**SMALL BUSINESS CASE STUDY**

**AUTOMATIC ENROLMENT INTO WORKPLACE PENSIONS**

**SECTOR:** CONSTRUCTION (Chartered Surveyors)

**COMPANY: Dalcour Maclaren**

**SIZE:** c.50 employees

Company Administrator Nicola Putt at Dalcour Maclaren explains why they brought forward their staging date and how they chose a pension scheme that was right for their company and their workforce.

**Key lesson**

Know exactly what you need your pension provider to be able to offer you.

**Early automatic enrolment**

Dalcour Maclaren had 50 employees when the directors decided to bring forward our automatic enrolment staging date. At that time, none of our employees were in a workplace pension. Most of our staff are young and didn’t have any kind of pension.

As a smaller employer we hadn’t been due to automatically enrol our workforce for almost three years, but as a forward thinking company the directors were very keen to offer a workplace pension and they elected to move our staging date forward to January 2013.

I was asked to look at which provider we should go with. Before that, I didn’t really know much about automatic enrolment.

I did not have the time to read large amounts of information, but it was important that we made an informed decision and understood the options available. I read up on the idea behind automatic enrolment and looked at what products were on the market and considered how they might work for us.

I had to find a supplier and get them in to talk to the directors about how it would work for us.

**Getting ready for staging**

One thing I had to consider was how I was going to administer our duties going forward. I also had to consider how it was going to be for our employees. I drew up a pros and cons list for each pension provider. Then I compared them to find out which I thought was going to be the best one for us.

In late 2012, I struggled to find examples of smaller companies automatically enrolling. It would be different now because there’s a lot more in the press.

Personally, I would say to other similar sized employers give yourselves six to nine months to get ready. If you decide that you want to do it at the start of the financial year, or in January, you should be looking at it in March or April the previous year.

We had 50 employees – we’ve more than 60 now – and at the time we were small enough for me to pull all the information together to ensure a scheme that is right for our workforce could be set up and administered on time. Making sure all our records were up to date was an essential part of having the administration ready.

**Choosing a provider**

Because I do all the HR on my own, I wanted to pick a provider that I thought was going to be able to help me along the way. Our provider has given us a huge amount of help.

It’s really important to know exactly what you need your provider to be able to offer you. We wanted the provider to offer software support that assisted with workforce assessment. That’s something I was very clear on at the outset. I wanted to make sure that we picked a pension provider who could give us what we needed which was plenty of support, including presentations and communication for the employees.

It’s a good idea to get recommendations from other employers. I looked into what other employers had said about who they had used, including how the provider had dealt with any problems they might have experienced.

Taking time to do the comparison lists and think about our own needs has resulted in a decision that has worked for us.

**Ongoing responsibilities**

Automatic enrolment was my first experience of introducing a pension scheme and certainly that will be the same for thousands of people in smaller organisations over the next three years. Inevitably, this means certain elements are challenging; there is a whole new set of terminology to get to grips with.

You are dealing with confidential salary information and personal records, so there are a limited amount of colleagues you can confer with for hands-on help. As the HR administrator, it fell to me to implement and manage our automatic enrolment on an ongoing basis. That meant a burst of work in a short period of time. It’s important to allow yourself this time.

Our current size means I am still able to manage the ongoing duties manually. I think most employers would benefit from automating as much as possible. It now takes me a couple of hours each month to upload the information via our provider’s software. That tells me if the employee is eligible or not eligible.

Today, the moment anyone joins the company I do an induction for them. I always talk to them about the pension scheme and about why we do it. Some of these people are only in their early twenties and they say things like, "oh goodness, I don’t even want to think about a pension!"

When I explain to them why the government is doing it and why we thought it was a good idea, then pretty much everyone has appreciated it and seen the benefit it can bring.