

# Pensions: how much do employers contribute?

Past, Present and Pending: HE employer pensions contributions continue to rise

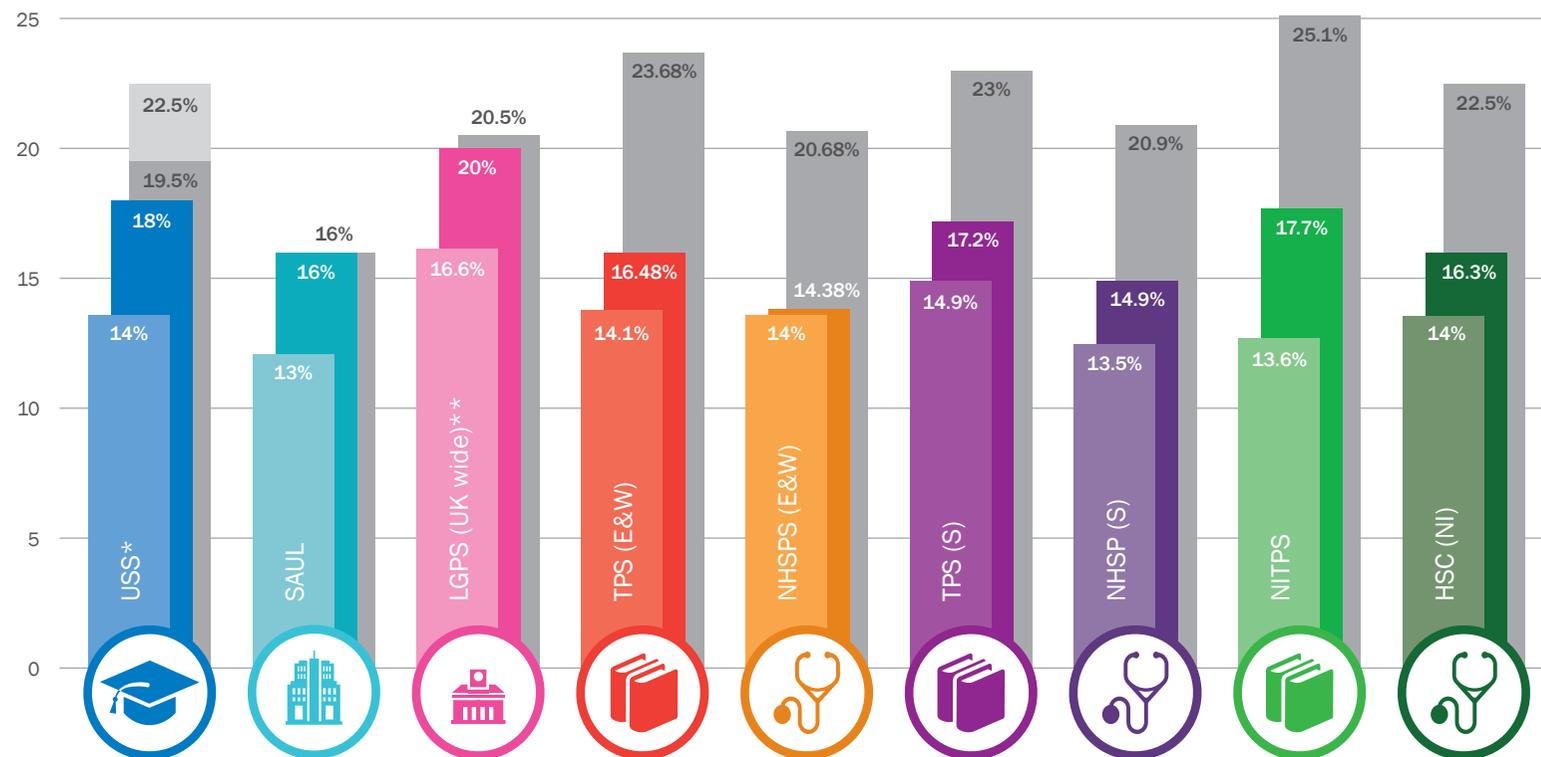
**Example employer contributions in UK HE pensions schemes: in 2009, in March 2019 and from April 2019 onwards.**

For each of the schemes the infographic shows the significant employer contributions increases over the last decade.

This is the amount paid by the employer on behalf of every member of the pension scheme and calculated as a percentage of salary.

The contribution rates shown illustrate the total cost to the employer, so include the cost of future service benefits, the cost of funding any past service deficit, plus administration and investment costs.

Employee contributions are payable in addition.



## Key

— Current employer contributions  
 — Past employer contributions (April 2009)

- Universities Superannuation Scheme
- The Superannuation Arrangements of the University of London
- Local Government Pension Scheme (average across the UK)
- Teachers' Pension Scheme (England and Wales)
- NHS Pension Scheme (England and Wales)
- Teachers' Pension Scheme (Scotland)
- NHS Pension Scheme (Scotland)
- Northern Ireland Teachers' Pension Scheme
- Health and Social Care Pension Scheme NI
- Employer contribution increases in 2019

\* The October 2019 increase arising from the USS 2017 valuation could be modified in light of the 2018 valuation.

\*\* The LGPS contribution rates shown are UK-wide HE averages drawn from UCEA survey results. The actual LGPS contribution rate for each HEI is set by each Fund and in 2019 currently varies from 15% to over 30%.

**Notes:** The anticipated increases in contribution rates may be subject to change or delay and this infographic is for illustrative purposes only. We show employer contributions in 2008–09, 2018–19 and the anticipated further contribution increases; some in April, others in September or October 2019.

Many pre-92 HE institutions also run their own local pension schemes which have not been included. Each scheme has its own rules for defining which parts of salary are deemed as 'pensionable pay'.

**Source:** UCEA, March 2019.