

Employer guide to employee opt-outs

Here at Smart Pension, we're always here to help. That's why we want to explain the employee opt-out process, so you can stay compliant and keep payroll uploads as seamless as possible.

What is an employee opt-out?

When an employee is automatically enrolled into your workplace pension scheme for the first time, or is re-enrolled as part of your three-yearly re-enrolment duties, they will enter an opt-out window of one calendar month. Once an employee has opted out, you will receive a notification from us to say the employee is no longer contributing **to their pension**.



Reminder

An employer cannot opt out on behalf of an employee – it is a legal requirement that the employee does it themselves.



How can an employee opt out?

If an employee contacts you to opt out of the pension scheme, please let them know there are three ways they can let us know:

- ✓ **Member account** – simply sign in, and find '**Opt out**'
- ✓ **Contact us form** – complete the form on the Smart Pension website
- ✓ **Call** – give us a call on **0333 666 26 26**

How do I know an employee has opted out?

In your Smart Pension employer account you will receive an opt-out notification under letters next to the Menu bar. Opt-out notifications will be sent to anyone listed on the notification centre under '**Membership emails**'.



Top tip

If you want to get automatic notifications of employee opt-outs, you can add your email address to the notification centre by going to **Menu > Company Details > Notification centre** and add your email address.

When can an employer process an employee opt-out through payroll?

You will be able to remove an employee from a payroll upload when you have had a notification from us to confirm the opt-out request has been received. Smart Pension doesn't collect contributions during the opt-out window. Once you receive an opt-out notification, you can refund any deductions to the employee.



Reminder

If you process payroll before you have received an opt-out notification from us, you might start to get late notifications from us and you could be reported to **The Pensions Regulator**.



Employer help centre

You can learn more about employee opt-outs in our employer help centre. It also contains useful tools and other free resources to help you manage your workplace pension scheme. **Visit it here.**



Get in touch

If you have any questions, why not visit our **support centre**. You can also drop us a line here or speak to a member of our team on **0333 666 23 23**.

www.smartpension.co.uk