

**EXTRAORDINARY FINANCE AND ADMINISTRATION COMMITTEE MEETING
TO BE HELD ON MONDAY 12TH AUGUST 2019**

Clerk's Report

Numbers to be read in conjunction with the agenda.

1. Public Forum

The Public Forum will last for a period of up to 15 minutes during which members of the public may put questions to the Council or draw attention to relevant matters relating to the business on the agenda. Each speaker is limited to 3 minutes. The business of the meeting will start immediately following the public forum or at 7.45pm whichever is the earlier.

3. Declarations of Interest

Members are advised to consider the agenda for the meeting and determine in advance if they may have a Personal, Prejudicial or a Disclosable Pecuniary Interest in any of the agenda items. If a Member decides they do have a declarable interest, they are reminded that the interest and the nature of the interest must be declared at the commencement of the consideration of the agenda item; or when the interest becomes apparent to them. Details of the interest will be minuted.

Where you have a Prejudicial Interest (which is not a Disclosable Pecuniary Interest), Members are reminded that they must withdraw from the meeting chamber after making representations or asking questions.

If the interest is a Disclosable Pecuniary Interest, Members are reminded that they must take no part in the discussions of the item at all; or participate in any voting; and must withdraw from the meeting chamber; unless they have received a dispensation.

4 Pension arrangement for Caretakers employed after January 2019

In January 2019 the Parish Council agreed to automatically enrol eligible Caretakers employed after that date into an Aviva pension scheme and to offer those other Caretakers employed after that date, who were eligible, the opportunity to opt in (as required by law). The Aviva pension product agreed by the Parish Council in January 2019 has been withdrawn. From 31st July 2019 the Aviva product will only allow 5 employees or more to be registered within it and there has to be 5 members within the first 12 months of the scheme opening. This is unlikely. A Caretaker employed on 1st July 2019 would like to opt into a pension scheme, but did not indicate this until after the cut off period.

The Pensions regulator recommends several schemes that are open to small employers. These include:-

- Auto Enrolment.co.uk
- The Blue Sky Pension Scheme
- The Creative Pension Trust
- The Lewis Workplace Pension Trust
- NEST
- The People's Pension
- Standard Life Workplace Pension
- True Potential Investments
- Workers Pension Trust – relates to Northern Ireland

The Pensions Regulator recommends that there are a number of things that should be checked before choosing a pension scheme. This includes whether it will accept staff, how much it will cost, whether it uses the best tax relief method for staff and whether it will work with the organisation's payroll.

Below is a short resume from each of the pension suppliers. You are recommended to read each website for yourself as the information given below is only a snapshot of what is available and what an individual may consider of importance.

As this is a specialist area, the Committee may wish to consider approaching a Financial Advisor, for independent advice, but for this there is likely to be a cost.

All of the suppliers have been approached to ask the questions suggested by the Pensions Regulator and any responses received will be circulated and brought to the meeting.

Auto Enrolment.co.uk offers 'Smart Pension'.

There is no cost to employers or to employees. The underlying funds are provided by Legal and General. The management is online and the website states that the pension can work alongside any payroll provider. There is a net pay arrangement for tax which means that pension contributions are deducted from earnings before they are taxed. If an individual doesn't pay tax, they will not benefit from the tax relief that a tax payer would.

The Blue Sky Pension Scheme levies a one off fee to employers of £450 plus VAT which is for signing up and ongoing support. The cost to the employee is 0.4% per annum. There is a net pay arrangement for tax. There is no indication of how this pension scheme would work with Capita (the Parish Council's payroll provider at the current time). Management is online.

The Creative Pension Trust appears to levy a small charge to the member of £2 per month and a .3% annual charge, it appeared that the member is the employee, but this wasn't clear. There is a net pay arrangement for tax. There is no indication of how the pension scheme would work with the payroll

provider. Management is on line.

Lewis Workplace Pension Trust. The website states that those who earn less than £11,000 per annum will not benefit from tax relief on their contributions. The scheme is run online. There appears to be no indication of how it would work with Capita or of fees on the website.

NEST Pension Scheme is government run and is free for employers, however, there is a 1.8% contribution charge and a 0.75% annual employee management charge for employees. The NEST pension was established by legislation as a public corporation to run the NEST pension scheme and as a public body NEST reports to Parliament through the Secretary of State for Works and Pensions. It offers a welcome pack for members. There is on line management. There is no indication on how it would work with Capita and there didn't appear to be anything about tax relief on the website.

The People's Pension levies a one off enrolment charge for employers of £500. There is an annual management charge for employees of 0.5%. Tax relief at source is the default, but net pay is also available.

There is no indication of how the pension scheme matches with the Parish Council's payroll scheme.

Standard Life Workplace Pension

There appears to be several products that Standard Life can offer, and employer costs will depend on which one is chosen. A net pay scheme is operated, but there doesn't appear to be any indication of employee costs. There is no indication of how the pension scheme matches with payroll.

True Potential Investments is free for employers. The charge to employees is 0.4% per year plus fund fees of less than 0.75% per year. The website doesn't appear to give any details of whether a net pay scheme is operated or how the pension scheme matches with payroll.