



RHAYADER TOWN COUNCIL PENSION POLICY AND PROCEDURES

Introduction and Scope

All employers with one or more employees must provide a workplace pension scheme. Rhayader Town Council has chosen the NEST government supported scheme as its pension provider.

Requirements and Procedures

The Town Council will automatically enrol employees into the NEST pension scheme and make the statutory minimum percentage legal contributions to a pension in line with current legislation if employees are:

- Aged between 22 and state pension age
- Earn at least £10,000 per year (or £833 per month, or £192 per week)
- Work in the UK.

These are classified as 'eligible job holders'.

The Town Council does not have to enroll all employees by law; employees whose earnings are too low will not be auto-enrolled. For employees earning over £6,240 per annum but less than £10,000 per annum there is a right to opt in. If the employee chooses to opt in then the Town Council must also make contributions. These will be at the statutory minimum percentages.

These are classified as 'non-eligible jobholders'.

The Town Council will not contribute if the employee earns less than £6,240 per annum (2026/27 earnings level) but the pension scheme will be available for the employee to join and make contributions from their pay.

These are classified as 'entitled jobholders'.

When employees are enrolled into the pension scheme, the Town Council must:

- Pay at least the minimum contributions to the pension scheme on time
- Let employees leave the pension scheme if employees ask and refund any money that has been paid if the employee opts out within 1 month
- Let employees rejoin the scheme at least once a year if opted out
- Re-enroll employees every 3 years if employees have opted out and they are still eligible for automatic enrolment.
- Ensure all employees are provided with the prescribed information.

The Town Council will contribute the statutory minimum percentage towards employee pensions (as contained in current pension legislation).

Where paid, contributions will be made on 'qualifying earnings' as defined in current pension legislation.

Review:

This Policy and these Procedures will be regularly monitored and reviewed:

- In accordance with changes in legislation
- Following any issues or concerns raised with the Council
- In all other circumstances, annually.

Last review April 2026