



WOMBOURNE PARISH COUNCIL

PENSION POLICY

Introduction

The Pensions Act 2008 requires all local councils to enrol eligible jobholders automatically into a qualifying pension scheme, to offer non-eligible jobholders (workers who are not eligible for automatic enrolment) the choice as to whether to opt into a qualifying scheme and eligible workers (workers who are entitled to join a non-contributory pension scheme) to request that the employer facilitates a non-contributory scheme.

Wombourne Parish Council are committed to meeting their obligations under the Pensions Act 2008.

Qualifying rules

The qualification rules depend on the level of an employee's income from the employer and in 2020/2021 the levels and rules were as follows:

Auto enrolment

An employee is entitled to auto-enrolment into a qualifying scheme if their annual earnings are above £10,000 per annum.

Right to opt-in

An employee has the right to opt-in to a pension scheme if their earnings are at £6240 to £10,000.

Right to join

They have the right to join a pension scheme if their annual earnings are below £6240.

The latter right to join applies to Wombourne Parish Council employees.

If an employee exercises their right to join a pension scheme, Wombourne Parish Council must provide a pension scheme for the employee, however, they are not obliged to make contributions.

Scheme

For any new employees who join the Council, the pension scheme used is NEST.

More information

More information can be found on the Pension Regulator website.