Ombudsman's Determination

Applicant	Mrs S
Scheme	NEST Pension Scheme (**the Scheme**)
Respondents	Solange Bakery Ltd and Artisan Traditions Ltd (**the Employers**)

Outcome

1. Mrs S' complaint is upheld and to put matters right the Employer shall pay £216.71 into the Scheme. The Employer shall ensure that Mrs S is not financially disadvantaged by its maladministration. So, it shall arrange for any investment loss to be calculated and paid into the Scheme.

2. In addition, the Employer shall pay Mrs S £500 for the significant distress and inconvenience it has caused her.

Complaint summary

3. Mrs S has complained about unpaid and late pension contributions to the Scheme by the Employers.

4. The available evidence shows that the missing contributions amounted to £216.71. This consists of £123.83 in employee contributions and £92.88 in employer contributions.

Background information, including submissions from the parties

5. The sequence of events is not in dispute, so I have only set out the salient points.

6. During Mrs S' employment she was paid and employed by two companies successively, each having the same sole director Mr Tavares, and operating a business in manufacturing bread and pastries:

   - Solange Bakery Ltd
   - Artisan Traditions Ltd

7. On 29 September 2023, Mrs S received a payslip showing that her first employee pension contribution was deducted from her pay by Solange Bakery Ltd.

8. On 26 October 2023, Mrs S was informed by the Scheme administrator that Solange Bakery Ltd had enrolled her into the Scheme with effect from 27 October 2023.

9. On 25 January 2024, Mrs S contacted Mr Tavares to complain that the pension deductions from her pay, and employer's contributions, had not been paid into a pension account since her employment commenced. Mrs S confirmed that at that date her pension account balance was zero.

10. On the same day, Mr Tavares told Mrs S that her pension contributions had not been paid due to an error with the Scheme administrator's system.

11. On 6 March 2024, Mrs S contacted Mr Tavares again and said by that date her pension account had only received £26.65, which was on 31 January 2024.

12. On 2 May 2024, Mrs S contacted Mr Tavares explaining that she had received a letter from the Scheme administrator explaining that Solange Bakery Ltd had been reported to The Pensions Regulator (**TPR**).

13. On 9 May 2024, Mrs S raised a formal grievance with Mr Tavares, in which she set out a complaint about the non-payment of her pension contributions. Mrs S requested that the unpaid contributions be paid to her Scheme account within the next eight weeks.

14. On 3 June 2024, Mrs S contacted Mr Tavares again seeking a response to her complaint.

15. On the same date, Mr Tavares told Mrs S that a direct debit mandate for future pension payments had been set up. He also said that he had tried to pay the outstanding contributions in full over the telephone, but the payments did not go through. Mr Tavares assured Mrs S that the full payment for the outstanding pension contributions would be made before the next payment was due, and that his accountant would email her to confirm when that had been done.

16. On 3 July 2024, Mrs S messaged Mr Tavares and said that eight weeks had passed since her formal complaint was made and, in that period, there had been no pension payments made into the Scheme despite his assurance there would be.

17. On 4 July 2024, Mr Tavares acknowledged Mrs S' message from the previous day and said he would provide details of the Solange Bakery Ltd pension account and proof of payments being made to the Scheme.

18. On 11 July 2024, Mrs S contacted Mr Tavares and confirmed receipt of a response to her complaint but stated that the information related to a third party's details. Mrs S confirmed payments were made into her Scheme account on 31 January 2024 and 22 March 2024. She said at that point there were seven months of pension contributions which remained outstanding.

19. On 13 September 2024, Mr Tavares told Mrs S that the Scheme administrator had not started taking the direct debit pension payments due to the Scheme, so he had

made manual payments for July and August 2024, which he said would bring her Scheme account up to date.

20. On 16 October 2024, Mrs S brought her complaint to The Pensions Ombudsman (**TPO**).

21. On 12 November 2024, Mrs S contacted Mr Tavares again. She said that no pension payments had been made to her Scheme account since a previous conversation on 8 November 2024. Mr Tavares responded the same day and assured Mrs S that he was trying to find out why the pension payments were not being made.

22. On 5 December 2024, the Scheme administrator informed Mrs S that Solange Bakery Ltd wished to stop using its service from 2 January 2025.

23. On 7 January 2025, Mrs S was enrolled into the Scheme under Artisan Traditions Ltd.

24. On 13 January 2025, Mrs S told TPO that from 2 January 2025 her payroll had changed from Solange Bakery Ltd to Artisan Traditions Ltd with the contributions for November 2024, and December 2024 remaining outstanding.

25. On 21 January 2025, Mrs S contacted Mr Tavares to tell him that two payments had still not been paid into the Scheme account for her.

26. On 27 January 2025, Mrs S messaged Mr Tavares explaining she had spoken to the Scheme administrator and had been advised to ask for proof of contributions being paid for November 2024, and December 2024.

27. On 6 February 2025, Mrs S contacted Mr Tavares again enquiring about the December 2024 and January 2025 pension contributions. Mrs S added that she was finding the situation tiresome, time consuming and stressful.

28. On 8 February 2025, the Scheme administrator informed Mrs S that Solange Bakery had told it there were no further contributions due from it.

29. On 6 March 2025, TPO emailed Mr Tavares, but no response was received.

30. On 10 March 2025, Mrs S told TPO that she had never been provided with a contract of employment by Mr Tavares.

31. On 28 March 2025, TPO emailed Mr Tavares again for a response to Mrs S' complaint. This request was also sent to Mr Tavares by post, but no response was received.

32. On 11 July 2025, Mr Tavaras explained that the last payment into her Scheme account was made on 1 April 2025 and that four months of pension contributions remain outstanding.

33. Mrs S provided TPO with copies of her payslips that she held for the period September 2023 to August 2025 which detailed the pension contributions deducted from her pay and the corresponding employer contributions.

34. Mrs S provided TPO with copy details of the payments made into her Scheme account, by Solange Bakery Ltd and Artisan Traditions Ltd, representing the deductions from her pay and the corresponding employer contributions, as shown in Appendix One.

35. Mrs S explained to TPO that the pension deductions made from her pay in the name of Artisan Traditions Ltd between April 2025 and August 2025 were not remitted to her Scheme account, nor were the employer's contributions, as shown in Appendix One.

Adjudicator's Opinion

36. Mrs S' complaint was considered by one of our Adjudicators who concluded that further action was required by Artisan Traditions Ltd as it had failed to remit contributions due to the Scheme and the contributions it did pay were late, potentially leading to an investment loss. Similarly the Adjudicator stated that Solange Bakery Ltd was also required to take action, as contributions paid into Mrs S' Scheme account were deemed to have been made late again potentially resulting in an investment loss. The Adjudicator's findings are summarised below: -

- The Adjudicator stated that our normal approach for cases like this would be to seek agreement from all parties as to the dates and amounts of contributions involved. However, the Employers had not engaged with TPO's requests to provide a detailed response. So, the contribution schedule in Appendix One was produced based solely on the evidence provided by Mrs S.

- The Adjudicator said Mrs S' payslip dated 29 September 2023 showed that she was paid by Solange Bakery Ltd, and that a pension contribution of £15.25 was deducted from her pay. An employer's pension contribution was also shown on Mrs S' payslip. However, Mrs S was not enrolled into the Scheme by Solange Bakery Ltd, until 27 October 2023.

- The Adjudicator provided a summary of the monthly contributions from Solange Bakery Ltd and Artisan Traditions Ltd, for the period September 2023 to March 2025, and referenced there being persistent delays to them being remitted to the Scheme. It was his opinion that there had been maladministration due to the late payment of the pension contributions and as a result Mrs S may have incurred an investment loss.

- The Adjudicator also set out that Mrs S was not enrolled into the Scheme under Solange Bakery Ltd until 7 January 2025, but her pension contributions for November 2024, and December 2024, were deducted from her pay by Artisan Traditions Ltd, and not paid into the Scheme until 29 January 2025 and 21 February 2025, at which point she was enrolled with Artisan Traditions Ltd. So, he said the Employers must ensure that Mrs S had not suffered a loss from the late payment of the pension contributions into the Scheme for November 2024 and December 2024.

- For the period April 2025 to July 2025, the Adjudicator noted Artisan Traditions Ltd had not paid the pension contributions into the Scheme that it deducted from Mrs S' pay, nor had it paid its employer contributions in that time. So, as a result, Mrs S had suffered a loss and Artisan Traditions Ltd was to pay £159.10 into Mrs S' Scheme account. This figure represented the £90.91 in employee contributions and £68.19 in employer contributions.

- In the Adjudicator's view, Mrs S had suffered significant distress and inconvenience due to the Employer's maladministration. The Adjudicator was of the opinion that an award of £500 for non-financial injustice was appropriate in the circumstances.

37. The Adjudicator added however, that at the time of his Opinion an employee pension contribution of £32.92 had been deducted from Mrs S' August 2025 pay. Mrs S' payslip also showed an entry for an employer's pension contribution of £24.69. He said at that point these contributions were not considered late but confirmed to Artisan Traditions Ltd they were to be paid into Mrs S' scheme account by 22 September 2025.

38. Following the Adjudicator's Opinion, Mrs S confirmed to TPO that Artisan Traditions Ltd had not remitted the August 2025 employee or employer pension contributions into the Scheme. Therefore, the total amount unpaid to Mrs S' pension account had increased to £216.71, being £123.83 in employee contributions and £92.88 in employer contributions.

39. The Employer did not respond to the Adjudicator's Opinion and the complaint was passed to me to consider. I agree with the Adjudicator's Opinion.

Ombudsman's decision

40. Mrs S has complained that she has suffered maladministration as Artisan Traditions Ltd did not remit all of her pension contributions into the Scheme along with its corresponding employer contributions.

41. Mrs S also complained that Solange Bakery Ltd and Artisan Tradition Ltd failed to remit all her employee pension contributions due to her Scheme account in respect of her employment with each of them. Mrs S also complained that the Employers did not pay their employer contributions on time to her Scheme account. Appendix One shows the date the Employers paid the contributions to Mrs S' Scheme account.

42. Under the rules of the Scheme (**the Scheme Rules**) the Employers were obliged to pay to the Scheme, at least 3% of Mrs S' qualifying earnings in the relevant pay reference period, and the employer and employee contributions were to amount to at least 8% of Mrs S' qualifying earnings in the relevant pay reference period. The relevant provisions of the Scheme Rules are outlined in Appendix Two.

43. Based on the evidence provided by Mrs S, and details from her Scheme account, for September 2023, Solange Bakery Ltd did not complete her enrolment with the Scheme until 27 October 2023.There is no dispute however that a pension contribution was deducted from Mrs S' pay despite her not being enrolled into the Scheme.

44. I find that the action of Solange Bakery Ltd to deduct the September 2023 contribution during this period indicates its intention to enrol her into the Scheme and comply with the Scheme Rules to pay pension contributions into the Scheme in respect of September 2023. The deduction would otherwise have been unlawful. Given that Mrs S was subsequently enrolled into the Scheme in October 2023, I find that the September 2023 should be included in this complaint.

45. The evidence shows that employee contributions for Mrs S' pay between September 2023 and March 2025 were paid late into the Scheme by the Employers, on most occasions. Automatic enrolment requirements in the UK, state that employers must ensure that both their own and their employees' pension contributions are paid to the pension provider promptly. Where contributions are paid by cheque they must be paid by 19th day following the month in which deductions were made, and where they are paid electronically, then they must be received by the pension provider no later than 22nd day of the month following the month in which deductions were made. This obligation is set out in the Pensions Act 2008 (**the Act**) and the Occupational and Personal Pension Regulations 2013 (**the Regulations**).

46. In accordance with the Act and the Regulations, it was the Employers' duty to ensure that contributions were remitted to the Scheme in a timely manner and no later than the 22nd day of the month following the deduction. It is clear that the Employers failed to meet this statutory obligation, and I find that this amounts to maladministration. Mrs S may have suffered an investment loss due to the late payments.

47. Solange Bakery Ltd and Artisan Traditions Ltd failed to engage with TPO to resolve Mrs S' complaint by agreeing to make up any investment loss from the delayed contributions and pay her compensation.

48. Artisan Traditions Ltd's failure to pay all employee and employer contributions into the Scheme due for the period April 2025 to August 2025 constitutes unjust enrichment by the Employer. This amounted to £216.71, being £123.83 in employee contributions and £92.88 in employer contributions.

49. The Employers' failure to pay all employee and employer contributions on time, is also unjust enrichment and may have caused Mrs S to suffer a financial loss. The Employers shall take remedial action to put this right.

50. Mrs S is entitled to a distress and inconvenience award in respect of the significant ongoing non-financial injustice which she has suffered. This was exacerbated by the failure of the Employers to resolve the dispute during TPO's investigation into Mrs S' complaint.

Directions

51. To put matters right, the Employer shall within 28 days of the finalisation of this complaint: -

    (i) Artisan Traditions Ltd shall pay Mrs S £500 for the significant distress and inconvenience she has experienced;

    (ii) Artisan Traditions Ltd shall pay £216.71 into Mrs S' Scheme account for the period April 2025 to August 2025. This figure represents the amount that, according to the figures provided by Mrs S, has been deducted from her pay, but not paid into the Scheme account. It also includes the employer's contributions for the relevant period which should have also been paid but have not been paid to date;

    (iii) Solange Bakery Ltd and Artisan Traditions Ltd shall establish with the Scheme administrator whether the late payment of contributions between September 2023 and August 2025 has meant that fewer units were purchased in Mrs S' Scheme account than she would have otherwise secured, had the contributions been paid on time; and

    (iv) Solange Bakery Ltd and Artisan Traditions Ltd shall, on a joint and several liability basis, pay any reasonable administration fee should the Scheme administrator charge a fee for carrying out the above calculation.

52. Within 14 days of receiving confirmation from the Scheme administrator of any shortfall in Mrs S' units, Solange Bakery Ltd and Artisan Traditions Ltd shall each pay the cost of purchasing any additional units required to make up the shortfall in respect of the contributions that each of them paid late.

Camilla Barry

Deputy Pensions Ombudsman
9 October 2025

Appendix One

Payslip date	Employee contribution	Employer contribution	Employer name	Date payment received by Scheme
29/09/23	£15.25	£11.44	Solange Bakery Ltd	31/01/24
31/10/23	£11.09	£8.31	Solange Bakery Ltd	22/03/24
30/11/23	£20.88	£15.66	Solange Bakery Ltd	22/03/24
29/12/23	£12.54	£9.41	Solange Bakery Ltd	11/07/24
01/02/24	£5.25	£3.94	Solange Bakery Ltd	11/07/24
29/02/24	£19.63	£14.72	Solange Bakery Ltd	11/07/24
28/03/24	£5.04	£3.78	Solange Bakery Ltd	11/07/24
30/04/24	£20.38	£15.29	Solange Bakery Ltd	11/07/24
31/05/24	£17.64	£13.23	Solange Bakery Ltd	11/07/24
01/07/24	£16.72	£12.54	Solange Bakery Ltd	23/07/24
*01/08/24	£18.55	£13.92	Solange Bakery Ltd	13/09/24
*30/08/24	£35.94	£26.96	Solange Bakery Ltd	13/09/24
01/10/24	£25.19	£18.89	Solange Bakery Ltd	27/11/24
01/11/24	£18.55	£13.92	Solange Bakery Ltd	27/11/24
29/11/24	£19.47	£14.60	Artisan Traditions Ltd	29/01/25
31/12/24	£18.32	£13.74	Artisan Traditions Ltd	21/02/25
31/01/25	£17.64	£13.23	Artisan Traditions Ltd	01/04/25
28/02/25	£16.72	£12.54	Artisan Traditions Ltd	11/09/25
31/03/25	£12.15	£9.11	Artisan Traditions Ltd	14/08/25
30/04/25	£34.88	£26.16	Artisan Traditions Ltd	xx
30/05/25	£17.78	£13.34	Artisan Traditions Ltd	xx

30/06/25	£18.27	£13.70	Artisan Traditions Ltd	xx
31/07/25	£19.98	£14.99	Artisan Traditions Ltd	xx
	Sub total **£90.91**	**Sub total** **£68.19**	**Total owed** **£159.10**	
**29/08/25	£32.92	£24.69	Artisan Traditions Ltd	xx
	Total **£123.83**	**Total** **£92.88**	**Overall Total** **£216.71**	

**Not considered to have been paid late*.
*** Not paid into Scheme since the Adjudicator's Opinion*

Appendix Two

NEST Scheme Rules

Rule 7.1.1

Where in respect of a member a participating employer has elected to use the Scheme to:

(a) fulfil its duties under:(i) in relation to Great Britain, section 2(1) (by virtue of section), 3(2), 5(2) or 7(3) of the 2008 Act; or(ii) in relation to Northern Ireland, section 2(1) (by virtue of section), 3(2), 5(2) or 7(3) of the 2008 NI Act), or

(b) arrange for a worker to become a member of the Scheme within article 19(2A) of the Order,

from the date that admission to membership or the making of contribution arrangements in relation to that member takes effect, the participating employer shall pay and the Trustee shall accept such contributions as may be required in order for the Scheme to meet the quality requirement referred to in Part 1 of the 2008 Act (Part 1 of the 2008 NI Act), or the alternative requirement referred to in Part 1 of the 2008 Act (or Part 1 of the 2008 NI Act), in relation to the member, having regard to the contributions being paid by the member under rule 9.1.

Section 20 Pensions Act 2008

20 Quality requirement: UK money purchase schemes

(1) A money purchase scheme that has its main administration in the United Kingdom satisfies the quality requirement in relation to a jobholder if under the scheme—

(a) the jobholder's employer must pay contributions in respect of the jobholder;

(b) the employer’s contribution, however calculated, must be equal to or more than 3% of the amount of the jobholder's qualifying earnings in the relevant pay reference period;

(c) the total amount of contributions paid by the jobholder and the employer, however calculated, must be equal to or more than 8% of the amount of the jobholder's qualifying earnings in the relevant pay reference period.