

TPT Retirement Solutions

Payment Policy

Late Payment of Contributions

Unfortunately, on occasion, the Scheme still experiences contributions being paid late. There is a statutory requirement for employers to pay members' contributions to the Scheme by the 22nd of the following month after deduction. Any late payments can have a detrimental impact on the performance of your members' investments.

The past service deficit contributions in respect of any Defined Benefit schemes in which you participate are payable in monthly instalments on a timetable set out in the Schedule of Contributions. The deadline for payment of these contributions is 19th of the month following that in which they fall due.

Whilst the statutory deadlines noted above for member contributions and deficit contributions are different, **TPT Retirement Solutions has set the deadline for both contribution types as the 19th of the following month from which they are due** to ensure consistency and timely submission of data and payment. For the avoidance of doubt and for clarity, it is therefore TPT Retirement Solutions policy and expectation that member contributions are paid for by the 19th of the following month, not the 22nd.

TPT Retirement Solutions needs to chase several employers each month to ensure they submit and pay contributions on time. Without the considerable effort and cost associated with this additional work, many more employers would be late. To ensure that the cost of this administration is not passed on to the majority of employers who pay contributions on time, TPT applies late payment charges. The charging structure is set out below and all charges are incurred on a per instance basis:

Late Payment	Action	Charge
Late payment of contributions (payment received after the 19th of the month following deduction)	Late Payment Charge issued to Employer	£350
Contributions unpaid or received 30 days late	TPT notifies all members of late payment of contributions via letter. Invoice issued to Employer along with quote for Financial Impact Assessment.	£2 per member. Quote provided for Financial Impact Assessment
Contributions unpaid or received 90 days late	TPT reports the Employer to the Pensions Regulator and all members informed via letter. Invoice issued to Employer.	£2 per member

Charging for underpayment of contributions

Contributions to TPT's Defined Contribution (DC) schemes must meet the minimum rates required under auto-enrolment regulations. The minimum rates are outlined below.

Employee Contribution	Employer Contribution	Total
5%	3%	8%

These rates are the level of contribution required on the assumption that the employer's definition of pensionable pay is based on the Government's minimum standard, known as qualifying earnings. If you apply an alternative definition of pensionable pay, please refer to the full list of minimum contribution rates available on our website via the following link*:

<https://www.tpt.co.uk/mediaLocal/xjvnbu0l/ae-contribution-rates.pdf>

**Assuming the employer pays the minimum rate. The worker contribution may be lower provided that the minimum employer contribution and minimum total are met.*

TPT will monitor the contributions submitted to ensure they meet the minimum level. Where contributions fall short of the required level, this should be corrected within 90 days. If this is not corrected, TPT will report the underpayment to The Pensions Regulator and notify the affected members in writing. An administration charge will be incurred by the employer.

Late Payment	Action	Charge
Underpayment of contributions not corrected within 90 days	TPT reports the Employer to the Pensions Regulator and all members informed via letter. Invoice issued to Employer.	£350 plus £2 per member.

However, all employers should be aware that they are *legally required* to pay contributions at the level set out in the payment schedule for their scheme, which may be higher than the statutory minimum set out above. TPT is required to monitor and report any late or missed payments which meet the Regulator's requirements as being materially significant.

In order to support employers in meeting their auto enrolment obligations TPT must hold accurate and up to date data. It is the employer's responsibility to ensure that the salary and contributions data submitted to TPT is correct.