

EXPLANATORY NOTE

(This note is not part of the Order)

This Order makes provision under sections 14 and 15A of the Pensions Act 2008 (c. 30) (“the Act”).

Article 2 increases the amounts in sections 3(1)(c), 5(1)(c) and 13(1)(a) and (b) of the Act. The amount specified in section 3(1)(c) is the amount of earnings that a jobholder must receive before an employer is subject to the duty imposed by section 3 in relation to that jobholder. The amount in section 5(1)(c) is the amount of earnings a jobholder must receive before an employer is subject to the duty imposed by section 5 in relation to that jobholder. Section 13 of the Act provides that a person’s qualifying earnings are earnings of more than the amount specified in section 13(1)(a) and not more than the amount specified in section 13(1)(b).

Article 3 specifies rounded figures for the purposes of sections 3(6B), 5(7B) and 13(2) of the Act. The amounts specified in sections 3(1)(c), 5(1)(c) and 13(1) of the Act, and increased by article 2, are in relation to a pay reference period of 12 months. Sections 3(6B), 5(7B) and 13(2) provide respectively that where the pay reference period is less or more than 12 months, the amounts specified in sections 3(1)(c), 5(1)(c) and 13(1) apply as if they were proportionately less or more. This article provides rounded figures in respect of the pay reference periods other than 12 months.

Article 4 revokes article 3 of the Automatic Enrolment (Earnings Trigger and Qualifying Earnings Band) Order 2013 (S.I. 2013/667).

An analysis of the impact of this legislation has been made. The analysis is published as a Department for Work and Pensions Ad Hoc statistical release on <https://gov.uk/government/publications/review-of-the-automatic-enrolment-earnings-trigger-and-qualifying-earnings-band-for-201415> .