



Pensions for councillors and mayors in England

The Local Government Pension Scheme (LGPS) provides pension benefits for councillors and mayors (referred to as 'elected members') in England who are under age 75.

You are eligible to join if you receive an allowance or salary from a district council, county council, unitary council, combined authority, combined county authority, London borough council, fire and rescue authority or the Council of the Isles of Scilly. Members of the London Assembly, the Court of Common Council of the City of London and the Mayor of London can also join the Scheme, with the agreement of their authority.

This leaflet gives you a simple outline of the Scheme. It explains what you will pay in and what benefits you will receive.

The LGPS is a secure and safe scheme. The regulations guarantee your benefits, so you don't need to worry about stock market performance or changes in share prices.

How do I join the LGPS?

You can choose to join the Scheme if you are eligible and under 75. To secure your entitlement to the Scheme benefits it is important that you complete and return an opt in form. This can be downloaded from our website: [Elected member LGPS opt-in form | Suffolk Pension Fund](#). Once the payroll team receives your form, they will start deducting pension contributions from your allowance or salary. You should check your payslips to make sure the correct contributions are being taken.

We will set up your pension record, and you will be able to view your membership details via our Engage Member Self Service portal. Details of how to register can be found on our website: [Member self-service | Suffolk Pension Fund](#).

If you receive an allowance or salary from more than one authority and want pension benefits from each role, you must complete **a separate joining form for each authority**.

If you opt to join the Scheme, you will join from the beginning of the next pay period. You should check your payslip to make sure pension contributions are being collected from your allowances.

Can I join if I already pay into another pension?

Yes - you can pay into the LGPS even if you already contribute to another pension scheme. You are allowed to pay into as many pension schemes as you like. In each tax year, you can pay up to 100% of your UK taxable earnings into any number of pension arrangements of your choice and still be eligible for tax relief, subject to the annual allowance.

What do I pay?

As an elected member, you pay a percentage of your pensionable pay into the LGPS. Your contribution rate is based on how much you are paid. It's currently between 5.5% and 12.5%. You can find out how much the Scheme costs using the contributions calculator on www.lgpsmember.org.

Your pensionable pay is the total of all basic allowance, special responsibility allowance, salary and other relevant allowances paid by your authority. Generally this means that all pay from your authority is pensionable except travel and subsistence allowances.

What are the key benefits?

Tax relief

As a member of the LGPS, you receive tax relief on the contributions that you pay. You also have the option to exchange part of your pension for tax-free cash when you take it.

Flexibility to pay more or less contributions

You can boost your pension by paying more contributions, which you would get tax relief on. You can also pay half your normal contributions in return for half your normal pension. This is known as the 50/50 section of the Scheme. It is designed to help members stay in the LGPS when times are financially tough.

Peace of mind

Your family enjoys financial security, with immediate life cover and a pension for your spouse, civil partner or eligible cohabiting partner and eligible children if you die in service. If you become seriously ill and you have met the two year qualifying period, you could receive your pension straight away.

Retirement benefits

Once you have met the two year qualifying period, you can retire from office and take your pension from age 55. Benefits paid before state pension age will normally be paid at a reduced rate. When you retire you can look forward to a pension payable for life that increases each year in line with the cost of living.

The Government has announced that the earliest age you can take your pension will increase to age 57 from April 2028. The LGPS regulations have not yet been amended to reflect this change.

How are benefits worked out?

1/49th of your pensionable pay is put into your pension account every year. The balance in your pension account is adjusted in line with the cost of living every April. When you retire, the balance in your pension account is the annual pension payable for life.

For example:

Scheme Year	Opening Balance	Pension build up in Scheme year	Total account 31 March	Cost of living adjustment	Total Pension
2022/23	£0.00	$\text{£}24,500 \div 49 = \text{£}500.00$	£500.00	10.1% £50.50	£550.50
2023/24	£550.50	$\text{£}25,000 \div 49 = \text{£}510.20$	£1,060.70	6.7% £71.07	£1,131.77
2024/25	£1,131.77	$\text{£}27,000 \div 49 = \text{£}551.02$	£1,682.79	1.7% £28.61	£1,711.40
2025/26	£1,711.40	$\text{£}27,500 \div 49 = \text{£}561.22$	£2,272.62	3.8% £86.36	£2,358.98

If you wish, you can give up part of your annual pension to get a lump sum when you take your benefits. You can take up to 25% of the value of your pension benefits as a lump sum. For every £1 of annual pension you give up, you will receive £12 as a lump sum. The lump sum is usually paid tax-free but there is a lifetime limit of £268,275 across all your UK pensions.

Can I transfer into the LGPS?

You can transfer into the LGPS from another pension scheme or personal pension plan. However, any transfer-in of final salary benefits will not entitle you to final salary benefits in the LGPS, you will receive an equivalent amount added to your pension account instead. You will generally have 12 months from joining the LGPS to opt to transfer your previous pension.

You can also combine your previous councillor or elected membership of the LGPS with your new elected membership, with some exceptions.

What happens if I leave before retiring?

If you leave the LGPS before you retire and have at least two years' membership, your pension benefits will be deferred. This means they'll be held for you until you are ready to retire, which you can do from age 55 onwards. The earliest age that you can take your pension will increase from age 55 to 57 from 6 April 2028.

If you leave with less than two years' membership you may be able to claim a return of your contributions, less tax.

Want to know more?

You can find more information on the [councillors and mayors page](http://www.lgpsmember.org) of www.lgpsmember.org.

Disclaimer

This leaflet is for councillors and mayors in England and reflects the provisions of the LGPS and overriding legislation at the time of publication. The Government may make changes to overriding legislation and, after consultation with interested parties, may make changes in the future to the LGPS.

This leaflet cannot cover every personal circumstance. In the event of any dispute over your pension benefits, the appropriate legislation will prevail. This leaflet does not confer any contractual or statutory rights and is provided for information purposes only.