

Appendix B

**Terling & Fairstead Parish Council**

**Essex Pension Fund - Local Government Pension Fund**

**Benefit**

1/49th of Career Average Pay per year of contributions

Inflated at CPI

Est 10 years contributions -  $10 \times \frac{1}{49} \times 10,000 =$  pension of 2,041 pa

Death in service benefit

**Employer Cost**

Current est 16.7% p.a. -  $\times 10,000 =$  1,670 pa

**Employee Cost**

5.5% of salary  $\times 10,000 =$  550 pa (with tax relief - equivalent addition of 110 pa)

## **Nest - National Employment Savings Trust**

### **Benefit**

Savings scheme, with employer and employee contribution and employee Tax relief

Government assumes that management of the fund will grow it by 2.5 % pa

Est 10 years - 10,000	Est Total Fund by end of year
2016-17	£ 200.71
2017-18	£ 405.81
2018-19	£ 916.48
2019-20	£ 1,739.39
2020-21	£ 2,580.35
2021-22	£ 3,439.75
2022-23	£ 4,317.99
2023-24	£ 5,215.49
2024-25	£ 6,132.66
2025-26	£ 7,069.95

Death in service benefit

### **Employer Cost**

2016-17	100.00
2017-18	100.00
2018-19	200.00
2019-20	300.00 then pa thereafter

### **Employee Cost**

2016-17	80.00
2017-18	80.00
2018-19	240.00
2019-20	420.00 then pa thereafter

NB. This is NOT pension advice -mereley my rough estimate of costs and benefits for discussion