

## 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 19th 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.

TPT Retirement Solutions needs to chase a number of 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
<b>Late payment of contributions (payment received after the 19th of the month following deduction)</b>	Late Payment Charge issued to Employer	£350
<b>Contributions unpaid or received 30 days late</b>	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
<b>Contributions unpaid or received 90 days late</b>	TPT reports the Employer to the Pensions Regulator and all members informed via letter. Invoice issued to Employer.	£2 per member

## 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.

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 here on our website: <http://www.tpt.org.uk/auto-enrolment/forms-and-documents>

Qualifying earnings	Worker Contribution*	Employer Contribution	Total
<b>Before 6 April 2018</b>	1%	1%	2%
<b>6 April 2018 to 5 April 2019</b>	3%	2%	5%
<b>6 April 2019 onwards</b>	5%	3%	8%

*\* 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 are at the required 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.

Underpayment	Charge
Underpayment of contributions not corrected within 90 days - report employer to The Pensions Regulator and write to all affected members	£350 plus £2 per member

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.