

To: Salaries and Wages
 Human Resources
 Pension Contacts

Circular 04/2026

9 February 2026

At: All Employing Authorities

Dear Colleagues,

Employees' Contribution Rate Bands, Employers' Contribution Rates and Revised Limit for Additional Pension Contributions from 1 April 2026

This Circular has been issued to notify you of the changes to the employees' contribution rate bands for 2026/27 and to remind you of the revised employers' contribution rates. It also advises of the revised limit for additional pension contributions from 1 April 2026.

1. Employees' Contribution Rate Bands for 2026/27

The Department for Communities has advised that the revised employees' pensionable pay ranges set out below will apply for the year from 1 April 2026. The Consumer Prices Index in the twelve months to September 2025 of 3.8% has been applied.

Band	Pensionable Pay Range	Contribution Rate Main section	Contribution Rate 50/50 section
1	£0 to £18,900	5.5%	2.75%
2	£18,901 to £29,100	5.8%	2.90%
3	£29,101 to £48,700	6.5%	3.25%
4	£48,701 to £59,300	6.8%	3.40%
5	£59,301 to £117,800	8.5%	4.25%
6	More than £117,800	10.5%	5.25%

Action: Please ensure that these rates and ranges are used from 1 April 2026 when assessing individual contribution rates on actual pensionable pay (and not full-time-equivalent) for your employees.

2. Employers' Contribution Rates for 2026/27

The Fund is valued every three years by the Fund's actuary. As part of the March 2025 valuation, the actuary will certify the employers' contribution rates for the three years from 1 April 2026. Most employers participate in the main group with a pooled employers' contribution rate. The contribution rates for those employers in the main group for the three-year period are expected to be certified as follows:

Main Group Employer rates	Current rate ceasing 31 March 2026	1 April 2026 – 31 March 2027	1 April 2027 – 31 March 2028	1 April 2028 – 31 March 2029
Future service rate as a percentage of payroll	19%	15.5%	15.5%	15.5%

In November 2025, those employers who are outside of the main group were separately advised of their expected individual rates and deficit recovery contributions, if applicable. The final rates for all employers will be certified when the actuary issues the 2025 Valuation Report in March 2026.

Action: The percentage employers' contributions and employees' contributions should be deducted through staff payroll and paid over to NILGOSC each month as normal. In addition, where applicable, the deficit recovery contributions for each year will be invoiced at the beginning of each financial year and should be remitted either as a lump sum at the beginning of the year or in twelve equal instalments on a monthly basis, with payment required in full by the end of the financial year (31 March).

The next triennial valuation will take place as at 31 March 2028 and employers' contribution rates for the period from 1 April 2029 will be set following this valuation.

3. Revised limit for Additional Pension Contributions

The Department for Communities has confirmed that the maximum amount of annual additional pension that can be bought for the Scheme year beginning on 1 April 2026 has increased to £9,158. The revised limit applies to both members who are paying additional pension contributions and to employer awards of additional pension.

Please do not hesitate to contact the Pensions Development Team or myself if you have any queries.

Yours sincerely,

A handwritten signature in cursive script that reads "Sinead Heath".

Sinead Heath
Chief Pensions Officer