



# Nest webinar – top time saving tips

**Late payments responsibilities**

**What to do if you receive a late payment notification**

November 2023

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[nestpensions.org.uk](https://nestpensions.org.uk)

# Late payments responsibilities

# Employer responsibilities

Prepare a contribution schedule showing:

- › Contributions payable to the scheme by or on behalf of the employer and the members, and
- › Due date(s) on or before which payment of contributions and other amounts are to be made

Employer contributions must be paid by the due date set out under the contribution schedule

Member contributions deducted from pay must be paid to the pension scheme by the 22nd of the next month at the latest. These dates do **not override any earlier due date** set out in the contribution schedule

Link: [Making contributions to your pension scheme | The Pensions Regulator](#)



# Nest's responsibilities

## Monitoring contributions

Risk-based processes in place to monitor the payment of contributions date

To do this, a scheme will need access to information such as:

- › What contributions are due to be paid by the employer and on behalf of the member, and
- › The pensionable earnings that contributions are based upon, and
- › The due date for payment of contributions

**Duty to seek to recover any outstanding payments and debts to the scheme**



# Nest's responsibilities

## Reporting late payments to the Regulator

Trustees **must report material payment failures to the regulator** and members within a reasonable period of the failure arising after the due date. Examples include:

- › Trustees have reasonable cause to believe that the employer is not willing to pay the outstanding contributions
- › There is a payment failure involving possible dishonesty or a misuse of assets or contributions
- › There is a failure to pay contributions which carries a criminal penalty
- › Trustees become aware that the employer does not have adequate procedures or systems in place to ensure the correct and timely payment of contributions due and the employer appears not to be taking adequate steps to remedy the situation
- › **In any event where contributions have been outstanding for 90 days from the due date. One or all members**

Once the trustees have reasonable cause to believe that a material payment failure exists, they should report to members within 30 days of having reported to the regulator.

Ultimately, the regulator has the power to impose fines ranging from a £400 fixed penalty to a varying daily escalating penalty from £50 to £10,000. Link: [How we enforce | The Pensions Regulator](#)



# What to do if you receive a late payment notification

# Four possible causes

How to find the relevant contribution schedule

Contribution schedule or an Exception schedule (paid and unpaid lists)

## Payment expected

Payment not reached us by the payment due date

## Members validated

Schedule needs to be submitted

## Action needed – Not yet validated

No data submitted

## Action needed – invalid

Errors to correct

	A	B	C	D	E	F	G	H	I	J	K	L
1	Payment source	Contribution schedule reference	Earnings period start date	Earnings period end date	Reason for notice	Payment due date	Reminder status	Member First Name	Member Last Name	Member NINO	Alternate Reference No	Status
2	My source	GBP00001101500010418	01-Sep-23	30-Sep-23	Contribution schedule not received	22-Oct-23	First reminder	Alex	James	AB127865C	AB127865C	ACT
3	My source	GBP00001101500010418	01-Sep-23	30-Sep-23	Contribution schedule not received	22-Oct-23	First reminder	Jane	Green	AC123456B	AC123456B	ACT
4	There are 2 members that we're still expecting contributions for.											
5												
6												
7												
8												
9												



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# Where to go to for guidance

## General guidance

[Why a contribution shows overdue | Nest pensions](#)

[Member statuses in a schedule | Nest pensions](#)

[Late payment notification | Nest pensions](#)

## How to change your payment due date

**Step 1** – Create a new group [How to add a new group | Nest pensions](#)

**Step 2** – Move workers to new Group [Changing a member's group manually | Nest pensions](#)

**See video** – [How to change a worker's group | Nest pensions](#)

## Inputting contribution data

Nothing to pay for the member [Mark member as insufficient earnings via your account | Nest pension](#)

Submitting contributions [Complete contribution schedule manually | Nest pensions](#)

# QA



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