


UN3730 1 of 4 24 th March 2026	Electronic Staff Record Programme USER NOTICE	
Title	Pension Rebanding 2026	
Purpose	To advise on actions required for the April 2026 Pension Rebanding Process	
Intended Audience	ESR Payroll and Pensions Departments	

SUBJECT

Details of the Pension Rebanding Process for 2026.

DETAIL

The Year End Pension Rebanding Process is scheduled to run on ESR over the weekend commencing 4th April 2026.

There are no changes to either the Employee’s or Employer’s Contribution Rates for 2026 but the NHS Pension Scheme earnings thresholds have been updated as follows:

Band Upper Limit-W/T Pensionable Pay	Pension Band	Employee’s Contribution	Employer’s Contribution	Effective Date
£13,259.99	A	5.2%	14.38%	01-APR-2026
£28,854.99	B	6.5%	14.38%	01-APR-2026
£35,155.99	E	8.3%	14.38%	01-APR-2026
£52,778.99	G	9.8%	14.38%	01-APR-2026
£67,668.99	H	10.7%	14.38%	01-APR-2026
£9999999.99	J	12.5%	14.38%	01-APR-2026

The default tier for substantive staff will remain as G – 9.8%, for bank staff this will be B – 6.5%.


The Year End Pension Rebanding Process will assess all assignments who are members of the NHS Pension Scheme as at the 31st March 2026, regardless of whether they have been subject to a mid-year assessment with the following exceptions:

- Assignments that have the Pension Reband Override NHS element attached.
- Where a manual update has been made to the tier.

In these cases, the rebanding process will not assess the assignments or move them to the appropriate existing tier. To prevent pay inaccuracies, the following steps should be taken:

- The Pension Reband Override NHS element should be end dated on or before the 30th

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March 2026 to enable the assignment to be included.

- We advise users not to make any manual updates with an effective date of the 1st April 2026 to ensure the assignments are assessed by the process. If a manual update is deemed necessary for this date, the process will not make an assessment and any change to their tier will need to be actioned manually.

For all other assignments, the process will assess substantive and bank staff as follows:


- Assignments who have been employed for the whole of the tax year, who do not have any changes through the year other than the Pay Award, will be assessed on their actual pensionable pay as at the end of the tax year.
- New starters will be assessed from their start date (or the start of the next period if they started mid-period) and their pensionable pay will be annualised based on the number of complete periods.
- Where there has been a mid-year pay affecting change, this will be assessed from the first full period after the effective date of the change. As above, pensionable pay will be annualised based on the number of complete periods following the change.
- Mid-year changes that may have been affected by the application of late Pay Award arrears will be assessed on pensionable pay excluding the arrears.
- The process will not assess any assignment with the Pension Reband Override NHS element attached on the 31st March 2026.

Note: In order for mid-year changes to be assessed correctly at year-end, the Mid-Year Rebanding process must have been run for every pay period in the tax year. If there are periods where it has not been run, this may mean some of the mid-year triggers have been missed and may lead to unexpected results in the assessment.

The process requires 2 phases to complete:

- The initial phase will take approximately one to two days to process, during which time the ESR service will remain fully available. However, users should note that any payroll adjustments made that affect the 2025/26 Pensionable Pay balance performed after 18:00hrs on Tuesday 31st March 2026 may not be taken into consideration by the Pension Rebanding process. As such, the pension banding allocated should be checked for these assignments and corrected if necessary.
- The second phase of the Pension Rebanding process will apply the revised pension bands to assignments during downtime. The system will be withdrawn on Friday 3rd April 2026 at 18:00 to complete this phase of the process. Details of the exact downtime required will be provided in a separate User Notice.

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ACTION REQUIRED

- Assess any effects of the timings of Pensions Rebanding Processes described above and make any necessary plans.
- Consider assignments that have the Pension Reband Override NHS element attached and end date the element on or before 30th March 2026 if necessary.
- Avoid making any manual updates to the tier on the Pension NHS element with an effective date of the 1st April 2026.
- Run the NHS Pension Band Allocation Report in Year End Mode as outlined below:

NHS Pension Band Allocation Report


When the second phase has completed, the NHS Pension Band Allocation Report should be run in Year End Mode. As all assignments will have been assessed, there is no requirement to run the report in Annual Summary Mode; however, users can still do so if required

This report will identify active assignments only, so any assignments that were inactive at the time of the processes running will need to be assessed manually and updated accordingly.

Assignments that have the Pension Reband Override NHS element attached will need to be manually assessed and amended if necessary. The Pension Rebanding Process will end date the element as at 31st March 2026. If this element is entered during the year, it will stop any Mid-Year assessments as well as the next Year End Rebanding.

There will be cases where, due to missing pensionable hours etc., it has not been possible to allocate the banding correctly. In addition, 2025/26 payments processed after 18:00hrs on Tuesday 31st March 2026 will not have been included in the calculations. The reports will assist in identifying these cases and they can be manually reassessed by using the NHS Pension Rebanding Assessment process.

In line with NHS Pension Scheme regulations, it is the responsibility of the organisation to ensure that employees are paying the correct rate of pension contribution. It is therefore essential any changes made by the Pension Rebanding processes are checked and manually amended where required.

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FURTHER INFORMATION

Where an assignment has been rebanding, the process will make a date tracked change on their Pension NHS element as at 1st April 2026. Please note that, where such a change is made to a weekly paid assignment and 1st April 2026 falls in the Pay Period for Week 52 / Week 1 2026, the change will therefore be retrospective and trigger a recalculation of that period by the NHS Retropay (Weekly) process for Week 1 / Week 2 2026. Users should therefore be aware that this may cause the Retropay process to run for longer than normal on this occasion and factor this in to their processing.

NEXT UPDATE

None