



The Pensions Regulator (TPR) reports increase in auto enrolment non-compliance

During the outbreak of Covid-19, TPR has confirmed that it has seen an increase in the number of unpaid contributions and compliance notices issued.

There has been a 191.4% increase in the number of unpaid contribution notices, and there has also been a 17% increase in compliance notices from the previous quarter. Consequently, TPR is reminding all employers of their continued auto enrolment responsibilities.

The figures demonstrate how TPR is continuing to take a tough approach to employers who are not complying with their auto enrolment responsibilities.

The Director of Auto Enrolment at TPR, Mel Charles, said:

“Employers may have seen their business change because of COVID-19, but their pension duties have not.

While we issued easements at the start of the pandemic, we closely monitored compliance and took action where necessary. We continued to target employers who committed serious breaches and where staff contributions were at immediate risk.

As predicted, we are seeing a return to normal levels of enforcement activity in line with our expectations, but we will monitor this closely.

Indications are that the majority of employers are paying their contributions in full and on time and we have not seen any unusual increase in reports of late payments by pension schemes. However, employers must remember their pension duties continue and failure to fulfil them may lead to legal action.”

TPR launch new campaign to combat pension scams

Trustees, administrators and pension providers are being encouraged to assist in protecting savers by notifying them of risks, educating members on current and emerging scams and carrying out relevant diligence.

TPR are asking trustees, administrators and providers to pledge to do what they can to protect scheme members and follow the principles of the Pension Scams Industry Group (PSIG) Code of Good Practice.

Pledging to combat pension scams shows your intent to protect members. It tells your members and the pensions industry that you are committed to stopping scammers in their tracks. Once you have taken the pledge it's up to you and your scheme or organisation to take action.

The Pledge

To make the pledge you should commit to:

- Regularly warn members about pension scams
- Encourage members asking for cash drawdown to get impartial guidance from The Pensions Advisory Service
- Get to know the warning signs of a scam and best practice for transfers by completing the scams module in the Trustee Toolkit and encouraging all relevant staff or trustees to do so; studying and using the resources on the Financial Conduct Authority (FCA) ScamSmart website, TPR scams information and the PSIG code
- Take appropriate due diligence measures by carrying out checks on pension transfers and documenting pension transfer procedures
- Clearly warning members if they insist on high-risk transfers being paid
- Report concerns about a scam to the authorities and communicate this to the scheme member

If you have any queries please contact your usual 44 Consultant or email admin@44benefits.co.uk

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