

This note is one of a series placed in the Clerks' Almanac by the Livery Committee. Most are written by its chairman, of whom you may read more at the foot of the [Contact page](#). They are intended to be of guidance to livery clerks, especially new ones, or those seeking advice on a particular topic. They are not prescriptive, and how individual companies choose to conduct their affairs is, of course, entirely up to them.

### **Pension provision, which may be of use to sole employee clerks**

The text below was written by an independent financial adviser, at the request of the Clerk to the Curriers' Company, and posted here with the Clerk's permission. For more, please contact Adrian Rafferty.

“My thoughts re: pension planning for you in your role as Clerk.

As you are aware, there is workplace pension legislation already in force, but as you are the sole employee of the Curriers, the staging date for you to be automatically enrolled in a scheme that complies with the legislation is not until 2017.

At that stage, the contributions from the Company would be 3% of gross earnings, with a 4% contribution from you, which with tax relief added to your contributions would give a total of 8% of gross earnings as a contribution into a personal pension scheme.

However, with the increased flexibility in access to personal pensions recently proposed in the budget, linked with your age, we did discuss the fact that a starting contribution into a personal pension for you should be in the region of 10% of gross salary, and reviewed annually.

Although there is no legislative reason for the Company to start making contributions into a personal pension for you until 2017, I have found with many other employers that they are keen to get ahead of the game so that there is no last minute panic. It has been widely reported that Insurance companies may not be able to cope with demand in late 2016/2017 due to the sheer volume of small companies looking to set up schemes.

Additionally, many companies I advise look to lock in their key employees with benefits such as life cover, health insurance and Personal Pensions as research shows employees place a value on these benefits in excess of their actual monetary cost, and this breeds loyalty and longevity of service. Also, many companies now operate to the highest ethical standards of employee care, of which these benefits are an integral part of their proposition.

Whether the Company would look to make a contribution into a personal pension now, before they are legally obliged to do so, is of course a matter for you to discuss with them, but if I can be of any further help or assistance, please do not hesitate to contact me”.

Nigel R Pullman  
Livery Committee

17<sup>th</sup> November 2015

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