



Salary Sacrifice – Pension Contributions Policy

Effective from 2nd December 2025

Introduction

Spire View Housing Association (SVHA) 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 pays less National Insurance and Tax. The employer pays less National Insurance contributions.

This policy is designed to outline procedures for the implementation of salary sacrifice for pension contributions in SVHA.

This procedure 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 SVHA employees.
- Employees can choose the amount of salary to sacrifice, the options available start at 5% of their salary.
- Employees can change the amount of salary sacrificed no more frequently than once a year (April salary run) within the confines of the amounts detailed at the point above. Thus, employees can make changes in April, and then every subsequent April.
- Employees may opt in or out of the salary sacrifice scheme if they experience a lifestyle event as defined by HMRC (marriage, divorce, partner becoming redundant or pregnant), if this is earlier than the date noted in the point above.
- SVHA will pay employer contributions of 10% regardless of the amount the employee chooses to sacrifice.
- 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 SVHA 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 remain in the existing pension option already in place.
- Employer National Insurance savings will be paid into Employees' pension pots by SVHA.

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 Director will monitor and evaluate the policy from time to time. The policy will be assessed with regard to the effectiveness within SVHA. 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.