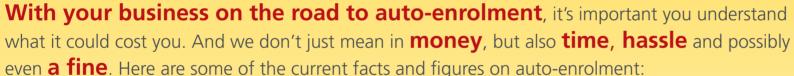


# Are you ready for the **four** potential costs of auto-enrolment?













#### Are you ready for the four potential costs of auto-enrolment?



#### 1-Time



This is an estimate of how long it could take a typical UK business to get ready for auto-enrolment.

It may be less for smaller firms with fewer employees.



The recurring admin burden swallows time every month for some firms.1



To find out more, talk to your business adviser or visit: aviva.co.uk/auto-enrolment/support



1-Time

2-Money

3-Hassle

4-Fines



#### Are you ready for the four potential costs

of auto-enrolment?



#### 2-Money



Small businesses
in the UK with up to
four employees
could face an
estimated set up
fee up to £8,900
for auto-enrolment

according to the

C.E.B.R.<sup>1</sup>

The government has set minimum pension scheme contribution levels for employers at 1%, rising to 3% from October 2018.<sup>2</sup>

If you'd like to get an idea of the costs to your business, take a look at the calculator available at **www.pensionsregulator.gov.uk** 

Research estimates the total cost of annual pension contributions
to UK businesses in 2018 will be

£11.6 billion.4



Research indicates **total one-off set-up costs for auto-enrolment** 

between 2012 and 2017 for businesses with fewer than 500 employees will be<sup>4</sup>

£15.4 billion

To find out more, talk to your business adviser or visit: aviva.co.uk/auto-enrolment/support



1-Time

**2-**Money

3-Hassle

4-Fines





### Are you ready for the four potential costs of auto-enrolment?



#### **3-**Hassle

## Up to 33 different administrative tasks

Businesses have to get to grips with the scale of auto-enrolment and everything they must do to comply with legislation by their staging date.<sup>1</sup> Research found that 15% of directors were not confident they would be able to correctly enrol staff when they hit their staging date. For directors of firms with fewer than 50 employees, this figure rose to 46%.3

have to identify
and enrol new
employees who
may be eligible on
their first day and all
other existing employees
with qualifying earnings
and are over 22 years old.1



To find out more, talk to your business adviser or visit:

aviva.co.uk/auto-enrolment/support

1-Time

2-Money

3-Hassle

4-Fines

IN TRAY



#### Are you ready for the four potential costs

of auto-enrolment?

#### 4-Fines





To find out more, talk to your business adviser or visit:

aviva.co.uk/auto-enrolment/support



March 2015, 198

companies received a
fixed penalty notice
of £400 for failing
to comply with a
statutory notice or
an employer specific
duty. So far, 367 companies
have been hit by fines.<sup>5</sup>



Four companies have received an escalating penalty of between £50 and £10,000 a day for failing to comply with a statutory notice. The amount depends on the size of the company.<sup>5</sup>

The figures in this document are the findings to date. As an employer, we recommend you speak to your financial adviser, accountant or business adviser to understand the true cost to your business.

1-Time

2-Money

3-Hassle

**4-**Fines







#### Aviva can help you get ready for auto-enrolment!

Aviva have plenty of experience with auto-enrolment, they can help you plan for and manage the potential costs to your business of auto-enrolment.

To find out more, talk to your business adviser or visit:

aviva.co.uk/auto-enrolment/support



#### Sources:

<sup>1</sup>CEBR - http://www.cebr.com/reports/15-4bn-auto-enrolment-setup-cost;

<sup>2</sup> The Pensions Regulator: http://www.thepensionsregulator.gov.uk/employers/contributions-funding.aspx#s9379;

<sup>3</sup>Institute of Directors: (Another) new dawn for pensions;

<sup>4</sup>Finding your way out of the auto enrolment maze, CEBR report, September 2013;

<sup>5</sup>Automatic enrolment – Compliance and enforcement, quarterly bulletin 1 January – 31 March 2015, The Pensions Regulator.

Aviva Life Services UK Limited. Registered in England No. 2403746. 2 Rougier Street, York, YO90 1UU. Authorised and regulated by the Financial Conduct Authority. Firm Reference Number 145452. aviva.co.u



1-Time

2-Money

3-Hassle

4-Fines

01042 10/20015 © A