

Contribution Notes for Employers

Introduction

Under the 'Reporting late payment of contributions to personal pensions' Code of Practice issued by the Pensions Regulator Wealthtime, and other pension administrators, are required to report any failure by the employer to make a contribution where this has been agreed with an employee.

Such an agreement between an employer and an employee is known as a 'direct payment arrangement' and applies to all contributions paid by an employer which are:

- Deducted from an employee's pay
- Paid on the employer's own account, or
- Both of the above.

The code applies in the following circumstances:

- If there is a late payment* of a contribution which is likely to be of material significance to the Pensions Regulator
- If information is not provided by an employer when requested to do so by Wealthtime for contribution monitoring purposes.

The code requires Wealthtime to report to the Pensions Regulator in these circumstances.

*Late payment means a payment that is not received at all, a payment that is received but is not on time, or a payment that is not received in full. Payments are deemed to be late via reference to the selected 'due date'.

Reporting Late Payments

The late payment of a contribution applies to any type of contribution which falls into the category of 'direct payment arrangement' that is not paid to Wealthtime by the due date. The due date is the latest date this type of payment must be received by Wealthtime.

For payment of monies deducted from an employee's earnings, the due date when it must be received by Wealthtime is the 19th of the month after the end of the calendar month in which the contributions were deducted from the employee's pay. For example, if the deduction from the employee's salary is made on 27 May the due date is 19 June.

For employer contributions the due date is the latest date by which the employer has notified Wealthtime that the contribution will be paid into the SIPP. This notification may be made in writing to Wealthtime by the employer, or by the employer completing the 'Record of Payments Due Form'.

Please note when submitting regular employer payments, please ensure the selected payment due date is after the date the monies are expected into the SIPP. Please allow 20 working days for Wealthtime to set up any Direct Debit Mandate. Monies received after the due date will be regarded as a 'late payment'.

(NB: Direct Debit Mandates - If the person signing the Direct Debit Mandate, is doing so on behalf of a company or partnership then proof that person is an authorised signatory of the organisation must be provided before the Direct Debit Mandate can be set up, e.g. please provide the relevant authorised signatory list.)

If you require this document in an alternative format please contact us.

The Wealthtime Private Client Service provides a reporting and administration facility and is provided by Wealthtime Limited. Wealthtime Limited (registered number 6016480) is registered in England and has its registered office at The Oak House, Barford Lane, Downton, Salisbury, Wiltshire. SP5 3QA. Telephone: 01725 512925. Fax: 01725 513493. Web: www.wealthtime.co.uk. Wealthtime Limited is authorised and regulated by the Financial Conduct Authority under Firm Reference Number 468461 and you can check this authorisation at www.fca.org.uk/register or by calling the Financial Conduct Authority on 0845 606 1234.

The Wealthtime SIPP is established by Wealthtime Limited, which has appointed Wealthtime Trustees Limited as Trustee and Wealthtime Limited as Scheme Operator. Wealthtime Trustees Limited (registered number 6243467) is registered in England and has its registered office at The Oak House, Barford Lane, Downton, Salisbury, Wiltshire. SP5 3QA.

Deciding Whether to Report under the Code of Practice

If Wealthtime has reasonable cause to believe a late payment is likely to be of material significance then it must submit a Material Payment Failure Report to the Pensions Regulator.

For example, a report will be made if:

- Contributions remain unpaid 90 days after the due date or
- We become aware that an employer does not have adequate procedures or systems in place to ensure the normal correct and timely payment of contributions due or
- If we have reasonable cause to believe that an employer cannot or will not pay an outstanding contribution.

Timescales for Making the Report to the Pension Regulator

Wealthtime will report to the Pensions Regulator within 10 working days of identifying that a late payment is of material significance.

Chasing late payments

We will pursue late payments on a proactive basis prior to submitting a report to the Pensions Regulator. The employee will be kept informed of our actions.

Timescales for Wealthtime to Inform Employees

Where Wealthtime makes a late payment report to the Pensions Regulator, we will inform employees/their representatives of this event at the same time.

Reporting Non-Provision of Information from an Employer

If Wealthtime asks employers for information to enable them to monitor the payment of contributions, employers must provide the required information within 7 days of the original request by Wealthtime.

Wealthtime must report to the Pensions Regulator within 14 days of the date of the request if we have not received payment information from an employer to enable us to monitor payments due to the SIPP and because of this failure we are unable to monitor payments, or if we have requested any other information which has not been provided.

Wealthtime will also report this non-provision of information to the employees concerned at the same time.

Wealthtime will make copies of all correspondence with the employer available to the member and/or their representative in respect of late payments.

More information about this Code of Practice can be found on www.thepensionsregulator.gov.uk.