

ANDOVER TOWN COUNCIL



PENSIONS POLICY

1. Policy Statement

The Town Council will make retirement provision for eligible staff which will be contributions to a pension scheme to comply with the Workplace Pension Scheme.

This will:

- Comply with legal requirements
- Encourage staff retention
- Encourage staff to save sufficiently towards providing at least a minimum subsistence level of income for their retirement

2. Procedures

Both Andover Town Council and staff members together contribute to the basic State Pension through National Insurance Contributions in the UK. In addition Andover Town Council will offer staff who meet UK residency criteria, or who are liable to UK income tax, the opportunity to join the National Employment Savings Trust (NEST).

3. State Pension Scheme

The basic state retirement scheme is funded by compulsory National Insurance Contributions. Liability for contributions is subject to a lower and upper earnings limit. The level of basic return on pension paid is calculated on the number of qualifying years of contributions paid during a person's working life.

4. National Employment Savings Trust (NEST)

The National Employment Savings Trust is a money pension arrangement to which both employee and employer contribute.

From 4 October 2013 the Town Council will pay a contribution of 6% into the NEST scheme.

The following payroll elements count as total pensionable pay:

Gross basic annual salary

Overtime payments

Maternity Pay

Adoption Pay
Sick Pay

5. Eligibility for enrollment into the NEST Scheme

The Town Council will automatically enroll workers aged at least 22 but under State pension age who earn more than £9,440 (this is reviewed yearly).

AGREED BY COUNCIL September 2015