



Middleton Cheney Parish Council

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Pensions and Retirement Policy

Pensions

1. Introduction
 - 1.1. Employers in the UK have to meet workplace pension requirements under the Pensions Act 2008. This includes automatically enrolling certain staff into a workplace pension, and contributing towards their retirement. As an employer, the Council has a legal duty to meet these requirements. All eligible workers must be put into a qualifying workplace pension, and the Council must contribute towards their retirement. Employees must opt out if they do not wish to remain a member of the workplace pension.
 - 1.2. While every effort has been taken to ensure this policy is compliant with UK law, any conflicting content of this policy will be superseded by UK legislation.
2. The Council's obligations as an employer:
 - 2.1. The Council must choose a pension that meets the auto enrolment criteria. The Council has chosen National Employment Savings Trust (Nest), a defined contribution workplace pension scheme.
 - 2.2. The Council must assess all of its workers and automatically enrol those who are eligible into the Council's workplace pension. Eligibility depends upon an employee's age and earnings.
 - 2.2.1. The Council will assess all new employees, and will regularly re-assess existing employees to determine whether they have become eligible for auto enrolment.
 - 2.3. The Council must decide how much to contribute towards its employee's retirement.
 - 2.3.1. As of November 2023, the legal minimum contribution for eligible workers is 8% of their qualifying earnings. The Council, as the employer, has to pay at least 3% of this.
 - 2.3.2. The Council has decided to make contributions at the minimum rate of 3%.
 - 2.3.3. Employees are required to contribute the rest, to make the total contribution up to 8%, which means that the minimum employee contribution is 5%.
 - 2.4. The Council must enrol all eligible workers. Enrolment includes deducting contributions through payroll and paying these to the chosen pension scheme.
 - 2.4.1. Deductions will begin on the first payday after an employee commences their duties with the Council, and all workers will be enrolled within six weeks of their start date.
 - 2.5. The Council must give its employees some specific information about their pension scheme.

- 2.5.1. The Council will conform with the statutory requirements to inform employees.
- 2.6. The Council must monitor all employees' age and salary for any changes which affect their eligibility for the pension scheme.
 - 2.6.1. The Council will assess all employees every 3 years in line with the 3-yearly auto-enrolment schedule.

Retirement Policy

1. Introduction

- 1.1. There is no retirement age in the UK. Formally the "default retirement age" was 65 - however, this was scrapped in 2011 and no longer exists. This means that the Council cannot require employees to retire at a particular age.
- 1.2. Flexible retirement enables employees to draw their pension benefits and to continue working for the Council, receiving a salary, in accordance with Regulation 30(6) of the Local Government Pension Scheme Regulations 2013. Flexible retirement can enable an employee to phase into retirement by:
 - a. reducing their working hours and/or
 - b. moving to a job on a lower salary.

2. Principles

- 2.1. The Council will consider all requests for flexible retirement, and will reach a decision by taking into account a range of factors including; the financial implications, impact on service delivery, skills and skills retention, and employment law.
- 2.2. Each decision will be made free from discrimination on the grounds of any protected characteristic – age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.
- 2.3. Decisions relating to flexible retirement and the release of pension benefits will be in line with the current pension regulations. These regulations may be updated from time to time and the Council will default to the regulations if the policy is not explicit on any current or future regulation.

Document History

Version	Author	Date	Changes	Status	Minute ref
1.0	Mark Allen	01-11-2023		Draft	