NHS Pension Scheme (Scotland) 2026/03

Who should read:	NHS HR and Payroll Managers GP Practice Managers Direction Bodies Practitioner Services Division (PSD) Dental Payments
Action:	Employers to inform scheme members of the updated employee pay bandings to be applied from 1 April 2026
Subject:	Employee contribution tier bandings from 1 April 2026
Date:	9 March 2026

The purpose of this circular is to advise Employers of the employee contribution tier bandings to be applied from 1 April 2026.

Key information in this circular:

- Employee contribution pay bandings to be applied from 1 April 2026.
- Guidance on applying employee contributions
- There is no change to the percentage contribution rates

1. Background

1.1. On behalf of Scottish Ministers, the SPPA published a consultation response in September 2023 on reforms of the member contributions structure in the NHSPS(S) from 1 October 2023.

1.2. The consultation response confirmed a phased implementation of reforms to the member contribution structure over two years, concluding with the changes introduced from 1 October 2024. The employee contribution structure was revised to be more suitable for a CARE scheme, while aiming to maximise scheme participation. Those changes were outlined in NHSPS(S) Circular 2023/11.

1.3. The consultation response also confirmed our intention to increase the member contribution tiers would be uprated annually in line with the average Agenda for Change (AfC) pay award. This is to ensure that the majority of members are not moved into a higher contribution tier because of the pay award.

1.4. In May 2025, agreement was reached on the AfC pay award for 2025-26 and 2026-27. However, the 2025/26 pay award was subject to an inflation guarantee that the meant the pay increase of 4.25% must be at least 1% above average CPI inflation for 2025. CPI inflation for 2025 was confirmed in January 2026 as being

3.4%. This meant that pay rates and relevant payments need to be adjusted by 0.15%. The average AfC pay award for 2025-26 is therefore now 4.4%.

1.5. Tables 1 and 2, have been updated in agreement with the NHS Scheme Advisory Board, following a brief consultation.

Table 1 - Used in respect of members in pensionable employment on the last day of the previous scheme year and the first day of that current scheme year.

Column 1 Pensionable earnings band in 2025/26	Column 2 Contribution percentage rate from 1 April 2026
Up to £13,330	5.7%
£13,331 to £27,940	6.4%
£27,941 to £33,062	7.0%
£33,063 to £41,482	8.7%
£41,483 to £43,502	9.8%
£43,503 to £52,879	10.5%
£52, 880 to £57,223	11.2%
£57,224 to £80,025	11.6%
£80,026 and above	12.7%

Table 2 - This table will apply to any member who starts a new job or whose annual rate of pensionable pay changes during the current scheme year.

Column 1 Pensionable earnings band in 2026/27	Column 2 Contribution percentage rate from 1 April 2026
Up to £13,330	5.7%
£13,331 to £28,987	6.4%
£28,988 to £34,302	7.0%
£34,303 to £43,038	8.7%
£43,039 to £45,134	9.8%
£45,135 to £54,862	10.5%
£54, 863 to £59,369	11.2%
£59,370 to £83,026	11.6%
£83,027 and above	12.7%

2. Information for Employers

2.1. Members' actual pensionable earnings should be used to assign the contribution tier instead of whole-time equivalent earnings. If the member did not work a full year, the actual earnings should be annualised.

2.2. Members active in the scheme on the last day of the previous scheme year and the first day of the current scheme year will have their contribution rate assessed using actual pensionable earnings received during the previous scheme year. For this purpose, their earnings will be assessed against Table 1 above.

2.3. Where a member started a new job or their contribution rate changed during that preceding year, pensionable earnings from the date of change should used to determine their contribution rate. Earnings should be annualised, so they are representative of a full year and assessed against Table 1 above.

2.4. Where a member has an employment change which results in a change in actual pensionable pay, during a current scheme year, their contribution rate will require to be reassessed. Pensionable earnings for the current scheme year should be annualised to represent a full year. The full year's earnings are then used to see if those earnings fall into a different band and therefore a different percentage rate should apply from the date of change to the end of the scheme year. To assess the applicable rate for the current year, table 2 above should be used.

2.5. Where members have concurrent part-time employments with the same employer the earnings should be aggregated. Earnings from the multiple posts should be added together and the applicable contribution rate allocated based on total pensionable earnings. It should be noted, however, that members who hold concurrent posts with different employers should not currently be aggregated.

2.6. Further detailed information on applying the correct contribution rate can be found in the following Annexes:

Annex A – applying the correct tier for officer members

Annex B – applying the correct tier for practitioner members

Annex C - information on practitioner income giving guidance on how pension contributions should be paid

Annex D – form for assistant practitioners/salaried GPs and fact sheet

Please contact sppapolicy@gov.scot if have any enquiries about this circular.

SPPA Policy Team, 9 March 2026

Annex A

3. Applying the correct tier for officer members

3.1. For **existing officer scheme members** (those who were in service at 31 March of the relevant year and continuing), their contribution tier is based on their actual pensionable earnings in the previous scheme year (instead of using whole-time equivalent earnings). If the member did not work a full year the actual earnings should be annualised (see 3.15. below).

3.2. **Part-time staff** should have their contribution tier based on their actual pensionable earnings and not whole-time equivalent earnings as previously.

3.3. For **officer members with concurrent part-time posts with the same employer**, these should be aggregated with the earnings from the multiple posts added together and applicable contribution rate allocated based on total actual pensionable earnings.

3.4. Officer members with pensionable earnings from **concurrent posts with different employers** should not currently be aggregated.

3.5. Members who are classed as **bank workers** are likely to have several stop and start pensionable posts. For each new and subsequent employment estimated actual pensionable earnings for the current year should be used. If unable to estimate annualised actual earnings in this scenario the default rate should be used. This is the tier 2 contribution rate of **6.4%** (this is only for brand new posts as continuing posts should have their contribution rate based on previous year's annualised earnings). If a member takes on a brand-new bank post but has a concurrent non-bank post then the contribution rate from the non-bank post would be applied to the new bank post, rather than the default rate.

- If a member with a bank post feels they have overpaid contributions due to being put on a higher contribution rate than their actual pensionable annualised earnings, then a local return of contributions should be made by the employer at the end of the scheme year and the rate adjusted for the following year. The onus is on the member to make their employer aware where they think they have overpaid.

- There is no expectation that employers will need to complete a reconciliation at the end of the year to check for underpaid contributions. In future years, the member's contribution rate will be adjusted and based on the previous year's pensionable pay.

3.6. Where a **member has an employment change which results in a change in actual pensionable pay** within a scheme year, their contribution rate will require to be reassessed. A new contribution rate must be applied from the point of change. This does not include where a global pay award is applied to all staff. Examples of a significant change include but are not limited to:

- changes to basic earnings; promotions, step-downs etc.
- end of recruitment & retention allowances
- end of salary protections
- changes to clinical excellence award
- changes to discretionary points / commitment award for clinical staff; and
- planned, long-term changes (those likely to persist for at least 12 months) to allowances

3.7. For **new starters** in the scheme (including staff that have changed jobs, returned to NHS employment after a break) on or after 1 April of the scheme year, their contribution tier will be based on their estimated annualised actual pensionable pay in the current scheme year (see 3.16. below).

3.8. For officer members **changing or starting a new job** within a scheme year, their contribution rate is assessed using their annualised actual pensionable pay in the current scheme year and is assessed against Table 2 above. Where there is a need to change a contribution rate, the new rate should be applied from the start of the next pay period.

3.9. Employers must include **unsocial hours payments** in the calculation of member's pensionable earnings.

3.10. The **definition of pensionable pay** has not changed with the introduction of the new tiers/contribution rates. Employers should continue to calculate pensionable pay as normal. Employers must continue to ensure that a member's earnings are only pensionable up to their notional whole-time hours for their role. Any pensionable earnings over a member's whole time equivalent including overtime, bonuses and expenses continue to be non-pensionable.

3.11. As per current guidance, **overtime** in excess of whole-time hours (for example 37 hours for AfC members) for officer members is not pensionable and therefore does not fall under tiered contributions. Any income earned by a part timer in respect of additional hours up to whole time (for example 37 hours for AfC members) is pensionable.

3.12. Any **overtime** worked above contracted hours by employees within the first 12 months of taking **partial retirement** is non-pensionable.

3.13. Any **arrears of pay** (above £150) paid in respect of earlier years must be allocated to the year in which it was due when establishing the relevant tiered rate for the current year.

3.14. Where an officer member has received **maternity/paternity/sick pay** in the previous year on which the contribution tier is based then the full unreduced pensionable pay (i.e., the deemed pay) must be used to set the tier.

3.15. **Estimating annualised earnings** due to a change in earnings or starting a new post

<u>Actual Pensionable earnings</u> x 365 = Annualised pay
Number of days in period

- If a member's pay needs to be annualised as they have started part way through the year, then you will need to estimate the pensionable earnings that will be received from the date of commencement to the end of the scheme year, multiply by 365 and divide by the number of days in that period.

- If a members pay needs to be annualised as they have had a change in their earnings, then you will need to estimate the pensionable earnings that will be received from the date of the change to the end of the scheme year, multiply by 365 and divide by the number of days in the period.

Annex B

4. Applying the correct contributions for Practitioners and non-GP partners

4.1. **All medical practitioners and non-GP partners** will have their contribution tier based on their total certified NHS pensionable income in the current scheme year, assessed against Table 1. Non-GP partners can only 'pension' income from one NHS post as membership is regarded as whole-time officer status.

4.2. **GP providers** (principal practitioners) are required to provide estimated total practice income to Practitioner Services Division (PSD) at the beginning of the scheme year and to complete the annual certificate of pensionable income at the end of the year (PSD is a Division of National Services Scotland). Further information and relevant forms are available on the PSD Website.

4.3. Health Boards should note that ancillary employments such as Out of Hours (OOH), Bed Fund and sessional payments (not officer) **for principal GPs only should be set at 12.7%.** If required, this should be corrected to the actual rate by PSD when the GPs annual certificate is processed.

4.4. **Where a practitioner may also be an officer member**, the officer post is assessed separately and allocated its own tiered rate. The practitioner income has no bearing on their officer/practice staff tiered contribution rate.

4.5. **A GP's total pensionable income** (practice + GP locum + OOHs + bed fund) must be added together in respect of allocating a tier. Once a tier has been set it is applied to all GP pensionable income, for the whole reporting year. The tier may, however, be revised when certified earnings are provided.

4.6. **A part-time GP's** actual pensionable pay is not converted to a whole-time equivalent value as their tiered rate is based on their actual pay.

4.7. **A GP who is solely a freelance GP locum** (has no other GP posts) will have to reassess their tiered contribution rate at year end. Further guidance can be found on forms A and B on the PSD website. A fixed rate of **12.7%** should be used for any 'new' locum posts where the annualised earnings cannot be estimated from 1 April 2026.

4.8. **Where a practitioner has other concurrent practitioner posts** it is the total practitioner income that determines their tiered rate. However, where a practitioner has a concurrent officer post their practitioner income has no bearing on their officer tiered contribution rate which is treated separately.

4.9. **GP locums who are principal practitioners** paid by the Health Board should have their tier provisionally set at **12.7%.** OOHs (practitioner income), bed fund and GP locum income will be adjusted at the end of the financial year on receipt of certified earnings.

4.10. **GP registrars** are treated as officer members of the scheme; therefore, the tiered contribution rules in respect of officers apply. If a practitioner or non-GP partner changes jobs in year it will not mean two different tiered rates because their tiered contribution rate is based on their total income as a practitioner or non-GP partner in that scheme year.

4.11. **Salaried partners/shareholders** tiered contributions are based on their practice pensionable pay (i.e., their pre agreed fixed salary) and any other 'fringe' GP income. They must complete a certificate of pensionable income at the end of every pension year.

4.12. **OOH GPs** who are also principal practitioners should have their contribution set at **12.7%** for this work by the Health Board and if required this will be adjusted by PSD when the end of year certificate is received. All GP employments need to be considered as the tier should be set based on aggregated practitioner earnings.

4.13. **Assistant medical practitioners and salaried GP practitioners:** should also have their contribution set at **12.7%** and if required this will be adjusted by the Health Board at the end of the year based on submission of the form in Annex D. The current year aggregated pensionable earnings from all employments will be taken into account.

4.14. **Dental practitioners:** Dental payments will arrange for the appropriate tiered contributions to be applied to the majority of dental practitioners (dental payments is part of PSD (a Division of National Services Scotland) who deal directly with dental payments and pension contributions for dentists).

4.15. **Assistant dental practitioners** (except dental trainees) should complete form FC21 available on the Practitioners Services website at https://www.nss.nhs.scot/media/2423/2022-03-11-fc21-superannuation-dec21.pdf with agreed salary including payments of fees and other regular payments received from their employer in respect of the provision of NHS dental services. This should not include payments made in respect of bonuses, expenses, or overtime. The total amount claimed should also not exceed that allowed for as the dental assistant's remuneration for that list number. The form is returned to Dental Payments at the address detailed on the form.

4.16. **A Dental Body Corporate** cannot in itself be superannuated. A dentist who is employed by a Dental Body Corporate will be treated as an assistant as above. (See also SPPA circular 04/2016)

4.17. Annex C gives details on how the different types of practitioner income are assessed for contribution tier purposes and how contributions are paid and reported.

Annex C

5. Information on practitioner income giving guidance on how pension contributions should be paid

Pensionable earnings source	Type of benefits	How reported	How tier set	Responsibility for allocation of contribution tier
Principal practitioner (partner or in or single GP practice)	Practitioner	End of year certificate to PSD who forward to SPPA	Actual aggregated earnings for year earned as per final certified earnings	PSD
Non-GP Partner	Officer	PSD to SPPA	Actual aggregated earnings for year earned as per final certified earnings	PSD
Principal practitioner acting as Locum	Practitioner	End of year certificate to PSD who forward to SPPA	Actual aggregated earnings for year earned as per final certified earnings	PSD Allocate provisional tier at a minimum of **12.7%.** PSD to correct actual tier as part of processing annual certificate of pensionable earnings
Assistant Practitioner or salaried GP employed by Practice	Practitioner	Practice manager reports direct to SPPA	Actual aggregated earnings for year earned as per final certified earnings	Practice Manager

Assistant Practitioner or salaried GP employed by Health Board	Practitioner	Health Board to SPPA	Actual aggregated earnings for year from all employments as recorded on Annex D form.	Health Board. Provisional tier at a minimum of **12.7%** to adjust at end of year based on aggregated annual earnings from all employments on Annex D form.
GP retainer	Practitioner	Practice manager to PSD	Aggregated earnings for year earned	Practice manager
Locum (other than principal practitioner)	Practitioner	Member to PSD	Actual aggregated earnings for year earned as per final certified earnings	PSD
Dental Practitioner	Practitioner	PSD to SPPA	Actual aggregated net pensionable earnings for year earned as per final earnings	PSD
Dental Assistant practitioner	Practitioner	PSD to SPPA	As agreed remuneration	PSD
OOHs provider (salaried GP/non principal locum)	Practitioner	Health Board to SPPA	Aggregated earnings for year earned	Health Board
OOHs IOS based payroll payment - principal practitioner	Practitioner	Health Board to SPPA	Aggregated earnings for year earned	PSD. Provisional tier at a minimum of **12.7%** to adjust at end of year as part of processing annual certificate of pensionable earnings

Bed funds	Practitioner	Health Board to SPPA	Actual aggregated earnings for year earned as per final certified earnings	Health Board to provisionally allocate a minimum **12.7%.**
Part-time specialist	Officer	Health Board to SPPA	Actual pensionable earnings based on previous year's earnings unless a significant in year salary change which will trigger an in-year reassessment (see Annex A above).	Health Board
GP registrar (trainee)	Officer	NHS Education for Scotland to SPPA	Actual pensionable earnings based on previous year's earnings unless a significant in year salary change which will trigger an in-year reassessment (see Annex A).	NHS Education for Scotland

NHS Pension Scheme (Scotland)

"Annex D"

Assistant Practitioners and Salaried GPs – Annual Self-assessment Form

This form is to be used by the member to help employers ensure they are deducting the correct contribution rate. Assistant and salaried GP practitioners including locums who are not principal GPs are required to ensure that earnings from all NHS employments are taken into account when setting the level of contributions which will be payable to the NHS Pension Scheme (Scotland).

The form must be completed by the member, detailing all assistant and salaried GP employments, and then given to every active employer to ensure the correct contribution rate is applied. The highest contribution rate, **12.7%,** will be used until a completed form is returned. This form does not apply to GP providers, GP registrars, or freelance GP locums. The employer should retain a copy.

This form must be completed and then sent to all active employers, not sent to SPPA.

It is a condition of a GP's NHS Pension Scheme membership that practitioners proactively liaise with relevant NHS organisations to ensure they have paid the correct tiered contributions 'across the board.' Failure to comply with the NHS Pension Scheme Regulations may result in pensionable pay provisionally set to zero for the relevant period. It is a legal requirement for practitioners to complete and submit the self-assessment each year.

Notes for completion

1. The pay declared under "estimate of actual earnings" is the actual salary paid taking account of any reduced (i.e., half pay) in respect of sick leave, maternity leave etc.

2. The applicable employee contribution rates from 1 April 2026 can be found in the factsheet below.

3. Employer contribution rate from 1 April 2026 is 22.5%.

Part A – to be completed by the member and issued to employers

Scheme reference number:
Full Name:
National Insurance number:

Name of each employer	Estimate of annual earnings 2026-2027 (per employer)
1.	
2.	
3.	
4.	
Total aggregate of estimated earnings columns 1-4	

N.B. each employer will continue to pay employer contributions on the individual employment and not the aggregated earnings.

Declaration

I understand that the information provided on this form is, to the best of my knowledge accurate and that the information contained is only to be used for the purpose of setting the correct contribution tier in respect of the NHS Pension Scheme.

Signed .....

Date .....

FACT SHEET

1. The table below shows the tiered contribution rates that will be applied to the pensionable earnings of all practitioners from 1 April 2026.

Column 1 Pensionable earnings band	Column 2 Contribution percentage rate
Up to £13,330	5.7%
£13,331 to £27,940	6.4%
£27,941 to £33,062	7.0%
£33,063 to £41,482	8.7%
£41,483 to £43,502	9.8%
£43,503 to £52,879	10.5%
£52, 880 to £57,223	11.2%
£57,224 to £80,025	11.6%
£80,026 and above	12.7%

2. Pensionable earnings should be rounded down to the nearest pound. The earnings bands in column 1 change each year in line the average AfC pay award.

3. There will be cases where the assistant practitioner/salaried GP has more than one employer and therefore, the setting of the contribution rate will require the assistant practitioner/salaried GP to ensure that all their estimated earnings for the year are aggregated so that a correct rate can be applied. To meet this requirement each assistant practitioner/salaried GP must complete a certificate with his estimated earnings from all sources at the beginning of each scheme year and present a copy of the completed form to each employer. This will allow each employer to be aware of the estimated aggregated earnings for the year ahead so that the correct contribution tier can be applied.

4. If the assistant practitioner/salaried GP has a change in income part way through the year the contribution tier may be adjusted, as necessary. If a tier is adjusted in year a new estimated income certificate must be completed by the assistant practitioner/salaried GP and presented to each employer.

5. The employee contribution rate may be adjusted at the end of the scheme year once final income is obtained by the employer. If the assistant practitioner/salaried GP has also ticked the box on the form indicating that he undertakes locum work these earnings will also be taken into account at the end of the year. Failure to submit the correct information may result in pensionable pay provisionally set to zero for the relevant period.

6. If you have any officer income (i.e. clinical assistant) this will be classed as a separate pensionable employment and be allocated its own contribution tier by the relevant employing health board. In these cases, the employer will remit the correct contribution to SPPA for that employment.

7. If you require any further information, please contact the SPPA using the webform on the SPPA website Contact Us page, or by phone 01896 893000.