence' is 'None'. The 'Range' section shows 'First Employee' as 1001 (Godson) and 'Last Employee' as 3022 (Willis). The 'Category' section has 'All' checked. The 'Status' section has 'Opted-Out', 'Ceased', 'Cycl. Assess', and 'Must be assessed at cyclical re-enrolment date' checked. The 'To' date is set to 01/12/2014. The 'Report Date' is 22/09/2015.

The report shows you the following:

- Employees who opted out of a qualifying pension scheme more than twelve months ago.
- Employees who ceased active membership if they were members of a qualifying pension scheme more than twelve months ago.
- Other relevant employees who already have a status of 'Cyclical Assessment'.

The Auto Enrolment **Status** list now includes the following for Cyclical Automatic Re-Enrolment:

- 'Immed. Assess' - the employee will be assessed every pay period. If the employee has withdrawn their notice and 'withdrawal of notice date' has been entered they will be assessed in the relevant Pay Reference Period (PRP). If the employee is assessed as an Eligible Jobholder they are re-enrolled.
- 'Cycl. Assess' - the employee will only be assessed on a Cyclical Automatic Re-Enrolment date (when that date is in the current pay reference period (PRP)). If the employee is assessed as an Eligible Jobholder they are re-enrolled. If not they are not assessed again until the next Cyclical Automatic Re-Enrolment date - in approximately another three years.
- 'Re-Enrolled' - set when the employee has been assessed as an Eligible Jobholder as part of Cyclical Automatic Re-Enrolment.

Note: The status can be selected both under **Category & Status (as at This Period)** and also on the **Last Period** tab.

6.5 Changing auto enrolment status to 'Cyclically Assess'

The Auto Enrolment status for each relevant employee must first be set to 'Cycl. Assess' so that they are assessed for Cyclical Automatic Re-Enrolment during the Payroll calculation. The calculation will then assess the Auto Enrolment category for the employees and highlight those employees who must be re-enrolled.

You can change the Auto Enrolment status either individually or in bulk (depending on the number of employees whose status must be changed):

- Individually using the Payroll - Processing - Pensions - Auto Enrolment Details form,

- or, in bulk using the Payroll - Global Changes - Auto Enrolment Updates command.

6.6 Changing auto enrolment category to 'Re-enrolled'

The Auto Enrolment status of 'Cycl. Assess' is used during the Payroll calculation to assess the Auto Enrolment category for each employee. Any employees with this status who are assessed as an Eligible Jobholder will have their Auto Enrolment category changed. The employees will be included on the calculation audit report with an explanation.

These employees must then have their Auto Enrolment status changed from 'Cycl. Assess' to 'Re-enrolled' and be assigned a pension scheme before running the calculation again to deduct pension contributions.

You can also do this either individually or in bulk (depending on the number of employees whose status must be changed):

- Individually using the Payroll - Processing - Pensions - Auto Enrolment Details form,

- or, in bulk using the Payroll - Global Changes - Auto Enrolment Updates command.

6.7 Re-enrolling employees in a qualifying pension scheme

If an employee is reassessed as an Eligible Jobholder you must re-enroll them in a qualifying pension scheme. You cannot apply postponement. You must also submit a re-declaration of compliance to The Pensions Regulator' to confirm that you've completed your Auto Enrolment duties. The employee can still choose to opt out if they want to.

If an employee is not reassessed as an Eligible Jobholder, you don't need to do anything further until the next Cyclical Automatic Re-Enrolment date. The employee can however choose to either opt-in or join a qualifying pension scheme.

6.8 Employees in their notice period

Employees who have handed in their notice are ignored by the Payroll Calculation for Auto Enrolment assessment.

The boxes are on the **Earnings & General** tab.

- The **In Notice Period** box is used so that employees are ignored for Auto Enrolment assessment. This is automatically selected when an employee is marked as a leaver on the Payroll - Processing - Leavers form.
- The **Date Notice Withdrawn** is used when an employee withdraws their notice. These employees will no longer be ignored by the Payroll calculation for Auto Enrolment purposes. When they are assessed is controlled by the date entered.

Auto Enrolment Details : 1001 - Richard Godson

Category & Status (as at This Period)

Override Category

Category : None

Status : None

Use this form to verify or amend the employee's auto enrolment(AE) related details.
You can override the employee's category and their earnings, amend their auto enrolment status, and perform various associated actions as necessary.

Participate Postpone or Stop **Earnings & General** Last Period Memo

Earnings Details

Override Earnings

AE Earnings : 0.00

Qualifying Earnings : 0.00

Earnings Above Trigger : 0.00

PRP Start : // ...

PRP End : // ...

General

Date EJ 1st Achieved : // ...

Date EJ Regained : // ...

Date NEJ 1st Achieved : // ...

Date EW 1st Achieved : // ...

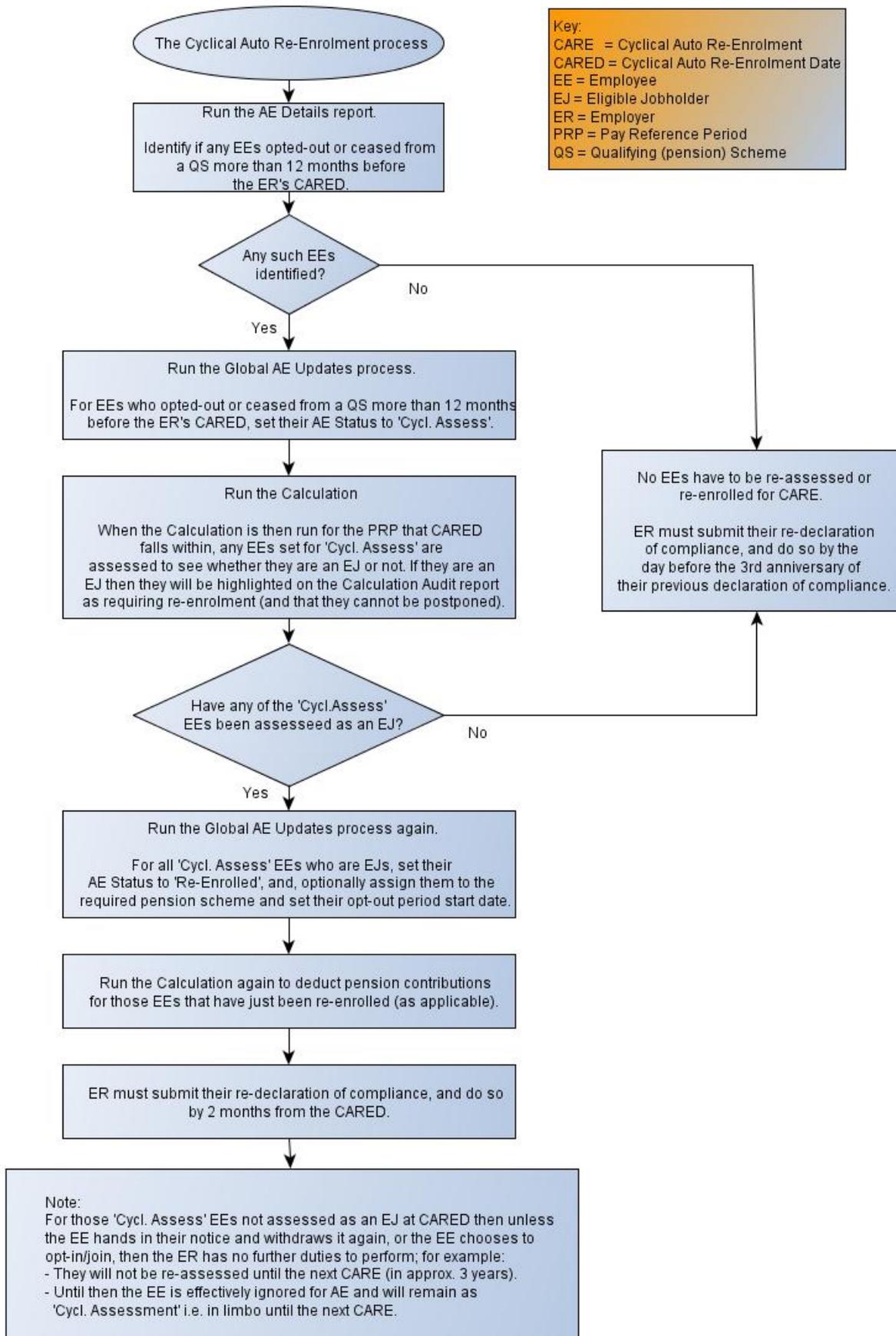
Cyclical Assessment Date : // ...

In Notice Period

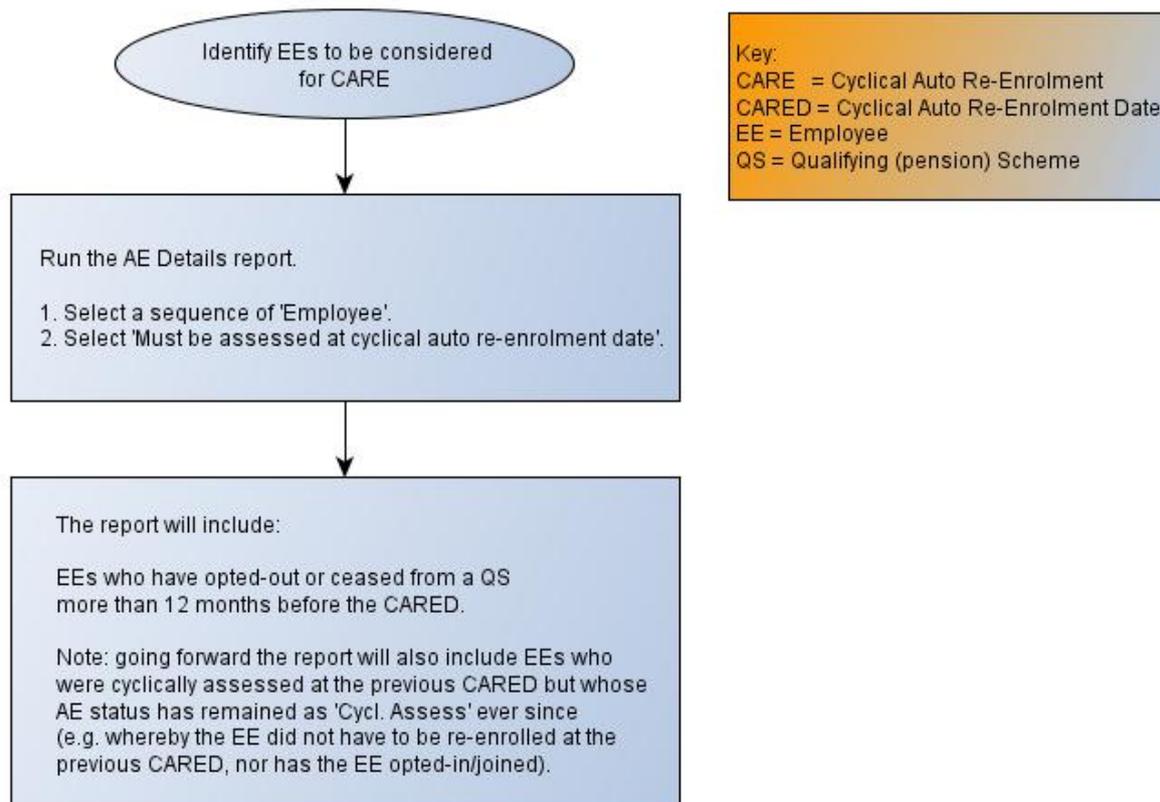
Date Notice Withdrawn : // ...

Action ? Save Cancel

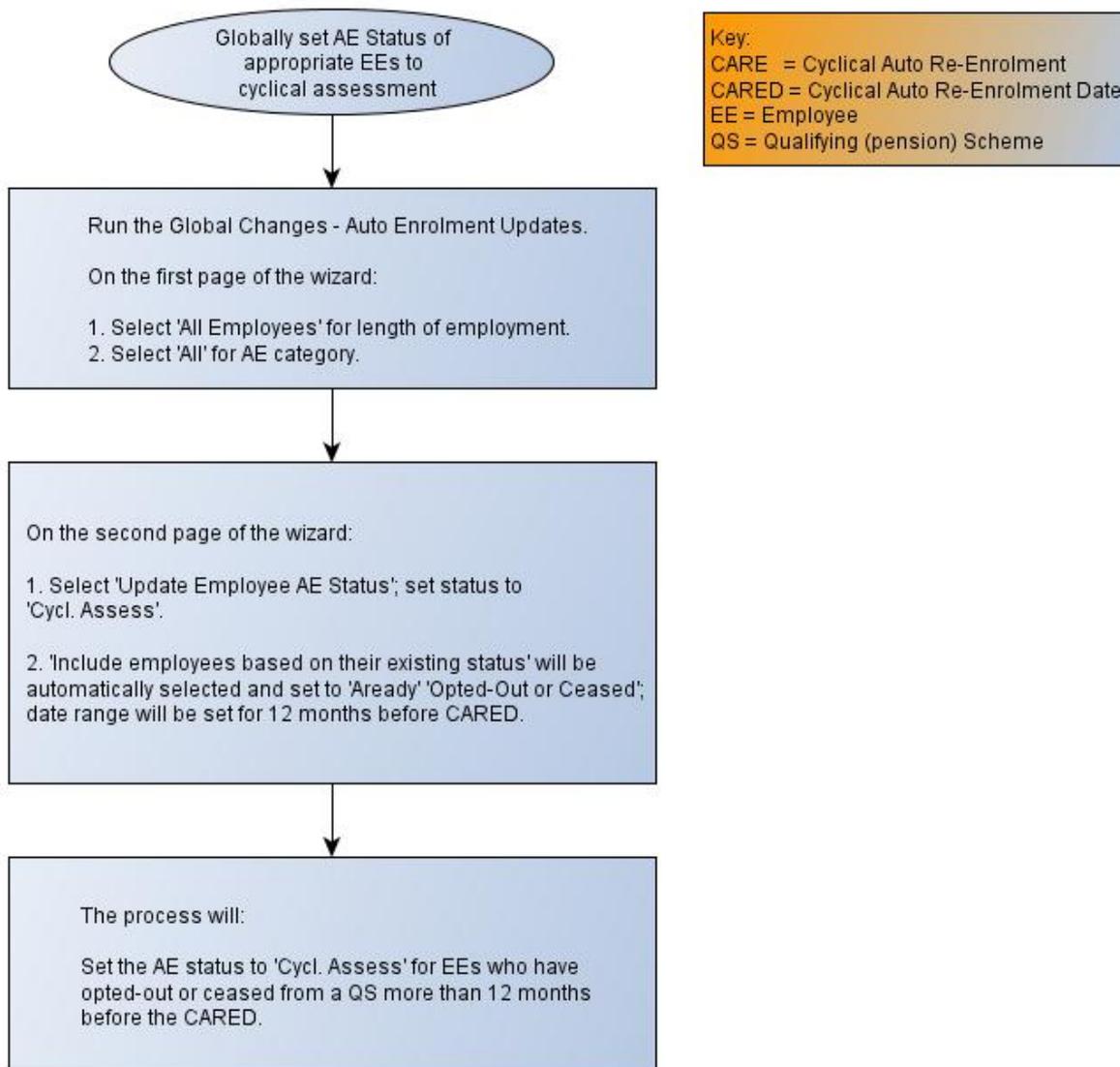
6.9 The Cyclical Automatic Re-Enrolment process



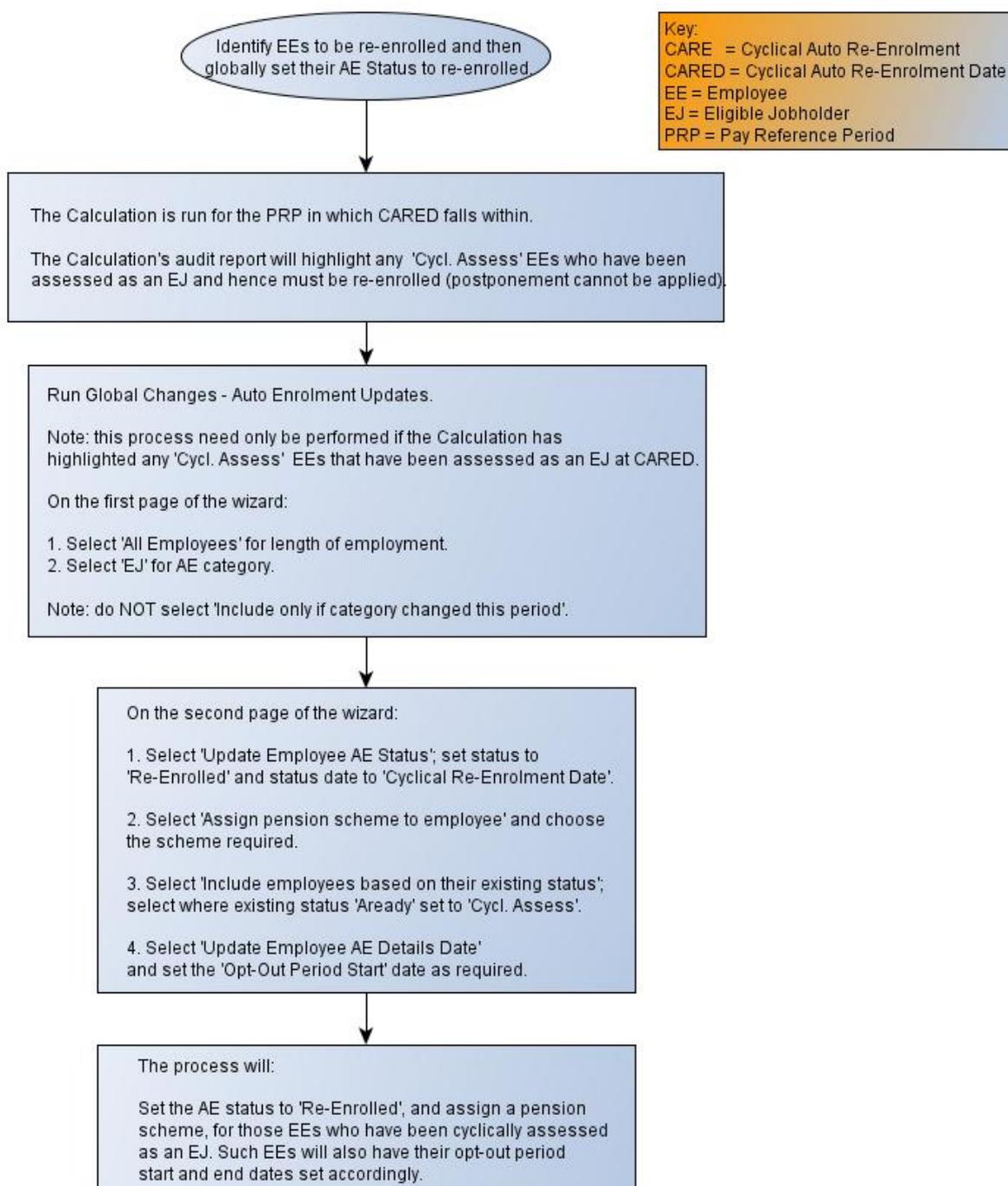
6.10 Identify employees for Cyclical Automatic Re-Enrolment



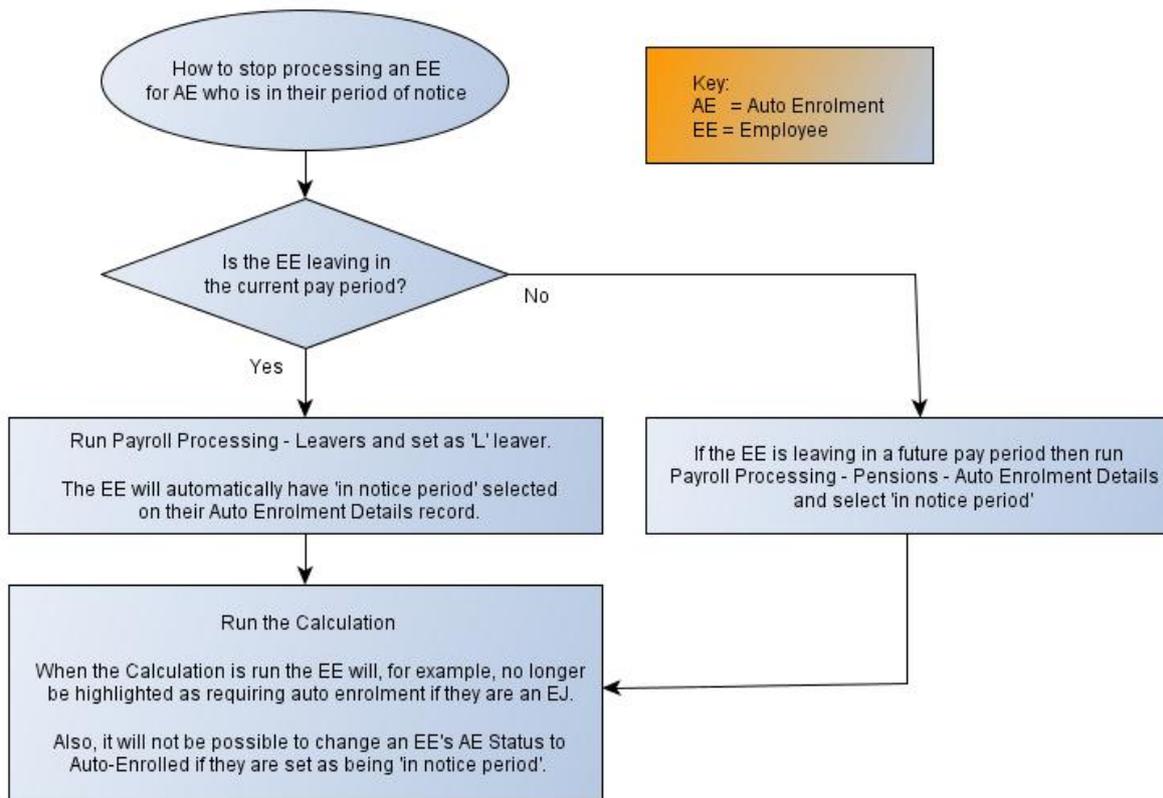
6.11 Set employees for Cyclical Automatic Re-Enrolment



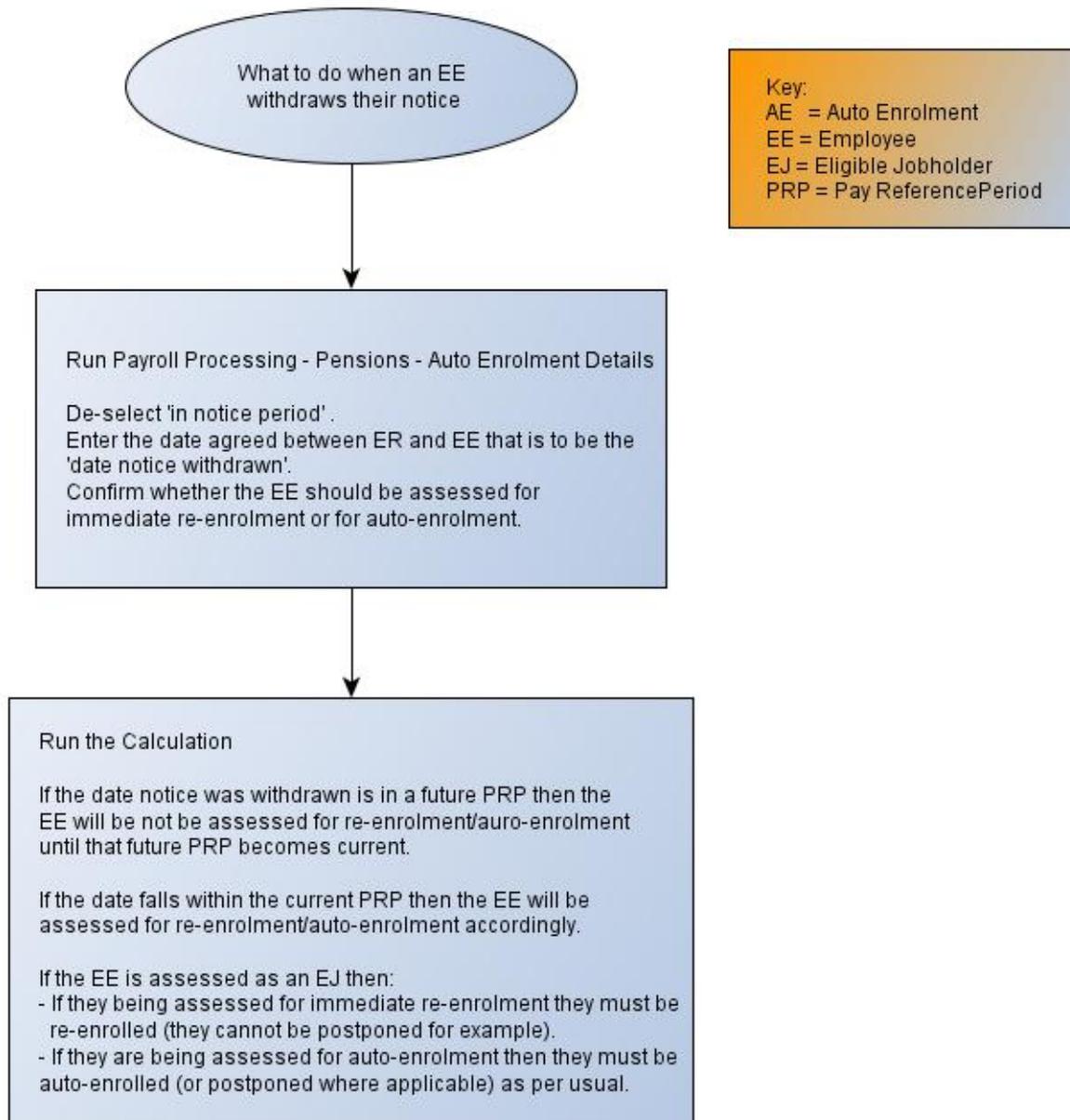
6.12 Identify and re-enrol employees for cyclical automatic re-enrolment



6.13 Putting an employee in their notice period



6.14 Employee withdraws notice period



7. Global changes

7.1 Auto enrolment updates

This form (accessed from the **Payroll - Global Changes** menu) is designed to help you easily set up many employees for auto enrolment. You can set the status, category and auto-enrolment dates for lots of employees at the same time. The form is presented using different steps to complete the process.

7.1.1 Actions

You can use the **Action** menu to:

- Open the **Auto Enrolment Settings** form. This form is where the staging date and registration date is displayed, and also where the various thresholds for Auto Enrolment are kept.



The Pensions Regulator may sometimes clarify the requirements for auto enrolment so additional information may need to be recorded. It is possible to enter additional memo information regarding the auto enrolment of employees on the **Memo** tab of the Payroll - Processing - Pensions - Auto Enrolment Details form and the **Notes** box on the Payroll - Utilities - Auto Enrolment Settings form.

7.2 Pension scheme transfer

Use this form (accessed from the **Payroll - Global Changes** menu) to transfer employees from one pension scheme to another. The application updates all the employees who are linked to the old scheme as long as their NI codes are appropriate for the chosen new scheme.

Pension schemes for employees are recorded on the Payroll - Processing - Pensions form. For each employee that is transferred to a new pension scheme, a new pension record is added to the form and the leave date on the old pension record is updated with the date of the transfer.

You can choose the **Report Only** option to print the report without changing pension schemes or choose the **Transfer and Report** option to change pension schemes and print a report.



This is available if you have selected the **Use Advanced Pension Processing** option on the **Options Page 2** tab of the Payroll - Utilities - Set Options form.



Print the Payroll - Pensions Reports - Scheme Contributions report to see a listing of the pension schemes already set up together with the employer and employee payments that are currently due and already paid to the pension provider.

7.3 Clear pension contributions

Use this form (displayed during the **Payroll - Utilities - Update** process) to clear the employer and the employee pension contributions that are currently due to be paid to the pension company for the schemes.

Update : Clear Pension Contributions

Use this form to select those pension schemes that you want to clear the employer and employee pension contributions currently due to be paid to the pension provider.

Pension Schemes		
COPENSION	Company pension scheme	Y
SKPENSION	Stakeholder Pension	Y
OCCPENSION	Occupational Pension Scheme	Y
PCOMP	Pension Scheme (COMP)	Y
PERSONAL	GROUP PERSONAL PENSION	Y
NEST	Nest	Y

Action ? OK Cancel

Clearing these values after paying the pension company must be done so that you pay the correct amount for each pay period. If you pay the pension company monthly, for example, but run a weekly payroll, do not clear the contributions until you run the **Update** for the last week in the month. Opera will accumulate the contributions for each week until you are ready to pay the pension company.



This is available if you have selected the Use Advanced Pension Processing option on the **Options Page 2** tab of the Payroll - Utilities - Set Options form. These values are held in the **Contributions Currently Due** boxes for each employee on the Payroll - Processing - Pensions - Employee Pensions form and displayed on the Payroll - Pensions Reports - Scheme Contributions Report.



To automatically select a scheme when the **Update** is run, select the **Clear Currently Due Contributions at Update** option for the pension scheme on the Payroll - Maintenance - Pension Scheme form before running the next update.

7.3.1 NEST Pensions

If your employees are enrolled in pensions run by the National Employment Savings Trust you must clear these contributions if you have already created the NEST contribution file in the current pay period. This will zeroise the values so that they are not also included in the next NEST contribution file that you create.

8. Creating pension files

8.1 Creating a NOW contribution file

This section describes how to create a pension contribution file to send to the NOW: Pensions after your employees have been enrolled in a NOW Pension. After the file has been created it must be submitted using the NOW: Pensions website. The contribution file is used to both enrol employees in the pension scheme and also to send pension contribution information for employees who have already been enrolled.

The contribution file must be created and sent according to the frequency that you agreed with NOW: Pensions when you set up the pension scheme. This may be the same as your employee's pay frequency but it could be different. For example, you could pay your employees every week but send the contribution file once a month.

HELP ? Select F1 to see full explanations for the different boxes and options.

1. Open the **Payroll** folder and then click **Pensions Reports** or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Pensions Reports**.
2. Open **Contribution File**.
3. If you are using groups, in the **Select Payroll Groups** list, click to select the group(s) you want to process and then click **OK**.

8.1.1 First page

1. The **Create contribution file and report** option under **Process** is selected automatically. If you want to print a report without creating the file, select **Report only**.
2. Select one or more pension schemes for the contribution file. You can select more than one scheme if they have the same pension scheme reference.
3. Select one or more pension groups for the contribution file.
4. Select the **Automatically add employees to the list** option to display the employees automatically on the next page. If the option is not selected you need to manually select the employees to include. Click **Next**.
5. Check the list of employees is correct and click **Next**.

8.1.2 Final page

1. The final page displays a summary of the number of employees who will be included in the file along with the pension scheme reference and scheme codes.

Click **Start** when you are ready.

After the file has been created submit it using the NOW: Pensions website.

8.1.3 Clearing the Contributions 'Currently Due' to NOW: Pensions

After creating the contribution file and sending the details to NOW: Pensions you must clear each employee's contribution details in Opera before sending the next contribution file.



You can clear all 'currently due' values by:

1. Selecting the necessary pension schemes on the **Clear Pensions** form that is displayed when you run the Payroll - Utilities - Update command.
 2. Using the **Clear Currently Due** command on the **Action** menu of the Payroll - Maintenance - Pension Schemes form.
-

8.2 Creating a NEST enrolment file

This section describes how to create a pension enrolment file to send to the National Employment Savings Trust (NEST). After the file has been created it must be submitted to NEST using either the NEST website or by using FTP software.

NEST is one of a number of pension schemes that employers can choose to fulfil auto enrolment duties. Pensions enrolment and contribution information for this provider can be exported from Opera. Please refer to www.nestpensions.org.uk for details.



Before completing these steps follow these Help topics to prepare Opera for Auto Enrolment:

1. Setting Up Opera for Auto Enrolment
2. Setting Up Opera for NEST Pensions (only if you are using a NEST pension scheme for Auto Enrolment).

HELP ? Select F1 to see full explanations for the different boxes and options.

1. Open the **Payroll** folder and then click **Pensions Reports** or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Pensions Reports**.
2. Open **Enrolment File**.
3. If you are using groups, in the **Select Payroll Groups** list, click to select the group(s) you want to process and then click **OK**.

8.2.1 First page

1. The **Create enrolment file and report** option under **Process** is selected automatically. If you want to print a report without creating the file, select **Report only**.
2. Under **File Type** select 'Enrol Members'. Then update the remaining boxes to select the employees to include in the file.
3. Click **Next**.
4. If the **Automatically add employees to the list** option on page one is ticked the selected employees are automatically displayed on the second page. If the option is not selected you need to select the employees.

Click **Next**.

8.2.2 Final page

1. The final page displays a summary of the number of employees who will be included in the file along with the file type, pension scheme code and pension reference number.

Click **Start** when you are ready.

After the file has been created submit it using either the NEST website or by FTP. Please see the Enrolment File section for more information.



See the 'How to enrol workers by file transfer' and 'How to enrol workers by file upload' guides on the 'Setting Up NEST' page at www.nestpensions.org.uk for detailed guidance.

8.3 Creating a NEST contribution file

This section describes how to create a pension contribution file to send to the National Employment Savings Trust after your employees have been enrolled in a NEST pension. After the file has been created it must be submitted using either the NEST website or by using FTP software.

The contribution file must be created and sent according to the frequency that you agreed with NEST when you set up the pension scheme. This may be the same as the pay frequency as your employees but it could be different. For example, you could pay your employees every week but send the contribution file once a month.



If one or more employees are not making their usual pension payment you must update each relevant employee record on the Payroll - Processing - Pensions - Employee Pensions - Additional Details form with the reason for this before creating the contribution file.

HELP ? Select F1 to see full explanations for the different boxes and options.

1. Open the **Payroll** folder and then click **Pensions Reports** or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Pensions Reports**.
2. Open **Contribution File**.
3. If you are using groups, in the **Select Payroll Groups** list, click to select the group(s) you want to process and then click **OK**.

8.3.1 First page

1. The **Create contribution file and report** option under **Process** is selected automatically. If you want to print a report without creating the file, select **Report only**.
2. Select one or more pension schemes for the contribution file. You can select more than one scheme if they have the same pension scheme reference.
3. Select the payment source and one or more pension groups for the contribution file. You can select more than one group if they have the same contribution frequency.
4. Enter the start and end dates for the earnings period.
5. Enter the payment due date for the earnings period.
3. Click **Next**.
6. If the **Automatically add employees to the list** option on page one is ticked the selected employees are automatically displayed on this page. If the option is not selected you need to select the employees to include.

Click **Next**.

8.3.2 Final page

1. The final page displays a summary of the number of employees who will be included in the file along with the pension scheme reference, payment source and pension group's contribution frequency.

Click **Start** when you are ready.

After the file has been created submit it using either the NEST website or by FTP. Please see the Contribution File section for more information.



See the 'How to make contributions by file transfer' and 'How to make contributions by file upload' guides on the 'Setting Up NEST' page at www.nestpensions.org.uk for detailed guidance.

8.3.3 Clearing the Contributions 'Currently Due' to NEST

After creating the contribution file and sending the details to NEST you must clear each employee's contribution details in Opera before sending the next contribution file.



You can clear all 'currently due' values by:

1. Selecting the necessary pension schemes on the **Clear Pensions** form that is displayed when you run the Payroll - Utilities - Update command.
2. Using the **Clear Currently Due** command on the **Action** menu of the Payroll - Maintenance - Pension Schemes form.

8.4 Creating a NEST cancel enrolment file

This section describes how to create a cancel enrolment file to send to the National Employment Savings Trust. After the file has been created it must be submitted to NEST using either the NEST website or by using FTP software.



Before completing these steps follow these Help topics to prepare Opera for Auto Enrolment:

1. Setting Up Opera for Auto Enrolment
2. Setting Up Opera for NEST Pensions (only if you are using a NEST pension scheme for Auto Enrolment).

HELP ? Select F1 to see full explanations for the different boxes and options.

1. Open the **Payroll** folder and then click **Pensions Reports** or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Pensions Reports**.
2. Open **Enrolment File**.
3. If you are using groups, in the **Select Payroll Groups** list, click to select the group(s) you want to process and then click **OK**.

8.4.1 First page

1. The **Create enrolment file and report** option under **Process** is selected automatically. If you want to print a report without creating the file, select **Report only**.
2. Under **File Type** select 'Cancel Enrolment'. Then update the remaining boxes to select the employees to include in the file.
3. Click **Next**.
4. In the **Employee Ref.** box select the employees whose enrolment will be cancelled.
Click **Next**.

8.4.2 Final page

1. The final page displays a summary of the number of employees who will be included in the file along with the file type, pension scheme code and pension reference number.
Click **Start** when you are ready.

After the file has been created submit it using either the NEST website or by FTP. Please see the Enrolment File section for more information.



See the 'How to enrol workers by file transfer' and 'How to enrol workers by file upload' guides on the 'Setting Up NEST' page at www.nestpensions.org.uk for detailed guidance.

9. Pensions reports

9.1 Auto enrolment details report

Use this report to produce either a detailed or summary list for all or a range of employees, departments or pension schemes. A count report can also be produced for a range of departments or pension schemes. This report only applies if the Use Auto Enrolment Processing option is selected on the **Payroll - Utilities - Set Options** form. Some of the options are available only if the Advanced Pension Processing feature is used.

9.1.1 To Print the Auto Enrolment Details Report

1. Open the **Payroll** folder and then click **Pensions Reports** or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Pensions Reports**.
2. Click **Auto Enrolment Details**. If you are using groups, in the **Select Payroll Groups** list, click to select the group(s) you want to process and then click **OK**.
3. In **Sequence**, click to select the sequence you want to apply to the report and then, under **Range**, enter the start and end references.
4. In **Category**, select the auto enrolment category or categories you want to include.
5. In **Status**, select the Auto Enrolment status or statuses you want to include.
6. Click **OK**. On the **Publisher** form, click the tab to select the output device you want to use and then complete any settings or options you want to apply to the output device. To process the output, click **Publish**.

9.2 Employee pensions report

Use this report to produce a report for all or a range of employees and optionally scheme joining or leaving dates, listing details of the scheme to which they belong and the contribution details. You can choose to produce the report for active schemes only. This report only applies if you are using the Advanced Pension Processing feature.

9.2.1 To Print the Employee Pensions Report

1. Open the **Payroll** folder and then click **Pensions Reports** or click the **Payroll & HR** tab on the  Ribbon Bar and then click **Payroll - Pensions Reports**.
2. Click **Employee Pensions**. If you are using groups, in the **Select Payroll Groups** list, click to select the group(s) you want to process and then click **OK**.
3. In **Sequence**, click to select the sequence you want to apply to the report and then, under **Range**, enter the start and end references.
4. In **Report Date**, enter the date you want to print on the report.
5. If you want only those employees who have an active pension scheme to be included, click **Active schemes** only.
6. Under **Date Range**, click to select whether you want to specify a range of scheme joining or leaving dates and, if so, enter dates in the **First Date** and **Last Date** boxes. Click **None** to include the full date range.
7. Click **OK**. On the **Publisher** form, click the tab to select the output device you want to use and then complete any settings or options you want to apply to the output device. To process the output, click **Publish**.

9.3 Scheme contributions report

Use this report to produce either a summary or detailed listing of the employee and employer contributions that are due to be paid to the pension provider up to the selected date. The report can include either all or a range of pension schemes. Inactive schemes can optionally be excluded.

If you use National Employment Savings Trust pension schemes you can also include contributions that are being held onto. After an employee is auto-enrolled into a pension scheme they have about one month to opt-out if they want to (known as the 'opt-out period'). This ends their membership and any contributions are then refunded. Employers can hold onto an employee's contributions in their opt-out period so that they do not have to request the money from the pension provider if the employee does opt out. If the employee does not opt out the contributions must then be paid to the pension provider after the opt-out period.



This report is relevant only if the **Use Advanced Pension Processing** option is selected on the **Options Page 2** tab of the Payroll - Utilities - Set Options form.

9.3.1 To Print the Scheme Contributions Report

1. Open the **Payroll** folder and then click **Pensions Reports** or click the **Payroll & HR** tab on the Ribbon Bar and then click **Payroll - Pensions Reports**.
2. Click **Scheme Contributions**. If you are using groups, in the **Select Payroll Groups** list, click to select the group(s) you want to process and then click **OK**.
3. In **Sequence**, click to select the sequence you want to apply to the report and then, under Range, enter the start and end references.
4. In **Report Date**, enter the date you want to print on the report.
5. If you want only those employees who have an active pension scheme to be included, click **Active Schemes Only**.
6. To produce a summary report showing totals by scheme only, click **Summary**. To produce a detailed report showing totals per employee within each scheme, click **Detailed**.
7. Under **Contributions**, select **Only held onto** to include any pension contributions that are being deducted but are not yet being sent to the pension provider. This option is used for pension schemes in Opera that are set up as NEST (National Employment Savings Trust) pensions.
8. Click **OK**. On the **Publisher** form, click the tab to select the output device you want to use and then complete any settings or options you want to apply to the output device. To process the output, click **Publish**.

10. Employee pension details

This form (accessed from the **Payroll - Processing - Pensions** menu) is where you assign pension schemes to employees. An employee can have more than one active pension scheme. The application carries out various checks to ensure the pension scheme assignment is appropriate.



This form is used if the **Use Advanced Pension Processing** option is selected on **Page 2** of the **Payroll - Utilities - Set Options** form.

10.1 Actions

You can use the **Action** menu to:

- Open the **Additional Details** form for recording details for NEST Pensions and NOW: Pensions.



You can clear all 'currently due' values by:

1. Selecting the necessary pension schemes on the **Clear Pensions** form that is displayed when you run the **Payroll - Utilities - Update** command.
2. Using the **Clear Currently Due** command on the **Action** menu of the **Payroll - Maintenance - Pension Schemes** form.

10.2 Additional employee pensions details

This form (accessed from the **Payroll - Processing - Employee Pensions - Action** menu) is where you set up **NEST** (NEST is one of a number of pension schemes that employers can choose to fulfil auto enrolment duties. Pensions enrolment and contribution information for this provider can be exported from Opera.) **NEST** is one of a number of pension schemes that employers can choose to fulfil auto enrolment duties. Pensions enrolment and contribution information for this provider can be exported from Opera. or **NOW: Pensions** (NOW: Pensions is one of a number of pension schemes that employers can choose to fulfil auto enrolment duties. Pensions enrolment and contribution information for this provider will be exported from Opera in the same file.) details for employees in these schemes. You can define specific pension groups and payment sources, enter details for previous pension groups and payment sources, and define other details that affect their pension.

Pension groups are used to define common attributes for workers in NEST or NOW Pension schemes, for example the employer and employee contribution percentages. You can have one or more pension groups for each payroll group.

Each employee in a NEST pension scheme must be allocated both a payment source and a pension group. NOW Pensions require a pension group only. These codes are included in the files sent to the pension provider.



This form is used if the **Use Advanced Pension Processing** option is selected on **Page 2** of the **Payroll - Utilities - Set Options** form.

10.3 Employee auto enrolment details

This form (accessed from the **Payroll - Processing - Pensions** menu) is where you enter your employee's details for Auto Enrolment.

The law on workplace pensions requires employers to automatically enrol any eligible staff working for them into a qualifying pension scheme, and also to pay a minimum employer contribution. This means that you will have to enrol your employees into a pension scheme and pay into that scheme - referred to as 'auto enrolment'. A qualifying pension scheme must meet certain requirements. Full details are provided in the guide *Pension schemes: Pension schemes under the new employer duties* at www.thepensionsregulator.gov.uk/employers/does-your-existing-scheme-qualify.aspx.



For a full explanation, read the *Automatic Enrolment - An Explanation of the automatic enrolment process* guide at www.thepensionsregulator.gov.uk/docs/pensions-reform-automatic-enrolment-v3.pdf.

These details will be updated by the **Calculation** command according to the employee's age and qualifying earnings. However, you may also need to change some of the information manually, for example when you inform the employee that they have been auto enrolled you need to update this form. Appropriate messages are displayed to help you update the boxes correctly.



This form is used if the Use **Advanced Pension Processing** option is selected on **Page 2** of the Payroll - Utilities - Set Options form.

10.3.1 Actions

You can use the **Action** menu to:

- Open the **Auto Enrolment Settings** form. This form is where the staging date and registration date is displayed, and also where the various thresholds for Auto Enrolment are kept.



The Pensions Regulator may sometimes clarify the requirements for auto enrolment so additional information may need to be recorded. It is possible to enter additional memo information regarding the auto enrolment of employees on the **Memo** tab of the Payroll - Processing - Pensions - Auto Enrolment Details form and the **Notes** box on the Payroll - Utilities - Auto Enrolment Settings form.

11. Lookup tables & settings

11.1 Pension schemes

Use the Pension Scheme command (on the **Payroll - Maintenance** menu) to define different pension schemes you can assign to employees.

There are various pension scheme types you can maintain. Once you have created at least one scheme, you can assign it to individual employees using the Payroll - Processing - Pensions form. The default values entered on a pension scheme are automatically inherited by each employee that is linked to the scheme.



This is available if you have selected the Use Advanced Pension Processing option on the **Options Page 2** tab of the Payroll - Utilities - Set Options form.

11.1.1 Action Menu

You can use the **Action** menu to:

- Clear the year-to-date values for all members in the currently selected pension scheme. Contributions that are currently due to be sent to the pension provider will not be cleared. You can also use **F7** to use this command.
- Select the payments that are used when calculating employer and employee deductions for this pension scheme. This is available only if the **Apply Ers & Ees Deductions to Pensionable Payments** box is cleared.
- Clear the currently due values for all members in a chosen payroll group apart from those in NEST schemes that are having their contributions held on to. This is controlled by the **Hold onto contributions** option on this form and on the Payroll - Processing - Employee Pensions - Additional Details form. You can also use **F6** to use this command.



You can also clear pension values on a period and group basis as part of the update procedure. You can also set up the scheme to have totals cleared automatically as part of the income tax year end process by selecting the Clear TD Contributions at Tax Year End option on this form.

11.2 Payment sources (NEST pensions)

This form (accessed from the **Payroll - Maintenance - Pension Payment Source** menu) is where you record the payment sources for workers in NEST pensions.

When you set up a scheme with NEST you will have recorded information for each payment source, including a name, method of payment (for example, direct debit, debit card, direct credit) and bank account details.

You only need to enter a unique code and description in Opera. The other details are maintained on the scheme you set up with the pension provider.



Each employee in a NEST pension scheme must be allocated both a payment source and a pension group. NOW Pensions require a pension group only. These codes are included in the files sent to the pension provider.

11.3 Pension groups (NEST and NOW Pensions)

This form (accessed from the **Payroll - Maintenance - Pension Group** menu) is where you record the groups for workers in **NEST** pensions or **NOW: Pensions**.

When you set up a scheme with NEST or NOW: Pensions you will have created one or more pension groups. You need to record some of those details in Opera, including its name and contribution frequency.



Each employee in a NEST pension scheme must be allocated both a payment source and a pension group. NOW Pensions require a pension group only. These codes are included in the files sent to the pension provider.

11.4 Auto enrolment settings

This form (accessed from the **Payroll - Utilities** menu) is where you enter your staging date and registration date for Auto Enrolment, and is also where the various thresholds and limits for Auto Enrolment are displayed. The form can also be accessed in read-only format from the **Auto Enrolment Details** and **Auto Enrolment Updates** forms.