BARFORD ST JOHN AND ST MICHAEL PARISH COUNCIL
Pension Policy

Introduction

1. Barford St John and St Michael Parish Council is required by law to provide pension provision for all employees.

2. The level of this provision is determined by the Government's guidance on workplace pensions. Barford St John and St Michael Parish Council is registered with the Pension Regulator and will fulfil its statutory duties.

3. Historically, Barford St John and St Michael Parish Council has not had to provide a pension for its employees. The current employees of the Parish Council are:
   - The Clerk and Responsible Financial Officer (one person)

Eligibility

1. Any employee with earnings over £10,000 per annum will be auto-enrolled in a qualifying pension scheme in line with the Government's workplace pensions legislation.

2. Any employee with earnings below £10,000 may exercise their right to join a qualifying pension scheme.

3. If such an employee exercises their right to join, the employer must provide a pension scheme for that employee, but is not obliged to make employer contributions to any scheme.

4. Where the employee's earnings are below the 'earnings trigger for automatic enrolment' £768 per month (for 2026-27 financial year).

5. Overtime and certain other allowances, as outlined in the Government's guidance on workplace pensions, are considered as qualifying earnings for pension calculations.

6. The Government may alter the above thresholds in the future.

Qualifying Pension

1. 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.

2. 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 employee's pension, currently 4%. NEST can be administered on-line.

Employers' Responsibility

1. Barford St John and St Michael Parish Council must write to all employees, even if they are not eligible for automatic enrolment, advising of their pension rights and options at the

commencement of a contract of permanent employment.

2. As an employer, Barford St John and St Michael Parish Council must state that they are offering a workplace pension and that the employee can join if they wish.
3. Should the employee decline their right to join a pension scheme the Clerk/RFO shall inform The Pensions Regulator during regular reviews.
4. Where the employee exercises their right to join a pension scheme the Clerk/RFO shall enrol the employee with NEST in consultation with the Chair (or delegated Councillor).

Administration of Workplace Pensions

1. It will be the duty of the Parish Clerk to correctly administer all workplace pensions for employees of the Council.
2. Where this involves the Parish Clerk administering their own pension scheme, periodic reviews of the administration shall be carried out by a Councillor nominated by the Council, in line with the Council's internal checks and may be subject to audit.
3. The Clerk/RFO will ensure the Parish Council complies with their statutory responsibilities with The Pension Regulator, HMRC and DWP.
4. In the case of pension contributions being made, payments will be made by Direct Debit wherever possible to reduce the cost of administration and recorded in the Parish Council's accounts.

Review of Pension Provision

1. Where an employee with earnings of less than £768 per month has exercised the right to join a pension scheme, the Parish Clerk / RFO will assess their earnings each month to ensure the £768 threshold is not exceeded. Where it is exceeded, the Parish Clerk / RFO shall inform the Council's Chair who will take the appropriate action, as determined by the Government's guidance on workplace pensions.
2. Annually, each April the Parish Clerk / RFO will review the Government's thresholds for workplace pension calculations to ensure the Council remails compliant with regulations.

This policy was approved for use at the meeting of the Parish Council on 2nd September 2026 and shall be reviewed annually.