



Cantley with Branton Parish Council

www.cantleywithbrantonparish.co.uk

PENSION POLICY

1. Background

Historically, Cantley with Branton Parish Council has not had to provide a pension for its employees, which, to date, has just been the Parish Clerk and Handyman. Auto-enrolment into pension schemes was introduced in 2017 and the Council is required to take action.

2. Eligibility

An employee is entitled to be auto-enrolled in a qualifying pension scheme if their annual earnings are over £10,000 per annum.

The employee has the right to opt into a scheme if their annual earnings are over £5,824 to £10,000.

They have the right to join a pension scheme if their annual earnings are below £5,824. The latter situation is currently likely to apply to employees of Cantley with Branton Parish Council, although the Government may reduce the thresholds in the future. If the employee exercises their right to join a pension scheme, the employer (Cantley with Branton Parish Council) MUST provide a pension scheme for that employee, but is not obliged to make employer contributions.

3. Qualifying Pension

Historically, Parish Councils were obliged to offer the Local Government Pension Scheme (LGPs), which requires the employer to make contributions. Currently the employee would pay one third of the scheme cost, with the employer paying two thirds. However, Parish Councils are now able to seek another provider of a qualifying pension, for example, the state-run NEST (National Employment Savings Trust) is free to employers to use – although note that above threshold employers must make contributions to an employees pension, currently a maximum of 3%. NEST can be administered on-line.

4. Employers Responsibility

Cantley with Branton Parish Council must write to all employees even if they are not eligible for automatic enrolment, advising of their pension rights and options. As an employer Cantley with Branton Parish Council must state that you are offering a workplace pension and that the employee can join if they wish.

Dated: August 2021

Adopted: 1st September 2021