



## **MICRO-BUSINESSES HAVE LIMITED UNDERSTANDING OF AUTO-ENROLMENT RESPONSIBILITIES**

Britain's small businesses could end up with fine of up to £22m between now and the end of next year because of their lack of understanding into their pension auto-enrolment responsibilities towards their employees. Only 21% of the UK's micro-businesses have only a "limited understanding" of their duty to provide their workers with a pensions scheme.

There are 262,000 micro-businesses in the UK, all who employ between 2 and 4 people out of the 1.8 million employers that are required to provide a work-place pension between now and 2018. Paycircle calculates that without taking action companies will collectively risk being fined around £22m for non-compliance. The executive director for automatic enrolment at The Pensions Regulator said: "The law is the law, while the vast majority of employers are complying with it, some small employers are still risking fines by failing to understand how it effects them".

Non-compliance data was published last week, for the second quarter of this year showing that the Regulator had to use it powers 4,489 times – nearly 300 more occasions than the previous quarter.

The head of Box Pensions Chris Benarr, said: "In order to support SME's we have focused on mainly the entire set up process seamless and very easy.

"We don't want to see out members fined and have built in reminders to the system to get their compliance statement completed in time"