CORPAD

The Corpad **Master Trust**

Participating Employer Administration Guide

Contents

Introduction

This document is designed to help you understand what is needed to run your pension scheme with us. For future reference purposes we attach, as an appendix, a document from the Pensions Regulator explaining what you need to do as an employer to assess your workforce.

If you have been introduced to us by a third party, such as an accountant or specialist pensions adviser, then all of the points raised here may have been covered by them.

Information for Payroll & The Pensions Regulator

The following information will be needed when completing information for the Pension Regulator:-

Scheme type:	Defined Contribution (DC) Occupational Pension Scheme
Scheme name:	The Corpad Master Trust
Provider:	Corporate Pensions Administration Ltd
Contact details:	Axis House Nepshaw Lane South Morley Leeds LS27 7JQ Tel: 0113 220 3630 Email: info@corpad.co.uk
Scheme reference number:	12009790
Employer contributions:	Paid gross
Employee contributions:	Paid gross, from gross earnings (net pay arrangement)
Salary sacrifice:	If employee contributions are being paid by salary sacrifice, check that the payroll system has reduced the taxable earnings accordingly. You should write to members to tell them that the terms and conditions of employment are being altered to take account of the salary sacrifice.
What are Qualifying earnings?	The name given to a band of earnings you can use to calculate contributions for auto enrolment. These are an employee's gross earnings from employment, that fall between a lower and upper earnings limit set by the government and reviewed every year. When you are calculating a worker's qualifying earnings for a pay period, you need to include their: salary or wages, bonuses, overtime, commission and other statutory, pensionable benefits; such as statutory sick pay, maternity/paternity pay and adoption pay. Please visit the Pensions Regulator website for up to date information and the current earnings thresholds.

The following information may be useful for your payroll provider :-

The Corpad Master Trust (a trust-based DC Occupational Pension Scheme) operates a **'net pay arrangement'** in respect of tax relief – which means the pension contributions are collected before income tax. The employer deducts the gross member contribution from the employee's earnings before it deducts income tax via PAYE.

When setting up a payroll system to process pension contributions, please refer to the following notes:

1.   The contributions need to be set up as **NET Pay**.

2.   The scheme should be called the Corpad Master Trust

3.   The reference number is PSR 12009790

4.   Default contribution percentages need to be set up at scheme level on the main program (i.e. 1% Employee and 1% Employer)

5.   The definition of pension contributions also needs to be programmed (i.e. Gross Pay, Basic Pay or Banded Earnings)

6. Any member who wants to pay a different amount into the scheme can be accommodated and this infomation should be entered onto the member personal details

7. Bank Details   Cambridge & Counties Bank
   Account: Corpad Master Trust
   Account Number: 15001921
   Sort Code: 60-95-86
   Reference: **(Either the employers name or scheme number plus the date (month /year) to which the contributions relate. E,g, COMPM000000May2016)**
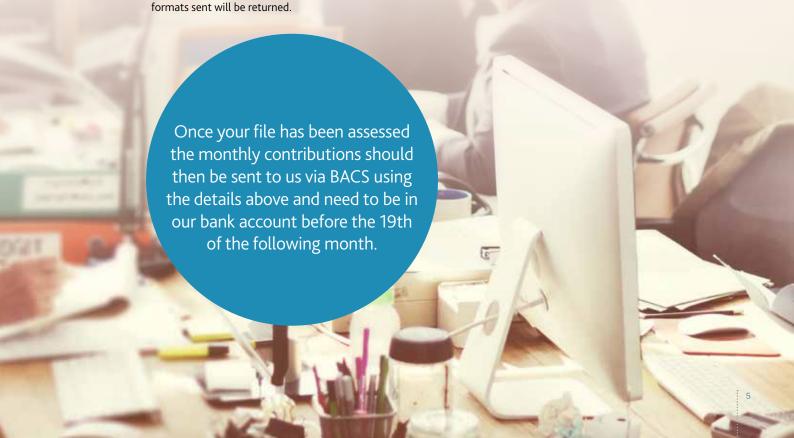
If you use Sage, once your system is set up to use pension contributions, the report you will need to send us each time you run your payroll is accessed as follows:

- In Sage go into Reports and select Employee Reports.

- Scroll down and select Payment Summary History Part 1 By Date

- Click Preview and enter the appropriate date From and To.

- This will show the report on screen.

- Select Export and pick file type CSV which should save the report as a CSV in the required layout.

If you do not use Sage the reports you need to produce should have the following minimum information on:

- Payroll Date

- Employees Name

- Employees Payroll Reference Number or National Insurance Number

- Employees salary for the pay period (based on the definition in 5 above)

- Employees contribution amount

- Employers contribution amount

If any of your reports include more information than the above then this is acceptable, as we can map your reports. Please feel free to send us a test report before you commence your deductions as we can check to make sure it is suitable. Once your report is approved, please ensure this is sent to us on the same basis each payroll run in a CSV format, as any other formats sent will be returned.

Once your file has been assessed the monthly contributions should then be sent to us via BACS using the details above and need to be in our bank account before the 19th of the following month.

Auto-Enrolment Assessing the Workforce at your Staging Date

When you reach your Staging Date (or at the end of any postponement period), your staff must be assessed for auto-enrolment purposes.

You may choose to do the assessment yourselves, your payroll operator may do it for you; or if you prefer, Corpad can carry out the initial assessment for you although this would involve a monthly fee being charged. We strongly advise you to read the guidance from the Pensions Regulator detailing what assessment means and what your duties as an employer are.

Regardless of whether or not we are doing the formal assessment, the following procedures must be followed:

1. You must complete the "Employee Data" spreadsheet in full, for all staff members – this must include all staff on your PAYE scheme.

    On, or soon after the Assessment Date, your staff must be assessed and categorised for auto-enrolment purposes. Employees will usually fall into one of the following categories:

    -   Eligible Jobholder

    -   Non-Eligible Jobholder

    -   Entitled Worker

    If an employee is already a member of a qualifying scheme when the assessment takes place, then they are not subject to auto-enrolment; but a check is required to make sure that the minimum contributions are being paid.

2. Anyone who falls into the category of "Eligible Jobholder" must be automatically enrolled into the pension scheme. To do this you must send the "Employee data" spreadsheet to Corpad.

    An eligible jobholder is someone who:

    -   Is aged between 22 and State Pension Age.

    -   Earns at least £10,000 pa / £833 pm / £192 pw.

    -   Is not already a member of a qualifying pension scheme.

3.	Each person must then be issued with the correct assessment letter, which tells them whether or not they have been enrolled into the scheme. Whoever does your assessment will prepare these for you based upon the information supplied in step 1; and send them to you for distribution.

4.	At the same time, Corpad issues the Membership Certificates to you; for distribution to those employees who are being enrolled into the scheme.

5.	Those employees who have been enrolled have 1 month from the date of issuing the assessment letters in which to opt-out, if they do not want to be a member of the scheme. The assessment letter contains the information and instructions that are needed in order to opt-out. The Pensions Regulator requires this process to be strictly adhered to.

6.	Opt-outs must be initiated by contacting Corpad in the first instance. The individual will be sent an opt-out form, which must be completed and returned to you, with a copy to Corpad. The opt-out has not been carried out successfully until you have received a properly completed opt-out form.

7.	If any employees opt-out, they are simply removed from the scheme. If this is done before payroll is run, then they can be removed from the scheme before contributions are deducted from pay.

8.	Those employees who were not auto-enrolled may "opt-in" to the scheme if they wish. If they choose to opt-in, then minimum contributions may also be payable from the employer, depending upon the assessment category:

    -	Non-eligible jobholders - minimum employer contributions are payable.

    -	Entitled workers - there is no requirement for the employer to pay contributions.

    Please tell us as soon as possible if any employees opt-in to the scheme. We will then issue the Membership Certificates and update our administration systems. Your payroll details also need to be updated accordingly.

9.	Whenever payroll is run within the 1-month opt-out window, any pension deductions should be retained by the employer, until after the end of the opt-out window (provided this does not go beyond the 19th of the following month). If anyone opts-out, this delay allows for a refund of contributions to be dealt with easily, rather than requiring money to be first returned to the employer by Corpad.

10.	Once the opt-out window has ended (or by the 19th of the following month, if sooner):

    -	Prepare the Payment File (CSV format) and send it to your nominated contact

    -	Send the total payment to Corpad by bank transfer.

Declaration of Compliance

Once these processes have been carried out, the **"Declaration of Compliance"** should be completed via the Pensions Regulator's website. Please note that the Declaration of Compliance can not be completed until after the initial assessment (this will be the later of your Staging Date or the end of any Postponement Period).

When completing the Declaration you must remember that the deadline for doing so is no later than 5 months after your Staging Date. If you are using postponement, please remember that the deadline for completing the Declaration is 5 months after your Staging Date, not after the initial Assessment Date.

There are fines, issued by the Pensions Regulator, for late completion of the Declaration – fines start at £400.

Auto-enrolment Ongoing duties and dealing with new employees

Once you have passed your Staging Date, you will be subject to the ongoing requirements of the auto-enrolment legislation.

Each time you take on a new member of staff, you must carry out the following procedures:

1. Add them to the "Employee Data" spreadsheet and send the details to us.

2. Issue them with information about the scheme.

3. Issue a postponement letter, if appropriate.

   You may postpone the initial assessment for an individual employee for up to 3 months from the date of starting employment. However, you must write to them within 6 weeks of starting employment to let them know when they will first be assessed. They may choose to opt-in to the scheme at any time within the postponement period.

4. Assess their eligibility.

   New employees must be assessed for eligibility on the day that they start employment; or on the assessment date if you are using postponement. We can do this for you if you have sent us their details on the Employee Data spreadsheet.

5. Whoever does your assessment will prepare the appropriate assessment letter and send it to you to issue to the employee.

6. If they are eligible for auto-enrolment, they will then have 1 month from the date of issuing the assessment letter in which to opt-out of the scheme.

   If they are being auto-enrolled, the "Employee Data" spreadsheet should be sent to Corpad who will issue a Membership Certificate.

7. If they have been assessed and are not subject to auto-enrolment, they may decide to opt-in. If so, please let us know as soon as possible so that we can create their member number and issue the membership certificate.

8. The contribution details for any new members must to be added to your payroll system so that contributions are deducted from the appropriate date.

If a new employee is assessed and is not eligible for auto-enrolment

Non-eligible jobholders and entitled workers must be re-assessed for eligibility each time payroll is run. If at any time they fulfill the criteria for eligibility, then they must be enrolled into the scheme and issued with the appropriate revised assessment letter. All the normal regulations apply and they will then have 1 month in which to opt-out of the scheme.

Payment of Contributions

Contributions can be paid at any time, for any number of members. All contributions from both the employer and employees are paid gross, members will then benefit from immediate tax-relief at their highest marginal rate (this is also known as a "net pay arrangement").

The submission of contributions is controlled by you, with payments being made by bank transfer. No money will be taken automatically by Direct Debit.

Please do not try to send payment for anyone who has not yet been added to the scheme as a new member. If you do, then the allocation of money will be delayed for all members, as contributions cannot be allocated correctly until any new member details have been processed.

For weekly paid staff, contributions should be deducted from each weekly payment, but retained by the employer until the last payroll run of the month has been completed. The total of all the weekly contributions are then submitted as a single payment, for that month.

Contribution submission

Step 1: Send details of the contributions to Corpad

A "Contribution Payment File" must be completed, which shows how the total payment should be allocated between all the members. This should be in a CSV format (not a spreadsheet) and contain the following data for each member:

1.	Date payroll was processed	(if weekly paid, use the final week's payroll date)
2.	Tax month	(e.g., 1,2,3, etc.)
3.	Payroll reference number	
4.	1st name	
5.	Surname	
6.	NI number	
7.	Taxable earnings in the period	(total amount for the month, if weekly paid)
8.	Employer pension contribution	
9.	Employee pension contribution	(gross amount, including tax)

Where employee's personal contributions are being paid via salary-exchange (salary sacrifice):

- The total amount will be shown as an employer's contribution, with zero from the employee.

- The taxable earnings will be the reduced amount; after the employee's contribution has been deducted from gross pay (taxable earnings cannot be reduced below minimum wage).

Please make sure that there are no blanks – enter a zero if applicable.

If you collect this information as a spreadsheet, please then use the "Save as" function, to save the data in CSV format. A completed sample payment file is shown overleaf.

Re-name the file each time payment is made, to include the employer's name or the scheme number; and the date (month/year) to which the contributions relate (e.g. "COMPM0000000 May2016").

Send the completed CSV file to your nominated contact

Adding New Members to the Scheme

Contributions cannot be paid for an employee unless they have first been added to the scheme as a new member.

If an employee is joining the scheme voluntarily (i.e. not being "auto-enrolled"), you should ask them to complete an application form as evidence of their intent; and their agreement for you to deduct contributions from pay.

Please put the information from the application form into the "Employee Data" spreadsheet; and send the spreadsheet to us. In addition, it is useful for us to have a copy of any application forms, but please keep the originals for your own records.

Process for adding new members

1. Complete the "Employee Data" spreadsheet with the full details of any employees who wish to join the scheme. Please ensure that the data is accurate, as the information supplied will be used to populate the scheme administration systems and the member documentation.

    Send the completed spreadsheet to your nominated contact

2. On receipt of the completed data spreadsheet, the new members can be loaded onto their systems.

3. We prepare the Membership Certificates and send these to you, for distribution to the employees.

4. You are then able to send contributions for any new members – please make sure that any new members have had their contribution details set up on your payroll system.

Step 2: Payment of the contributions

A single payment for the total amount must then be sent to Corpad, who will then allocate the contributions between the scheme members.

Please use the following bank details:

- Bank: Cambridge & Counties Bank
- Name: Corpad Master Trust
- Sort Code: 60-95-86
- Account no: 15001921

When payment is made, please include the company name or scheme number and the relevant month/ year in the payment reference.

Sample payment file

date processed	tax month	payroll reference	1st name	surname	NI number	taxable gross	employer pension	employee pension
26/02/2016	11	12	Simon	Batty	YS704108A	2318.48	36.66	0
26/02/2016	11	31	Alex	Barton	WK565444B	2529.35	40.88	0
26/02/2016	11	28	Charles	Coleman	WE250875D	3129.28	54.14	0
26/02/2016	11	3	Elizabeth	Garlick	WA735625D	1986.49	15.01	15.01
26/02/2016	11	4	Thomas	Harris	NR583481C	940	4.54	4.54

In this example, the first 3 members have their personal contributions paid by salary-exchange. The total amount is therefore shown as an employer's contribution.

The total of all the contributions (£170.78 in the example above) should be sent to Corpad by bank transfer; and will then be allocated to the members according to this file.

Timing of the payment

Contributions deducted for a particular month must be sent to Corpad no later than the 19th of the following month. Late payments must be recorded and the regulations require Corpad to notify the Pensions Regulator.

In the example shown above, the contributions were deducted in February 2016 and therefore must be sent to Corpad by the 19th March.

Scheme Members Wishing to Suspend Contributions

An active scheme member may choose to stop paying contributions at any time. This is known as "ceasing active membership".

If anyone chooses to do this, then any employer's contributions are also suspended.

Please let us know as soon as possible if anyone wants to suspend payments to the scheme.

1. Send details of the member's name, NI number and the date that contributions are being suspended, to your nominated contact.

2. You must continue to process any pension contributions that have been deducted up to the date that contributions are suspended. These must be sent to Corpad as normal.

3. The member may choose to re-start contributions at any time. If they do so, then any employer's contributions must also be re-started.

4. If they do re-start contributions, then please let us know by email, as above.

Leavers

Please let us know as soon as possible if anyone leaves your employment.

In addition, if they were a member of the pension scheme:

1. Please send an email to confirm the date of leaving.

   This should be sent to your nominated contact.

2. You must continue to process any pension contributions up to the date of leaving. These should be sent to Corpad as normal.

3. Once the final contributions have been paid, issue the individual with a leaver's letter. This sets out the options that they have regarding their pension benefits within the scheme.

Regular Processes

Each time the payroll is run

Make sure that your payroll system has been updated to deduct contributions for any new members.

Re-assess all employees who are not already in the pension scheme. Check for people changing their status and becoming eligible for auto-enrolment for the first time (your payroll software may do this automatically).

For example:

- Their earnings are above the auto-enrolment threshold for the first time.

- They have passed their 22nd birthday.

Issue the appropriate assessment letter for any employees who have changed their eligibility (i.e. become eligible for enrolment for the first time).

Each month

If there have been any staff changes over the month, please send us an updated copy of the Employee Data spreadsheet, to ensure that we always have up to date information.

You should include all existing staff and add the details of:

- New employees.

- Alterations to contributions.

- Leavers.

- Any changes to personal information, address details, etc.

Please send the spreadsheet to your nominated contact.

Prepare the Payment File for that month's contributions; and send to Corpad.

Send the contributions to Corpad by bank transfer (no later than 19th of the following month).

Contact Details

Corpad's contact details

Address :

Axis House
Nepshaw Lane South
Morley
Leeds LS27 7JQ

Telephone number 0113 220 3630
General e-mail address: info@corpad.co.uk

CORPAD