



GNGB

GATEWAY NETWORK GOVERNANCE BODY

Dear Stakeholders,

Speaking to many of you during the last month, a bit of change fatigue is creeping in. Understandable given the year we have experienced, together with the recent financial year end activity and escalating pandemic in our eastern states.

It is with this in mind, I thought it appropriate to bring some perspective to a hot topic of discussion this month - superannuation payments (rollovers and contributions) via the New Payments Platform. There is a lot of misinformation floating around about super payments via the NPP. Below are some of the most common.

Myth 1: The NPP is going to replace the STN

No. The NPP is not a replacement for the STN. The data being carried with the payment is limited, including the PRN for reconciliation purposes, however the Data and Payment Standard sets out full data requirements between employers and funds, as facilitated via the STN today and into the future.

Myth 2: The NPP allows employers to get employee contributions to their funds faster

Irrespective of the speed of payment from employer to fund, employee contributions will never be allocated to their member accounts before fund unit prices are struck each day. Due to the nature of superannuation, there are very few circumstances where using NPP for inbound payments will make any material difference to the employee.

Myth 3: NPP has always been intended for super payments

The Data and Payments Standards explicitly exclude the NPP from its compliant payment methods. However, a loophole allowing non-compliant payments where there is “agreement between parties” is being used to imply that superannuation payments over NPP may be compliant. Please note, if your employers or funds wish to make use of NPP for superannuation payments, you will need to ensure a formal agreement is in place to remain compliant.

We are currently working with gateways and industry on this issue – please reach out if you’d like to discuss further.

Stay safe and well,

Michelle
