

# LOCAL GOVERNMENT 2018 Pensions Bulletin



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## INFORMATION FOR EMPLOYERS

### 2018 – 2019 Contribution Bands and assessment

I have recently received **provisional** information that the contribution bands are due to be revised by 3%. This is in line with inflation. Therefore the bands will provisionally be as follows:

If the member's pay is:	They pay a contribution rate of:	
	Main section	50/50 section
Up to £14,100	5.5%	2.75%
£14,101 to £22,000	5.8%	2.9%
£22,001 to £35,700	6.5%	3.25%
£35,701 to £45,200	6.8%	3.4%
£45,201 to £63,100	8.5%	4.25%
£63,101 to £89,400	9.9%	4.95%
£89,401 to £105,200	10.5%	5.25%
£105,201 to £157,800	11.4%	5.7%
£157,801 or more	12.5%	6.25%

I will circulate confirmation of the bands as soon as this has been received.

### Setting employee rates from April 2018

You will need to review the rates paid by your LGPS membership with effect from 1<sup>st</sup> April 2018 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 2018 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 is required 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.

Regards

Ian Howe Pension Manager