



ECCLESFIELD PARISH COUNCIL

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DRAFT PENSIONS POLICY

Under the Pensions Act 2008, every employer in the UK must put certain staff into a qualifying workplace pension scheme and contribute towards it. This is called 'automatic enrolment'.

In compliance with the above Act, this policy sets out the details of the pension arrangements for employees of Ecclesfield Parish Council ('Parish Council').

An employer must automatically enrol staff into a pension scheme and make contributions to their pension if all of the following apply, they:

- are classed as a worker.
- are aged between 22 and State Pension age.
- earn at least £10,000 per year.
- usually work in the UK.

Unless, if any of the following apply, they:

- have already given notice to their employer that they are leaving their job, or their employer has given them notice.
- have evidence of a lifetime allowance protection (for example, a certificate from HMRC).
- already taken a pension that meets the automatic enrolment rules and their employer has arranged it.
- have got a one-off payment from a workplace pension scheme that's closed (a 'winding up lump sum'), and then leave and rejoin the same job within 12 months of getting the payment.
- more than 12 months before their staging date, have left ('opted out') of a pension arranged through their employer.
- are from an EU member state and in an EU cross-border pension scheme.
- in a limited liability partnership.
- classed as 'director' without an employment contract and employ at least one other person in the organisation.

The Act requires, however, that they can usually still join their work place pension scheme if they want to. An employer cannot refuse.

The Act also states that if an employer does not have to contribute to a staff members pension scheme if they earn these amounts or less:

- £520 a month.
- £120 a week.
- £480 over 4 weeks.

It is the Council's policy that all employees aged at least 16 and under 75 have the right to join the Council's workplace pension scheme even if their annual earnings are below the 'specified amounts' (listed above).

If an employee exercises their right to join a pension scheme, the Council's workplace pension scheme is one provided by South Yorkshire Pensions Authority ('SYPA'), which is a 'Qualifying Scheme'.

The Council will then enrol the employee into the scheme and make an 'employer' contribution to it. This employer contribution is in addition to the employee's contribution. Both the employee and employer contributions to the Council's work-based pension scheme will be in accordance with the agreed SYPA Contribution Pay Bands.

Employee pension contributions are deducted from their monthly pay and sent to SYPA at the end of the relevant month by the Council.

An employee has the right to opt-out of the employer's workplace pension scheme in certain circumstances. Any employee who wishes to opt-out must notify in writing the Clerk (or the Chairman of the Finance, Premises and Staffing Committee where it relates to the Clerk) of their intention as soon as possible.

Staff are made aware of this (the Council's Pensions) policy.

Adopted by Council: XXXXXXX 2024

Review date: September 2026