

## Northstowe Town Council

Report to: Full Council  
Meeting date: 22<sup>nd</sup> September 2021  
Report for agenda item: **92/21-22 4 (i) TPT Retirement Solutions**

*Report by: M Nokkert, Town Clerk; date: 16 September 2021*

### Background information

TPT Retirement Solutions has closed its 'Pension Fund - Ethical Fund' for new employers. However, this fund does still remain optional as part of their 'Flexible Retirement Plan' (FPR) which is now the Defined Contribution scheme they offer: FPR has as one of its options for employees to join the Ethical Fund – see page 11 in the TPT Member guide, [www.tpt.org.uk/docs/default-source/schemes/frp/scheme-info-for-employers-and-members/frp-dc-member-guide.pdf](http://www.tpt.org.uk/docs/default-source/schemes/frp/scheme-info-for-employers-and-members/frp-dc-member-guide.pdf). The Ethical Fund follows the TPT's Ethical Investment Framework, [www.tpt.org.uk/docs/default-source/investments/responsible-investment/ethical-investment-framework.pdf](http://www.tpt.org.uk/docs/default-source/investments/responsible-investment/ethical-investment-framework.pdf).

Although this is not exactly as per the decision at the FC meeting in June (item 40/21-22) where a decision was made on the auto-enrolment pension scheme, this is not considered a major issue: The Town Clerk is currently the only Northstowe Town Council employee, so he can still remain in the Pension Trust - Ethical Fund in which he was already contributing through his previous employer; this was the intention behind the decision made at the FC meeting.

The above will be further discussed at the next Personnel Committee meeting, to be held on 22 September 2021.

### The issue for the Council's consideration

The issue for consideration to the members of the Town Council is that **TPT charges £500 as a one-off fee as part of the joining process**, to register Northstowe Town Council as an employer with them.

This is **a cost which the Council has not budgeted for**. It is, nevertheless, standard practice amongst many pension providers to charge a one-off joining fee.

### Solution proposed

There are several budget headings that are likely to see an underspend in the current financial year:

- 'Employer NC contributions' which was based on the Clerk starting in June and also on higher pension contributions than what was agreed on in the end.
- Contingencies: the budget of £500 has not yet been used.

As such, the Council can be confident there should be sufficient budget to cover the unforeseen costs.

Northstowe Town Council; Finance and Governance Committee, 15 September 2021

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**Recommendations:**

1. For the Committee to approve the additional £500 joining fee for the pension provider for Northstowe Town Council to register with the provider as an employer;
2. To allow the Clerk to allocate against the most suitable budget cost heading.