

WORK PLACE PENSIONS

The Diocese cannot open and administer a PCC's pension scheme. The PCC has to be the "responsible body" even if the post is part or all Mission Funded. If you have a parish worker whose payroll is administered by the Diocese, we will deduct the employee's pension contribution from the employee's salary and then charge the PCC the reduced amount so that the PCC is then able to make the employee and employer contribution to the pension scheme of their choice.

For example:

The PCC of X have registered and opened a Church of England Pension Builder scheme

Their parish worker earns £1,000 per month and the employee contribution rate is 4% (this figure will vary depending on the pension scheme).

The Diocese is advised by the PCC to deduct 4% from their gross salary, after NI contributions but before tax, and record it as a pension deduction on the payslip. This sum equates to £40

The Diocese charge the PCC £960 (sum of £1,000 less £40 pension deduction)

The Pension Builder Scheme issue a contribution statement to the PCC and payment is made via direct debit to the Pension Scheme directly to the pension provider from the PCC for **both** the employee's contribution of 4% and the employer's contribution of 4% (and at least 0.5% for the cost of life cover for the Pension Builder Scheme)

This specific example excludes any PAYE or National Insurance amounts for simplicity.

This website will help:

www.thepensionsregulator.gov.uk/employers/vour-step-by-step-guide-to-automatic-enrolment.aspx

The Church of England has created a pension scheme specifically with auto enrolment in mind. It is the Pension Builder 2014 (PB 2014). You can find further information on websites at: www.tinyurl.com/CWPFinfo or on the Parish Resources website at www.parishresources.org.uk/people/employing-staff/pensions.

Alternatively you may choose another scheme of your choice - the default scheme is the NEST

Alternatively you may choose another scheme of your choice - the default scheme is the NEST scheme set up by the Government - www.nestpensions.org.uk.