

Councillor access to the Local Government Pension Scheme (LGPS)	
Executive Summary	<p>In October 2025, the Government launched a consultation on proposed changes to the Local Government Pension Scheme (LGPS), including restoring access for councillors and extending access to certain elected mayors in England.</p> <p>The objectives included supporting recruitment and retention in local government, promoting diversity, and achieving consistency with arrangements in devolved administrations.</p> <p>The Local Government Pension Scheme (Elected Member Pensions) Regulations 2026 amended the LGPS Regulations to reinstate access for councillors in England and came into force in April 2026. Under these revised arrangements:</p> <ul style="list-style-type: none"> - councillors are eligible to join the LGPS in respect of their elected role; - pensionable pay is based on eligible allowances (not expenses); and - elected membership is treated distinctly from any LGPS membership arising from any other local government employment.
Options considered	No alternative options are proposed.
Consultation(s)	This report reflects a change in national legislation following a government consultation undertaken in 2025.
Recommendations	<p>That Council resolves to:</p> <ol style="list-style-type: none"> 1. Note the recent legislative changes restoring access to the LGPS for councillors in England on an opt-in basis from Monday 11 May 2026, 2. Amend the Members Allowances Scheme to reflect the change.
Reasons for recommendations	To ensure the Members Allowances Scheme reflects this legislative change.
Background papers	Local Government Act 1972: Local Government Pension Scheme in England and Wales: Access for Elected Members - government response - GOV.UK

Wards affected	All
Cabinet member(s)	Cllr T Adams, Leader
Contact Officer	Emma Denny, Democratic Services & Governance Manager Emma.denny@north-norfolk.gov.uk

Corporate Governance:	
Is this a key decision	Yes / No
Has the public interest test been applied	N/A
Details of any previous decision(s) on this matter	N/A

1. Purpose of the report

1.1 This report provides an overview of the historic position relating to councillor access to the Local Government Pension Scheme (LGPS).

1.2 The report is provided for information to assist Members' understanding of the current position and the policy context in which those arrangements have developed.

2. Introduction & Background

2.1 The LGPS is a statutory, defined benefit occupational pension scheme primarily established for employees of local authorities and related bodies. Traditionally, councillors have been regarded as officeholders rather than employees, receiving allowances rather than salaries and as a result, councillors were historically excluded from the scheme.

2.2 From April 2003, regulations were introduced allowing councillors in England to become members of the LGPS, subject to their authority's scheme of members' allowances. This reflected concerns that the time commitment associated with being a councillor could adversely affect individuals' ability to build pension provision through other employment. At that time, each council determined locally whether access to the LGPS would be offered.

2.3 In December 2012, the Government announced its intention to remove access to the LGPS for councillors in England. The rationale was that councillors were not employees and that membership of an occupational pension scheme was inconsistent with their status as elected representatives receiving allowances rather than pay. The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 gave effect to this policy.

2.4 In October 2025, the Government launched a consultation on proposed changes to the LGPS, including restoring access for councillors and extending access to certain elected mayors in England. The objectives included supporting recruitment and retention in local government, promoting diversity, and achieving consistency with arrangements in devolved administrations.

2.5 The Local Government Pension Scheme (Elected Member Pensions) Regulations 2026 amended the LGPS Regulations to reinstate access for councillors in England and came into force in April 2026. Under these revised arrangements:

1. Councillors are eligible to join the LGPS in respect of their elected role;
2. Pensionable pay is based on eligible allowances (not expenses); and

3. Elected membership is treated distinctly from any LGPS membership arising from any other local government employment. This is on an opt-in basis from the Monday after the May elections (11 May 2026).

3. Proposals and Options

- 3.1 It is proposed that the Council's Members' Allowances Scheme is amended to include the statutory changes regarding access to the Local Government Pension Scheme.

4. Financial and Resource Implications

- 4.1 As the level of take-up by Members is not yet determined, the financial implications are not clear. A further update will be brought to Full Council regarding any additional budgetary provision that may be required.

Comments from the S151 Officer:

Any financial impact arising from individual councillor membership of the LGPS is addressed through established pension fund arrangements and employer contribution rates. As yet, take up is not known so budgetary provision cannot be established. A further report will be presented once the financial impact is clearer, setting out the required budgetary provision.

The Government expects software providers to make necessary updates over the course of the scheme year, and for annual benefit statements to be available to elected members in line with Regulation 89 of the LGPS Regulations 2013, i.e. by the end of August 2027.

5. Legal Implications

This report reflects a change in national legislation following a government consultation undertaken in 2025.

Comments from the Monitoring Officer

The implications of the reintroduction of councillor access to the LGPS have been set out in the Local Government Pension Scheme (Elected Member Pensions) Regulations 2026.

6. Risks

No specific risks arise directly from this report. Pension scheme governance is managed through existing LGPS regulatory and administrative frameworks.

7. Net Zero Target

Not applicable.

8. Equality, Diversity & Inclusion

The restoration of access to the LGPS may support equality of opportunity by reducing barriers to standing for elected office.

Conclusion and Recommendations

The Local Government Pension Scheme (Elected Member Pensions) Regulations 2026 amended the LGPS Regulations to reinstate access for councillors in England and came into force in April 2026. Under these revised arrangements:

- councillors are eligible to join the LGPS in respect of their elected role;
- pensionable pay is based on eligible allowances (not expenses); and
- elected membership is treated distinctly from any LGPS membership arising from any other local government employment.

It is therefore **recommended** that:

Council resolves to:

1. Note the recent legislative changes restoring access to the LGPS for councillors in England on an opt-in basis from Monday 11 May 2026,
2. Amend the Members Allowances Scheme to reflect the change.