

# **Firefighters' Pension Schemes annual update March 2026**

This annual update sets out the rates and bands that apply from April 2026 for various purposes. Please email [bluelightpensions@local.gov.uk](mailto:bluelightpensions@local.gov.uk) with any comments about the contents of the update.

## Contents

Contributions banding .....	2
FPS 2015 Additional Pension purchase limit for 2026/27 .....	2
Public Service Pension Indexation and Revaluation 2026 .....	2
Annual allowance limits .....	2
Lump sum limits from 6 April 2026.....	3
Lump sum allowance (LSA) .....	3
Lump sum and death benefit allowance (LSDBA).....	3
Automatic Enrolment Earnings Bands .....	4
National Insurance (NI) thresholds .....	4
Annual GMP increase .....	5
The Social Security Revaluation of Earnings Factors Order 2026 .....	5
Actions for fire authorities .....	5

## Contributions banding

The [contributions banding factsheet](#) reminds Fire and Rescue Authorities (FRAs) of the contribution rates that apply for 2026/27 as set out in the scheme regulations.

## FPS 2015 Additional Pension purchase limit for 2026/27

As detailed in [FPS Bulletin 2](#), no determination under [rule 2, \(1\)\(b\)\(i\) of schedule 1](#) was made by HM Treasury (HMT) on the overall limit of extra pension for 2017/18. There has been no determination in any subsequent year.

Paragraphs (1)(b)(ii) and (2)(a)&(b) confirm that the limit on the Additional Pension that can be purchased in FPS 2015 is therefore increased on the 1 April for any scheme year beginning on or after 1 April 2016 as if it were a pension beginning on the first day of the previous scheme year to which the Pensions (Increase) Act 1971 applies.

**The overall Additional Pension limit has increased by 3.8% to £9,047.03 from 1 April 2026.**

## Public Service Pension Indexation and Revaluation 2026

On 26 February 2026, HMT issued written statement [HCWS1367](#), confirming the Public Service Pension Indexation and Revaluation for 2026.

Public service pensions will be increased in line with the annual increase in the Consumer Prices Index up to September 2025. The increase from 6 April 2026 is 3.8%, as set out in the [Pension Increase \(Review\) Order 2026](#) [SI 2026/256].

FPS 2015 will use the figure of 4.8% as set out in the [Public Service Pensions Revaluation Order 2026](#) [SI 2026/254] for the earnings element of revaluation for active members to be applied at one second after midnight on 31 March 2026.

## Annual allowance limits

There are **no** changes to the annual allowance limits in 2026/27:

- standard annual allowance is £60,000
- money purchase annual allowance is £10,000
- adjusted income for the tapered annual allowance is £260,000
- minimum tapered annual allowance is £10,000.

**Table 1: Tapered annual allowance (AA) limits**

	<b>Definition</b>	<b>Limit in 2026/27</b>
Threshold income	Broadly, taxable income	£200,000
Adjusted income	Threshold income plus pension input amount	£260,000
Minimum AA	If AA is tapered, the minimum AA that can apply	£10,000

## **Lump sum limits from 6 April 2026**

There are **no** changes to the Lump Sum Allowance (LSA) or Lump Sum Death Benefits Allowance (LSDBA) in 2026/27.

### **Lump sum allowance (LSA)**

As of 6 April 2026, members have an LSA of £268,275.

From 6 April 2024, the member uses up available LSA if they take payment of a pension commencement lump sum (PCLS) or a non-taxable uncrystallised funds pension lump sum (UFPLS).

The LSA is also reduced where the member crystallised benefits before 6 April 2024.

The LSA is increased if the member holds a valid lifetime allowance protection.

Members will have to pay tax at their marginal rate on any lump sum that exceeds their available LSA.

### **Lump sum and death benefit allowance (LSDBA)**

The LSDBA is set at £1,073,100. It is the total amount of relevant tax-free lump sums that can be paid to or in respect of a member. From 6 April 2024, the member uses up available LSDBA if any of the lump sums listed below are paid to or in respect of them:

- pension commencement lump sum
- the tax-free element of an UFPLS
- serious ill health lump sum
- any authorised lump sum death benefit.

The LSDBA is also reduced where the member crystallised relevant benefits before 6 April 2024.

The member's available LSDBA is increased where they hold valid lifetime allowance protection.

## Automatic Enrolment Earnings Bands

Employers will need to know the earnings bands that apply for 2026/27 for the purposes of automatic enrolment under the Pensions Act 2008. The Government announced in its [review of the automatic enrolment earnings trigger for 2026/27](#) that the earnings trigger will remain at its current level of £10,000. This is unchanged since the 2014/15 year. The tables below show the position for the 2026/27 year.

**Table 1: Automatic enrolment (AE) earnings bands 2026/27**

Earnings*	Age 16-21	Age 22 to <SPA**	Age SPA** to <75
<b>Under lower earnings threshold (£6,240)</b>	Entitled worker	Entitled worker	Entitled worker
<b>Between £6,240 and £10,000</b>	Non-eligible jobholder	Non-eligible jobholder	Non-eligible jobholder
<b>Over earnings trigger for automatic enrolment (£10,000)</b>	Non-eligible jobholder	Eligible jobholder	Non-eligible jobholder

\* Earnings: separate contracts are treated separately

\*\* State Pension Age

**Table 2: AE earnings bands per period**

Pay reference period	Lower earnings threshold pa	Earnings trigger for automatic enrolment
<b>Annual</b>	£6,240.00	£10,000.00
<b>6 months</b>	£3,120.00	£4,998.00
<b>3 months</b>	£1,560.00	£2,499.00
<b>1 month</b>	£520.00	£833.00
<b>4 weeks</b>	£480.00	£768.00
<b>2 weeks</b>	£240.00	£384.00
<b>1 week</b>	£120.00	£192.00

## National Insurance (NI) thresholds

The Government has published [PAYE tax and NI limits and thresholds for 2026/27](#). The limits are also set out in [The Social Security \(Contributions\) \(Rates, Limits and Thresholds Amendments, National Insurance Fund Payments and Extension of Veterans Relief\) Regulations 2026](#) [SI 2026/231].

## Annual GMP increase

An increase of 3% should be applied on 6 April 2026 to the post-5 April 1988 GMP element of a pension in payment. This is set out in [The Guaranteed Minimum Pensions Increase Order 2026](#) [SI2026/133].

Some members will be entitled to a further increase to the post-5 April 1988 GMP on 6 April 2026 under the Pensions Increase (Review) Order 2026 if they reached State Pension age after 5 April 2016. If the Pensions Increase date is 21 April 2025 or earlier, a further increase of 0.8% is due to bring the total increase on the post-5 April 1988 GMP to 3.8%. The increase on 6 April 2026 is 0.8% of the post-5 April 1988 GMP in payment on 5 April 2026. The same increase will apply to the post-5 April 1988 GMP on 6 April 2026 if the individual reached State Pension age before 6 April 2016 and AP is less than GMP, ie paragraphs 2 to 6 of the HMT Direction on section 59A of the Social Security Pensions Act 1975 apply.

If the individual reached State Pension age after 5 April 2016, a 3.8% increase applies on 6 April 2026 under [The Pensions Increase \(Review\) Order 2026](#) [SI2026/256] to the pre-6 April 1988 GMP element of the pension in payment. A pro-rata increase will apply if the member's PI date is after 21 April 2025. The same increase would apply to the pre-6 April 1988 GMP on 6 April 2026 if the individual reached State Pension age before 6 April 2016 and AP is less than GMP, ie paragraphs 2(b) to 6 of the HMT Direction on section 59A of the Social Security Pensions Act 1975 apply.

You can find a link to the 2021 HMT Direction on section 59A of the Social Security Pensions Act 1975 on the Government webpage providing [guidance on indexation of public service pensions](#).

The post 5 April 1988 GMP increase is set out in [The Guaranteed Minimum Pension Increase Order 2026](#) [SI2026/133].

## The Social Security Revaluation of Earnings Factors Order 2026

The [Social Security Revaluation of Earnings Factors Order 2026](#) [SI 2026/212] comes into force on 6 April 2026. The earnings factors are used to calculate a Scheme member's GMP. The percentage increase for the tax year 2026/27 is 4.8%. The increase is based on the increase in the general level of earnings in Great Britain.

All relevant legislation can be viewed on our website under [annual update Statutory Instruments](#).

## Actions for fire authorities

Fire authorities may wish to update Scheme literature and guides for employees to reflect the updates in this bulletin. The relevant FPS member pages have updated.