

## ANNEX 2

### TPR regulatory requirements

#### Records of transactions

Part 5 of the regulations specifies the requirements for the recording of transactions. Each requirement is specified in the table below along with the process by which the Fund is complying.

Section	Requirement	Compliance
5a	Employer's contributions & Employee's contributions relating to each active member.	Employer's & Employee's contributions per employer are recorded on the Council's Financial Management System.  Employee's contributions per Employee are recorded on Altair.
5b	Payment of Pensions & Benefits (including date of payment)	Full details are recorded on Altair payroll.
5c	Payments other than for Pensions Benefits or Leavers (including name and address of recipient and reason).	In the event that this should occur full details of the transaction would be recorded in the Council's Financial Management System.
5d	Transfer of assets (including name, and address of recipient and reason). We understand "assets" to mean an individual member's pension pot.	Full details are recorded on Altair payroll and / or the Council's Financial Management System.
5e	Receipts or payments of money or assets in respect of member transfers (including members name, terms, sending / receiving scheme, date of transfer, date of payment / receipt).	Full details are recorded on Altair payroll and / or the Council's Financial Management System.
5f	Payments to Leavers other than by transfer (including members name, date of leaving, entitlement, calculation of entitlement, method of payment.	Full details are recorded on Altair payroll and the Council's Financial Management System.
5g	Payments to any employers participating in the scheme.	Full details are recorded on the Council's Financial Management System.

5h	Write off of amounts due to the scheme.	In the case of invoiced debtors full details are recorded on the Council's Financial Management System. If material a note would be made to the accounts.
5i	Other payments to the scheme (including name and address of payee and relevant member if applicable).	Full details are recorded on the Council's Financial Management System and Altair.

### **Reconciliations between the Council's Financial Management System and Altair.**

The Altair system holds detailed member records including their contributions, benefits payments and any transfers. The Council's Financial Management System holds records of all financial transactions.

Most financial transactions in the Financial Management System are aggregated. The receipt of contributions from a single employer will include the contributions for all their members. The payment of thousands of pensioners will be covered by a single BACS payment.

Reconciliations between Altair and the Financial Management System ensure that the data on Altair reflects the financial transactions shown on the Council's Financial Management System and that the transactions shown on the Financial Management System are backed up with the necessary details on Altair.

The Pension Fund's section of the Council's Financial Management System is further reconciled to the Pension Fund's bank account to ensure that it reflects the actual transactions (and only the actual transactions) that have occurred.

### **Maintaining contributions**

The Fund is required to monitor the receipt of contributions and report materially significant late payments to the Pensions Regulator.

The Fund maintains a record of late payments showing the due date and actual date of payment, the amount of payment, and the reason for the delay.

Late payments have previously been reported to Committee if they were in excess of £3,000 and more than an aggregate total of nine days late in three months. In future all late payments will be reported in the following format:-

<b>Employer</b>	<b>Payroll Month</b>	<b>Days late</b>	<b>Cumulative Occasions</b>	<b>Amount</b>	<b>Significance</b>	<b>Reason / Action</b>
ABC Academy	June	2	2	£16,000	Not materially significant.	Informed of late payment.
DEF Town Council	April	17	1	£2,300	Time / value significant	Staffing issues. Advised to amend their payment authorisation procedures.
<b>Total days</b>		<b>19</b>	<b>Total amount</b>	<b>£18,300</b>		
<b>Total Contributions in Quarter</b>				<b>£31,200,000</b>	<b>Late Payments as % of total</b>	<b>0.06%</b>

All late payers are contacted and reminded of their obligations regarding the timing of payments. Where appropriate they are advised on alternative, more efficient methods of payment.

Where material, interest will be charged on late payments at base rate plus 1% in accordance with the regulations.