

Local Government Pension Scheme Bulletin



Issue 3 - 6th March 2025

Employer rates and Ill Health insurance rates for period 1 April 2025 to 31 March 2026

The employer's contribution rate for most employers within the Leicestershire LGPS will not change from 1st April 2025, as a result of the rates set as part of the 2022 actuarial valuation and all employing bodies have already been informed of these rates and will remain the same rate as the previous year. The spreadsheet alongside the bulletin provides the employers rates.

The ill-health insurance premium rate remains at 1% for the 2025 - 2026 year.

It is important that, where there are changes, these are implemented and that the correct amount is paid over to the administering authority. Failure to do so will be a breach of the Pensions Act and may lead to intervention by the Pensions Regulator.

Please check the spreadsheet alongside this bulletin to see if your payroll needs altering from April. It gives the rates both with and without ill-health insurance in all cases. For the Transferee Admission Bodies that joined after April 2022 and are marked with an asterisk (*) in the "with ill-health insurance" column, please can you ensure that the insurance is taken out as this was a clause in the admission agreement. Until the insurance is in place, we expect you to pay the full rate.

For LEA maintained schools, they must apply the same employer rate as the Council they belong to, for example Leicestershire County Council maintained schools will need to use 29.4% which is the same rate as Leicestershire County Council.

Please ensure that these rates are shared with anybody within your organisation that may need to know them - this will include finance, payroll and HR staff and possibly other colleagues.

31 March 2025 – Pension Fund Valuation

Every three years the Pension Fund is assessed to calculate the overall Fund value and individual employer contribution rates.

The next Fund Valuation takes place on the 31 March 2025, and this sets employer contribution rates for the period 1 April 2026 to 31 March 2029.

In February 2025 employers received a bulletin regarding the 31 March 2025 year-end data, with a deadline of the 30 April 2025 for returns. It is imperative any year-end queries are resolved quickly, for employer data to be accurate for inclusion in the valuation process.

As with previous valuations, employers will be consulted on the Fund's Funding Strategy Statement.

Indicative employer rates will be provided by November 2025.

An indicative valuation timeline is as follows.

Date	Topic	Stakeholder(s)
March/April 2025	Review funding policies and employer risk management	Pension Section
30 April 2025	Provide Pensions with year-end information	Fund employers
June 2025	Agree final valuation assumptions	Committee
August 2025	Provide Hymans with all Fund data	Pension Section
September 2025	Calculate Fund results	Hymans
September/October 2025	Whole Fund valuation results	Committee / Local Pension Board
November 2025	Provide employers with their indicative rates. 1 April 2026 to 31 March 2029	Pension Section/Fund employers
November/December 2025	Changes to Fund Funding Strategy Statement and Investment Strategy Statement	Pension Section/Fund employers
February 2026	Finalise funding Strategy Statement and Investment Strategy Statement	Committee / Local Pension Board
March 2026	Final valuation report produced with final employer rates	Hymans
April 2026 to March 2029	Employer rates implemented	Pension Section/Fund employers

If any employer has a query on their rate from 1 April 2025, they are not listed on the spreadsheet, or questions regarding the forthcoming fund valuation, please contact either Phil Drury Phil.Drury@leics.gov.uk or Jaishika Patel Jaishika.Patel@leics.gov.uk.

Regards,

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