

Local Government Pension Scheme Bulletin



Issue 1

24th February 2025

2025 – 2026 Contribution Bands and Assessment

I have recently received confirmation that the contribution bands will be increased by 1.7%. This is in line with inflation. Therefore, the bands will be as follows:

Contribution Bandings 1 April 2025 to 31 March 2026		
Actual pensionable pay for an employment	Main Scheme Contribution rate paid by member	50:50 Scheme Contribution rate paid by member
Up to £17,800	5.50%	2.75%
£17,801 to £28,000	5.80%	2.90%
£28,001 to £45,600	6.50%	3.25%
£45,601 to £57,700	6.80%	3.40%
£57,701 to £81,000	8.50%	4.25%
£81,001 to £114,800	9.90%	4.95%
£114,801 to £135,300	10.50%	5.25%
£135,301 to £203,000	11.40%	5.70%
£203,001 or more	12.50%	6.25%

Setting employee rates from April 2025

You will need to review the rates paid by your LGPS membership with effect from 1st April 2025 and re-allocate where appropriate.

You will be aware that the band is based on a member's ACTUAL pay received.

To comply with the scheme rules the employer must use the expected pay in April 2025 and to estimate any other pensionable payments expected to be earned in the year in order to set the rate.

Re-banding during the year

Once the initial band is set for contributions, the employer has the option to review the band during a scheme year should the employee have a material change in contractual pay (e.g. as a result of a promotion, pay award or contractual hours change) and re-band where relevant.

Employer rates and 50/50

Please note that the employer contribution rates do not similarly reduce when members are in the 50/50 Scheme.

Should you have any questions regarding the contribution bands, please do contact the pensions section.

Regards,
Ian Howe
Pensions Manager