

# NEST employer factsheet

## Contribution schedules

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This factsheet covers the following two steps to making contributions:

- › setting up a contribution schedule
- › submitting your schedule for payment.

Before attempting these steps you should already have done the following:

- › set up your groups
- › set up your payment sources
- › enrolled your workers into NEST.

When you enrol your workers into NEST you tell us what contributions to expect and when to expect them. This is the basis of a contribution schedule.

We create a contribution schedule for each earnings period. You can see all your schedules on the *Manage your schedules* web page. They're listed in order of the date they're due with the oldest ones first.

Each contribution schedule can also only have one payment source. If you've set up more than one payment source a new schedule is automatically created for each one.

### Entering contribution schedule information

For each member we need to know:

- › their earnings in the pay period – this could be weekly, fortnightly, monthly or every four weeks<sup>1</sup>
- › the amount of contributions both you as the employer and the member themselves pay into their retirement pot.

There are two ways you can do this. You can enter the information manually online or upload a file. If you've got a small number of members it should be easy enough to do manually online. If you have a lot of members it's probably best to upload a file.

If you enter member earnings online we can calculate each member's contributions for you based on the levels you set up.

Once we've got all your information, whether online or by file upload, we'll work out the total contributions due from you for a particular earnings period.

For future earnings periods you can choose to copy last month's schedule and update the details that have changed. This should save you time if most of your staff earn the same amount each month.

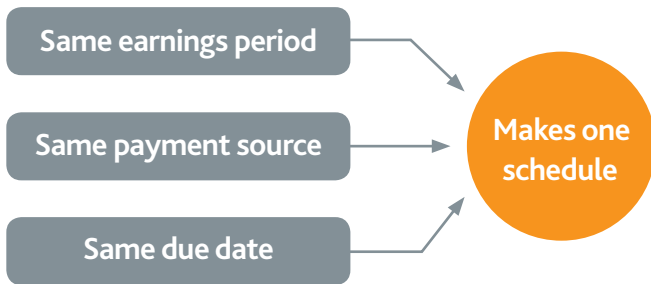
### Adjusting the contribution schedule

You can make adjustments to a contribution schedule before you make a payment. You can also go back and make changes after you've paid contributions in a previous period.

If you have any new joiners or leavers, you'll need to let us know when you submit your new schedule.

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<sup>1</sup> When you set up a group you need to tell us the earnings basis for contributions. The earnings you enter in the contribution schedule must be consistent with this.



### Making payments

You choose how you want to pay. You must make payments to NEST from a UK bank account. This can be by Direct Debit, debit card or Direct Credit.

You can set up different payment sources for different accounts from which contributions are paid. For example, you might pay members working in one location from one payment source and members working in another location from a different payment source.

When you're happy that the contribution schedule shows the amount you need to pay you can go ahead and make the payment. You need to make sure the contributions reach NEST before the schedule's due date<sup>2</sup>.

### FAQs about schedules

#### How often do I submit contributions?

This depends on how you set up your payment schedule. You can pay contributions weekly, fortnightly, monthly or every four weeks. When you set up your groups you tell us what the earnings periods are and on what date you expect to pay contributions.

#### How do I enter contribution amounts?

If you create the schedule online we can calculate the contribution amounts for you. We use the member's earnings you provide for the period and the contribution levels you set up for their group. You can override these amounts as long as they meet the minimum levels for that group.

If you create the schedule by uploading a file you need to tell us the contribution amounts and we use those.

#### Can I amend the contribution amounts after I've paid a schedule?

Yes. If there's a mistake in a schedule you've already paid you can change the contribution amounts to correct it.

If you do need to make a change after payment we'll either return any money we owe you or let you know if you need to pay us more.

#### Can I make a part payment for a schedule?

Yes. We normally expect full payment for a schedule. But if you don't have all the information for all members at the same time you can make a full payment for some of the members. You can then pay contributions for the other members later. All contributions for all members must reach NEST before the schedule's due date.

<sup>2</sup> Some types of payment can take a number of days to reach us. You'll need to make sure that you've left enough time for your payment to reach us by the due date.

**How are groups related to contribution schedules?**

Members in different groups can be in the same contribution schedule.

This is because each schedule includes all members who share the same payment source and have a contribution due in the same earnings period. If members are in different groups but have the same payment source and earnings period they're included in the same contribution schedule.

**If a member leaves your employment, what do you need to do?**

If a member leaves your employment you'll need to tell us through your contribution schedule. You can do this by selecting the reason '*Member has left your employment*' as the reason for partial or non-payment of contributions. You'll also need to enter an effective date. This should be the first day that the member was no longer in your employment. Doing this will remove the member from future contribution schedules. If a member leaves your employment part way through an earnings period we'll still expect a contribution for the time they worked in that earnings period.

**If a member has died, what do you need to do?**

If a member has died you'll need to tell us through your contribution schedule. You can do this by selecting the reason '*Member has left your employment*' as the reason for partial or non-payment of contributions. You'll also need to provide an effective date. This should be the date the member passed away. Doing this will remove the member from future contribution schedules. If a member dies part way through an earnings period we'll still expect a contribution for the time they worked in that earnings period.

**If a member is going on temporary unpaid leave, for example a sabbatical, what do you need to do?**

If a member goes on unpaid leave you'll need to tell us through your contribution schedule. You can do this by selecting the reason '*Member is temporarily absent*' as the reason for partial or non-payment of contributions. You'll also need to enter an effective date. This should be the first day of the member's unpaid leave. If a member goes on unpaid leave part way through an earnings period we'll still expect a contribution for the time they worked in that earnings period. The member will still appear in future contribution schedules. NEST will either expect a payment or a reason for non payment each time you submit a schedule that includes this member.

**If a member chooses to stop making contributions, what do you need to do?**

If a member chooses to stop making contributions into NEST you'll need to tell us through your contribution schedule. You can do this by selecting the reason '*Member has chosen to stop contributions*' as the reason for partial or non-payment of contributions. You'll also need to enter an effective date. This should be the date the member chose for their contributions to stop. Doing this will effectively remove the member from future contribution schedules which means we won't expect any further contributions for them. If a member chooses to stop making contributions part way through an earnings period we'll still expect a contribution for the time they worked in that earnings period.

**If a member earns less than the minimum qualifying earnings during an earnings period, what do you need to do?**

If a member hasn't earned the minimum amount that entitles them to an employer contribution you'll need to let us know through your contribution schedule. You can do this by selecting the reason '*Member has insufficient earnings*' as the reason for partial or non-payment of contributions. If you do this we won't expect a contribution for them in that earnings period. We'll expect contributions in future earnings periods though if their earnings increase and exceed the minimum requirements.

**If a member is on family leave, for example maternity or paternity leave, what do you need to do?**

If a member is on family leave, such as maternity, paternity, adoption or parental leave, you'll need to tell us through your contribution schedule. You can do this by selecting the reason '*Member is on family leave*' as the reason for partial or non-payment of contributions. You'll also need to enter an effective date. This should be the first day of the member's family leave. For some types of family leave contributions will still be due.

For example, in some cases the employer contributions you'll need to make will stay the same but the member's contributions may change in line with any temporary drop in earnings.

It's your responsibility to make sure that contributions are correct for a member's period of absence. The member will still appear in any future contributions schedules and NEST will either expect a payment or a reason for non payment each time you submit a contribution schedule to us. The **actual earnings** of the member should be used, rather than any notional earnings that you may be using to calculate your employer contributions. If a member is earning half their usual pay or zero while on leave for example, you'll need to enter this not their previous pay.

**If you want to transfer a member to a different payment source, what do you need to do?**

To transfer a member to a different payment source you'll need to tell us through your contribution schedule. You can do this by selecting the reason '*Transferring member to a different payment source*' as the reason for partial or non-payment of contributions.

Each contribution schedule is attached to one payment source only. You can use the same payment source for multiple schedules, but only one payment source for a single schedule. This means that the new payment source for this member will be attached to a different contribution schedule rather than the one this member had been in before.

You'll also need to let us know the effective date of the change. This is the first day that the member's contributions are paid from the new payment source. All future contributions will be expected from the new payment source.

**If you want to change a member's group but also pay contributions, what do you need to do?**

You can change a member's group through the '*Manage workers*' area of the website or by using your contribution schedule. If you use your contribution schedule to change a member's group you'll need to select the reason '*Change member groups and pay contributions*' as the reason for partial or non-payment of contributions. You'll also need to enter the date the change of group takes place.

If the date of the change is at the start of the earnings period you're paying contributions for, you'll only need to pay contributions for the new group. If the date of change falls within the earnings period you're paying contributions for, you'll need to pay contributions for both the new and old group.

If the new group and old group are in the same contribution schedule you can pay contributions for both groups at the same time. You'll need to provide earnings information and contributions for both groups as well as the effective date of change. If the new group is in a separate contribution schedule, you'll need to pay for each group within their separate contribution schedules.

If the date of change falls at the start or within the next earnings period, you should tell us about this change of group in your next contribution schedule for the next earnings period, not the current one.

**If a member has opted out, what do you need to do?**

If a member chooses to opt out of NEST you'll need to tell us in your contribution schedule. You can do this by selecting *'Member has opted out'* as the reason for partial or non-payment of contributions. This will remove the member from future contribution schedules, so we won't expect any more contributions for them. The member's account will also be removed. Their name will still be visible in the employer's *'Manage workers'* area of the website though. This is for record keeping purposes only.

**If you've automatically enrolled a worker into NEST, who you'd previously been paying contributions for as a worker without qualifying earnings (also known as an entitled worker), what do you need to do?**

If the date of new enrolment is part way through an earnings period, you'll need to pay for both enrolments. To pay separate contributions for more than one enrolment you'll need to tell us you're doing this through your contribution schedule. You can do this by selecting *'Pay for more than one enrolment type'* as the reason for partial or non-payment of contributions.

You won't need to enter the effective date of this change as we'll already have the date that you enrolled them.

Paying the contributions separately allows us to calculate the correct contributions for each enrolment. That way we'll know what to refund in case the member decides to opt out of their new enrolment.

If the date of the new enrolment is the start of the earnings period you're paying contributions for, no payment will be expected for the member's old enrolment type.

For example:

- the member was previously a worker without qualifying earnings
- they then became an eligible jobholder, and so eligible for automatic enrolment

- you automatically enrolled them on 1 February
- the weekly earnings period you're paying contributions for in your contribution schedule is from 1 to 7 February
- for this earnings period you won't need, or be able, to make a payment for this worker under their old enrolment type (worker without qualifying earnings)
- you'll only need, and be able, to pay contributions for this member under their new enrolment.

**If you're no longer using NEST to fulfil your employer duties for a worker, what do you need to do?**

If you're no longer using NEST for a particular worker, you'll need to tell us through your contribution schedule. You can do this by selecting the reason *'Employer duties are being fulfilled elsewhere'* as the reason for partial or non-payment of contributions. You'll also need to enter an effective date. This is the date you stopped fulfilling your duties for this worker through NEST. Doing this will remove the member from future contributions schedules.

For example a member might become eligible for a different pension scheme that you offer at your organisation, due to a promotion. In this case you wouldn't pay contributions to NEST for this worker anymore as they'd be in a different pension scheme.

**What about tax relief on member contributions?**

Contribution amounts in the schedule should exclude tax relief. So for member contributions you only need to enter what's actually deducted from their pay.

We assume that all your workers enrolled into NEST are eligible for tax relief. It's your responsibility to check this and tell us if tax relief doesn't apply for any member.