



WILLIAMSBURGH
HOUSING ASSOCIATION LTD

Salary Sacrifice Policy

Revision History

Policy	Salary Sacrifice (effective from 6 th April 2024)
Reviewer(s)	Corporate Services
Committee Name	Finance, Audit & Corporate Services
Number and Date of Meeting	No.7: 7 th February 2024
New Policy or Description of Revision	To reflect new pension arrangements as from April 2026
Equality Impact Assessment Complete	Not Applicable
Data Protection Impact Assessment Complete	Not Applicable
Health and Safety Risk Assessment Complete	Not Applicable
Consultation Complete	Not Applicable
Next Review Date	February 2025

Introduction

Williamsburgh Housing Association (W.H.A.) recognises that maximising pension savings is in the best interests of its employees and is keen to offer different options to accommodate this. Salary sacrifice is an arrangement where an employee agrees to reduce their earnings by an amount equal to their pension contributions.

In practice this means that pension contributions would not be deducted from your monthly salary payment. Your annual salary reduces and the difference between the reduced amount and the pre reduction amount is your pension contribution.

Using salary sacrifice means that the employee and employer pays less National Insurance. This policy is designed to outline procedures for salary sacrifice for pension contributions in W.H.A.

This policy and subsequent procedures does not form part of any employee's contract of employment and it may be amended at any time.

Salary sacrifice arrangements

- Salary sacrifice for pension contributions is an optional benefit for W.H.A. employees.
- Employees can choose to sacrifice pension contributions although pay must not drop below the national minimum wage or the lower-level earnings limit as set out by HMRC.
- Employees can opt in or out of the salary sacrifice scheme no frequently than once a year each April within the confines of the amounts detailed at the point above.
- Employees may opt in or out of the salary sacrifice scheme if they experience a lifestyle event as defined by HMRC, if this is earlier than the date noted in the point above.
- If an employee opts into the salary sacrifice scheme this change to their terms and conditions of employment will be confirmed by a contract variation.
- An employee's reference salary for calculating contractual / non contractual benefits e.g. sick pay will be the employee's normal salary before the reduction was applied.
- An employee's reference salary for calculating pay increases will be the employee's normal salary before the reduction was applied.
- An employee's reference salary for the purposes of salary confirmation for mortgage requests will be the employee's normal salary before the reduction was applied, albeit WHA will also state that it permits salary sacrifice for pension contributions.
- A record of staff participating in the salary sacrifice scheme will be retained by payroll.
- Staff members not participating in the salary sacrifice scheme may simply retain one of the existing W.H.A. standard pension options already in place.
- Employer National Insurance savings as a result of staff opting to join salary sacrifice will be passed on to W.H.A. employees' by means of an Employer Added Voluntary Contribution (AVC).

Eligibility for Salary Sacrifice

- All employees can access this option for pension contributions on the basis that pay must not drop below the national minimum wage or the lower-level earnings limit as set out by HMRC.
- All employees are advised to seek advice to ensure this is of benefit to their individual circumstances. The cost of such advice is the employee's personal responsibility.

Policy Monitoring and Review

The Head of Finance will monitor and evaluate the policy from time to time. The policy will be assessed with regard to the effectiveness within W.H.A. This policy will be reviewed to keep up to date with any changes involved in dealing with all aspects of managing salary sacrifice for pensions.