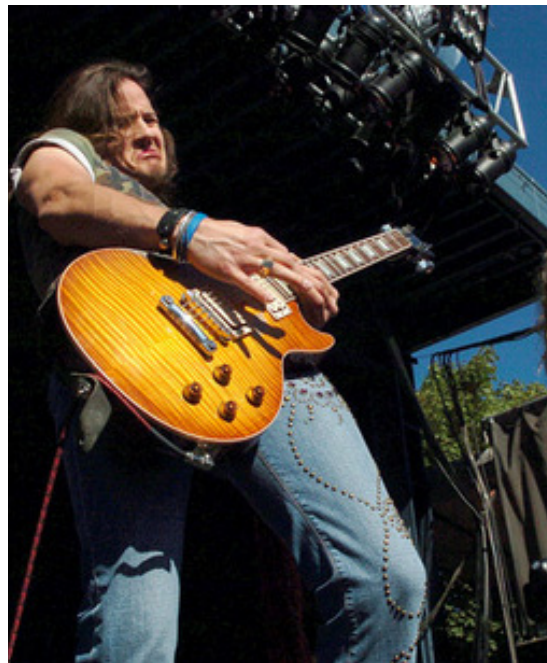


New pay bands from April 2009

Back in April 2008 we saw a range of pay bands introduced in the LGPS for the first time. When this happened, employers were asked to put each member of staff into the relevant band.

As we expected, one year on, the Government has increased the bands to take account of inflation. So for example, where the lowest band originally covered anyone earning up to £12,000, it now goes up to £12,600 as shown here...

Band	Yearly pay	Rate
1	Up to £12,600	5.5%
2	More than £12,600 and up to £14,700	5.8%
3	More than £14,700 and up to £18,900	5.9%
4	More than £18,900 and up to £31,500	6.5%
5	More than £31,500 and up to £42,000	6.8%
6	More than £42,000 and up to £78,700	7.2%
7	More than £78,700	7.5%



Don't get in the wrong band!

Frequently asked questions

If my pay goes up could this put me in a higher band?

If your pay goes up because of a yearly 'cost of living' increase, then probably not, as the bands have all gone up in line with prices too.

*But if you have what the Scheme rules refer to as **a permanent material change to the terms & conditions of your job that affects your pay** then your employer could put you in a new band. A promotion to a higher paid job is a good example of when this could happen.*

If my pay goes down could this put me in a lower band?

If there is a permanent reduction in your pay - for example following the pay and grading exercise local authorities are carrying out - your employer could move you into a lower band. For example if in April your pay drops from £13,000 to £12,000, your employer could move you from the 5.8% band to the 5.5% band.

Important note for all members who used to pay 5%.

From April 2008 you were paying the protected rate of 5.25%. From April 2009, you will pay the protected rate of 5.5%.

What type of pay is my pension based on?

We call this your pensionable pay: it's your pay before deductions, and includes the main elements of your pay, such as basic pay, bonus and so on, but does not include non-contractual overtime. Please ask your employer if you are unsure.

Who sets contribution rates?

*The Government sets the bands each year, but it's **your employer's job** to decide which band applies to you.*