

<b>Title of Report:</b>	<b>Shared Cost Additional Voluntary Contributions</b>
<b>Committee Report Submitted To:</b>	<b>Finance Committee</b>
<b>Date of Meeting:</b>	<b>11<sup>th</sup> September 2025</b>
<b>For Decision or For Information</b>	<b>For Information</b>
<b>To be discussed In Committee YES/NO</b>	<b>No</b>

<b>Linkage to Council Strategy (2021-25)</b>	
Strategic Theme	Cohesive Leadership
Outcome	Council has agreed policies and procedures, and decision making is consistent with them.
Lead Officer	Procurement Officer

<b>Estimated Timescale for Completion</b>	
Date to be Completed	

<b>Budgetary Considerations</b>	
Cost of Proposal	N/A
Included in Current Year Estimates	<b>YES/NO</b>
Capital/Revenue	Capital
Code	
Staffing Costs	

<b>Legal Considerations</b>	
Input of Legal Services Required	<b>YES/NO</b>
Legal Opinion Obtained	<b>YES/NO</b>

<b>Screening Requirements</b>	Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals.		
Section 75 Screening	Screening Completed:	<del>Yes</del> /No	Date:
	EQIA Required and Completed:	<del>Yes</del> /No	Date:
Rural Needs Assessment (RNA)	Screening Completed	<del>Yes</del> /No	Date:
	RNA Required and Completed:	<del>Yes</del> /No	Date:
Data Protection Impact Assessment (DPIA)	Screening Completed:	<del>Yes</del> /No	Date:
	DPIA Required and Completed:	<del>Yes</del> /No	Date:

## **1.0 PURPOSE OF REPORT**

- 1.1 To inform council of the implementation of a shared cost additional voluntary contribution (AVC) scheme.

## **2.0 BACKGROUND**

- 2.1 AVCs provide an opportunity for employees and Councillors who are members of the NILGOSC pension to pay additional contributions to increase their pension benefits at retirement.
- 2.2 Under NILGOSC the local government pensions scheme, employees may opt to make AVC's which can attract tax relief and build up extra pension benefits.
- 2.3 Under a Shared Cost AVC scheme there are additional benefits for both the employee and employer:
1. You agree to reduce your gross salary by a certain amount
  2. Council then pays the same amount directly into your AVC fund on your behalf.
  3. Because your gross salary is lower, you may pay less income tax and national insurance contributions on that portion of pay.
  4. Because your gross salary is lower, the employer may pay less employer's national insurance.
- 2.4 My MoneyMatters the service supplier has been sourced from the Portsmouth Council's framework agreement and is widely used amongst councils across the UK.
- 2.5 All staff and Councillors who are members of the NILGOSC pension scheme are eligible to join the salary sacrifice AVC scheme.
- 2.6 My MoneyMatters handle all the administration of the scheme ensuring members are fully informed and guided through the process whilst ensuring the operation of the scheme remains compliant with HMRC rules. There is a fee for this service, that fee will be paid out of the saving to Council from employer's national insurance, overall there will be a small saving for Council.
- 2.7 The anticipated launch date will be 1<sup>st</sup> October 2025 after which existing pension members will be invited to join the scheme.

## **3.0 RECOMMENDATION**

- 3.1 **It is recommended that** Council approve the implementation of a shared cost AVC scheme to provide extra benefits to NILGOSC members and that My MoneyMatters be appointed to administer the scheme.