

16 February 2023

# **Change to employee pension contribution**

From April a change will take effect in the salary threshold which determines the rate of employee contribution in the Civil Service Pension Scheme.

The bands remain unchanged but the point at which the contribution rate rises from 4.6% to 5.45% is changed from £23,101 to £32,001. This adjustment, which will result in a small increase in take home pay for many of our members, is necessary to return the overall contribution yield to its target of 5.6%. The thresholds for the bands which apply to higher earners remain unchanged.

This change is entirely separate from the blocking by the government of a recommended reduction in all contribution rates of 2% from 2019 arising from the 2016 scheme valuation. Between 31 January and 3 February lawyers acting for PCS, along with GMB, Unite, FBU, POA and RCN, presented our case for judicial review of the government's action which has cost our members thousands of pounds in the intervening period. The decision of the court is still awaited.