



Time saving tips: how to avoid pension scheme late payment notices

Top 5 tips to get your contributions to us on time

1. Understanding what a Payment Due Date is

The Payment Due Date is the date by when the employer must ensure contributions or a reason for non-payment, for all current active members of the scheme are submitted to Nest. To make sure this happens you will need to submit the contribution schedule for payment at least 5 working days before the Payment Due Date.

Also remember you can pay earlier; you don't need to submit the schedule at the last minute. Much better for you to do it earlier – that then allows time if things go wrong. For your workers it is also better as their pension money is invested earlier.

2. Check your contribution schedules before submitting

It may seem an obvious one, but double checking your schedules before you submit them could well save you time and stress later on. Before you submit a schedule for payment you should check that it's correct according to the amounts you were expecting from your payroll totals. Also make sure you have made a submission for all members on the Nest on-screen schedule.

3. Make sure your date is achievable

Give yourself enough time to process payments after a pay period. Your Payment Due Date is probably the one you chose when you first set up your Nest account. Perhaps it is time to review whether it is still appropriate. If you think your existing Payment Due Date does not give you enough time you can change it by setting up a new Nest group with a different date. You'll then need to transfer the members from the old Nest group to the new one.

Remember a Payment Due Date cannot be any later than the 22nd of the month following the month in which the contributions were deducted from the members' pay.

4. Enrol workers with the correct start date

An eligible jobholder's start date is the date they become eligible for auto enrolment. This could be your Duties start date, the day they turn 22 or join your organisation.

If you enrol a worker late, with a start date in the past, we'll expect a contribution for any earlier period, meaning they will appear on an old contribution schedule – triggering a late payment message.

5. Make sure all member records are valid

When you provide information in a contribution schedule, we either need a payment or a reason for non-payment for every member. If a member record includes an error, you'll need to fix it before you can make a payment for that member. If you try to make a payment without fixing it, we won't accept the payment for that member.

Remember, you need to submit something for all members on a contribution schedule even if they have zero contributions in that pay period. You must also provide a valid reason code for the non-payment.

How to clear an overdue schedule – what to check

If you have received a late payment notification, don't panic! There's usually a straightforward reason for it – the most common are listed below:

The payment hasn't cleared in our bank before the agreed due date

Ensure you allow enough time between submitting the contribution schedule and the Payment Due Date, to make sure the payments can clear in our bank on time. For payments by direct debits you'll get two options each pay period, 'pay now' – which means we'll collect the payment within 5 working days of your submission. The second option is 'pay later' which allows you to specify a date you want the payment to be taken

You haven't given us information for all members on the contribution schedule

To avoid a late payment notification being generated, you'll need to provide correct contributions or a valid reason for non-payment of contributions for all members.

You haven't submitted the schedule for payment by clicking 'Submit schedule'

Remember after you have loaded your contributions, or reasons for zero contribution, you still need to click submit schedule to authorise the payment and to mark up the member's account with your submission.