

Local Government Pension Scheme Bulletin



Issue 1

7th February 2022

Member Contribution Bands 2022-2023

I have recently received confirmation that the contribution bands will be increased by 3.1%. This is in line with inflation. Therefore, the bands will be as follows:

| Contribution Bandings 1 April 2022 to 31 March 2023 | | |
|--|---|--|
| Actual pensionable pay for an employment | Main scheme contribution rate paid by member | 50:50 scheme contribution rate paid by member |
| Up to £15,000 | 5.50% | 2.75% |
| £15,001 to £23,600 | 5.80% | 2.90% |
| £23,601 to £38,300 | 6.50% | 3.25% |
| £38,301 to £48,500 | 6.80% | 3.40% |
| £48,501 to £67,900 | 8.50% | 4.25% |
| £67,901 to £96,200 | 9.90% | 4.95% |
| £96,201 to £113,400 | 10.50% | 5.25% |
| £113,401 to £170,100 | 11.40% | 5.70% |
| £170,101 or more | 12.50% | 6.25% |

Setting employee rates from April 2022

You will need to review the rates paid by your Local Government Pension Scheme membership with effect from 1st April 2022 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 2022 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 the 50/50 scheme

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

Regards,

Ian Howe
Pensions Manager