



# Elected members joining the LGPS

## Employer guidance

LGPS Regulations updates

May 2026

## Contents

Introduction .....	3
Key differences for elected members.....	3
Eligibility and opting to join the scheme .....	3
Contributions.....	6
Pensionable pay .....	6
Assumed Pensionable Pay (APP).....	6
50/50 section.....	8
Additional Pension Contributions (APCs).....	8
Additional Voluntary Contributions (AVCs) .....	8
End of Term of Office.....	9
Re-election.....	9
Retirement .....	9
Redundancy and business efficiency .....	9
Flexible retirement.....	9
Ill health retirement.....	9
Waiving actuarial reductions.....	10
Contribution return (CR1) form.....	10
More information .....	10
Appendix 1 – Suggested wording .....	11

## Introduction

Following our email on 20 March 2026, we have now received further guidance from the Local Government Association (LGA) on the regulation updates that will take effect on 11 May 2026.

These regulation updates will be implemented to allow eligible Councillors and Elected Mayors to join the Local Government Pension Scheme (LGPS) following the government's [Access and Protections consultation](#).

On 29 April 2026, we published [a news item on our website](#) containing an introductory leaflet and option form for elected members. We recommend that you include the leaflet and form within welcome packs for incoming elected members and targeted communications for existing elected members.

Some suggested content for your communication is included at Appendix 1

In the coming weeks, we will be updating our website to reflect the changes made to the scheme.

## Key differences for elected members

Eligible elected members are treated as employees of their scheme employer for the purposes of the scheme regulations. Elected members and mayors are generally subject to the same regulations as other scheme members, with the following key differences:

- they must opt to join the Scheme - they are not contractually or automatically enrolled
- pensionable pay is defined differently
- they cannot choose to combine elected membership with non-elected membership
- they cannot take Flexible Retirement
- the rules on immediate payment of pension from age 55 due to redundancy or business efficiency do not apply (because they cannot be made redundant)
- their scheme employer cannot contribute towards additional pension arrangements, except where the arrangement is a 'qualifying additional pension arrangement' (known as a 'QAPA', introduced as part of the access and fairness regulations changes. Please see guidance issued to employers 23 April 2026 for more information on QAPAs)
- the Scheme employer cannot contribute to a shared cost AVC (other than a salary sacrifice shared cost AVC)
- the Scheme employer cannot award additional pension or waive early retirement reductions.

## Eligibility and opting to join the scheme

With effect from 11 May 2026, elected members of County and District Councils may elect to join the LGPS in England provided they are under age 75. Elected members do not need the consent of their authority to join the LGPS.

Town and Parish elected members are **not** eligible for membership. This is because the definition of an eligible elected member only includes those who are included in an allowance scheme under the Local Authorities (Members' Allowances) (England) Regulations 2003.

**Councils may wish to review and update their Scheme of Members' Allowances and any related statements or policies to reflect this change. Please ensure your democracy/legal officer is aware of the change to enable any necessary arrangements to be made.**

Elected members may be appointed to, and receive allowances from, bodies other than the council or authority to which they are elected. This typically arises where the council or authority has statutory responsibilities or partnership arrangements with other bodies and it appoints elected members to sit on their committees or sub-committees. A common example of this is Fire and Rescue Authorities.

Where an elected member receives an allowance that is paid directly by the body to which they are appointed (rather than by the council or authority they are elected to), that body is treated as the Scheme employer for LGPS purposes in relation to that allowance, provided it is an eligible body. The appointing body is therefore responsible for meeting all LGPS employer responsibilities, including the payment of contributions and the provision of required data to the administering authority.

For example, where an elected member receives an allowance that is paid directly by Derbyshire Fire and Rescue Services, they are treated as the scheme employer for LGPS purposes in relation to that allowance.

Elected members will hold separate pension accounts for each eligible body that pays them an allowance or salary directly however, the elected member must make a separate election to each relevant authority to join the LGPS.

Please note that the East Midlands Combined County Authority is a participating employer in the Nottinghamshire Pension Fund, which is its LGPS administering authority.

The earliest date that an eligible elected member can apply to join is 11 May 2026.

Membership of the LGPS must commence from the first day of the pay period following the election being made. (For example, an elected member who submits an election to join the LGPS on 20 May must be entered into the scheme from 1 June)

Membership cannot be backdated.

### **Example – Elected member who serves on multiple councils**

An elected member serves on Derbyshire County Council and South Derbyshire District Council. They must make a separate election to both authorities to join the LGPS if they want to accrue an LGPS pension on both roles.

If they send elections to join in both roles, they will have two records with Derbyshire Pension Fund.

### **How elected members opt to join the scheme and how you notify Derbyshire Pension Fund**

On 29 April 2026, we published [a news item on our website](#) with the following documents attached:

- an introductory leaflet for elected members, and
- an option form for elected members to complete if they wish to join the LGPS

As set out in the introduction to this guide, we recommend that Councils and other eligible employers include the leaflet and option form in welcome packs for new elected members and share them as part of targeted communications for existing elected members. Please see Appendix 1 for suggested content for your communications to elected members.

Elected members who wish to join the LGPS should complete the option form and return it to you, to notify you of their decision to join the scheme.

You will then need to enrol the elected member into the scheme in the next pay period.

To notify Derbyshire Pension Fund, you should securely submit a completed S1 starter form to [pensions.tech@derbyshire.gov.uk](mailto:pensions.tech@derbyshire.gov.uk)

The S1 starter form template can be found on our ['forms for employers' webpage](#).

Once we've received the completed starter form, we will create the elected member's pension record and send them a starter pack through the post (or through My Pension Online if they've previously registered).

### **Why do we need to send an S1 starter form?**

Due to the short timescales before these regulations come into effect (11 May 2026), i-Connect will not be configured to enable you to inform us of elected members joining the LGPS in a timely manner. Therefore initially, we require you to submit an S1 starter form to notify us of any elected members that have joined the scheme.

Please ensure the elected members 'title' is Cllr on the S1 form, and you have used the specified Councillor employer code for your authority, so we can assign their new pension record to the correct scheme on our system.

### **Ongoing i-Connect submissions**

In the coming weeks, we will confirm to you through email when i-Connect has been configured for elected members.

For employers already set up as MPP file uploads (multiple employers per file), this will require us to add your elected member employer code to the MPP configuration.

For employers currently set up as single employer file uploads (one employer per file), we will need to configure i-Connect to accept more than one employer per file.

We will send further information on this in due course. Once this has been configured for you, you will no longer need to send S1 starter forms, as the new elected members can be included on future i-Connect submissions.

Please continue to send S1 starter forms for new elected members until we confirm otherwise.

### **Example – An elected member joins on the same day the regulations come into effect**

An elected member sends you a completed option form on 11 May 2026, indicating they wish to join the LGPS.

You must enrol them into the scheme with effect from the next pay period – in this scenario, they must be enrolled on 1 June 2026.

You must complete an S1 starter form and send this to [pensions.tech@derbyshire.gov.uk](mailto:pensions.tech@derbyshire.gov.uk)

## **Contributions**

An elected member's employee contribution rate is set and reviewed in the same way as for other scheme members, based on annual pensionable pay. However, pensionable pay is defined differently for elected members.

Similarly, the employer contribution rate is the same for elected members as it is for non-elected members employed by that Scheme employer.

The Ministry of Housing, Communities and Local Government (MHCLG) has confirmed there should be no need for Derbyshire Pension Fund's actuary to certify a separate rate for elected members or produce a new rates and adjustments certificate. A new employer contribution rate would only be expected where the number of elected members joining the Scheme is likely to result in a significant change in liabilities, which is unlikely to be the case.

## **Pensionable pay**

Elected members are not paid a salary or wage in the usual employment sense as they are office holders, rather than employees. Instead, they receive allowances and, in the case of certain elected mayors who have executive powers, a salary determined under their authority's remuneration scheme.

The LGPS Regulations use a separate definition of pensionable pay for elected members.

For elected members, pensionable pay is the total of the following amounts paid under the authority's approved remuneration scheme:

- basic allowances
- special responsibility allowances
- relevant allowances
- any salary paid (where applicable)

'Relevant allowance' means an allowance paid under a combined authority establishment order or combined county authority establishment regulations except travel and subsistence allowances.

Travel and subsistence allowances are not pensionable.

The remuneration scheme must be established under the Local Authorities (Members' Allowances) (England) Regulations 2003.

## **Assumed Pensionable Pay (APP)**

Assumed pensionable pay (APP) applies to elected members in a similar same way to non-elected members, with modifications to reflect the status of a scheme member who has been elected instead of being employed.

APP applies when an elected member:

- is unable to carry out the full responsibilities of their office due to sickness or injury, and they receive reduced or no pensionable pay.
- Is on reserve forces leave and elects to remain an LGPS member

For more information on how APP works when a member takes reserve forces leave, see the HR guide on the [Employer resources page of lgpsregs.org](https://www.lgpsregs.org/employer-resources)

APP does not apply in relation to child related leave (for example, maternity leave) as elected members are not employees.

### **Contributions**

- The elected member pays contributions on any pensionable pay actually received during a period of absence.
- The employer pays contributions based on the amount of APP. This is the same as for non-elected members.

### **Calculating APP**

APP is normally based on pensionable pay received in the **three complete months** before the reduction or cessation of pay (or the start of reserve forces leave).

When calculating APP:

- payments which do not relate to that three complete months period should be treated as a non-regular lump sum and removed from the calculation.
- any regular lump sum payments in the preceding 12 months should be added back into the APP figure.
- if the pay in the three-month period is materially lower than the pay they would normally receive, the employer has the discretion to use a higher pay in the APP calculation.

The employer must have regard to the pensionable pay the member received over the previous 12 months when determining what the normal level of pensionable pay is.

### **Elected member APP and ill health retirement**

Where an elected member is awarded a Tier 1 or 2 ill health pension, APP is used to calculate any ill health enhancement

If an IRMP certifies that the elected member has reduced responsibilities wholly or partly due to the condition that caused or contributed to the ill health retirement, no account is to be taken of any reduction in pensionable pay when calculating the APP.

Where a Council is already obtaining an IRMP certificate to assess eligibility for ill health retirement, they should also request confirmation of whether any reduction in responsibilities was wholly or partly due to the same condition. This enables APP to be calculated consistently and in line with the intent of the regulations.

### **Elected member APP and death in service**

APP must be provided to Derbyshire Pension Fund where an elected member dies 'in service' (i.e. during their term in office) to enable the Fund to calculate the appropriate survivor's benefits.

If an IRMP certifies that an elected member's reduced responsibilities at the date of their death was wholly or partly because of the condition that caused or contributed to their death, any reduction in pensionable pay due to the reduction in hours should be ignored in the calculation of APP.

## **50/50 section**

Elected members who have joined the LGPS have the same option as other LGPS members to pay reduced contributions by opting to move to the 50/50 section of the scheme.

Whilst elected members cannot be automatically enrolled into the LGPS (they must make a written election to join), any elected members who decide to move to the 50/50 section must be automatically moved back into the main section of the scheme from the beginning of the first pay period following either:

- the employer's automatic re-enrolment date, or
- going on to no pay due to sickness or injury (provided the member remains on no pay at the start of that pay period)

The automatic re-enrolment date is used only as a trigger for moving members from the 50/50 section back to the main section of the scheme.

It does **not** mean that elected members who have not joined the LGPS are automatically enrolled into the scheme. Apart from being a trigger for restoring elected members back to the main scheme from the 50/50 scheme, automatic enrolment does not apply in respect of elected members.

## **Additional Pension Contributions (APCs)**

Elected members can buy additional pension and buy back lost pension through an APC contract.

However, scheme employers cannot contribute towards an APC for elected members, except where they relate to a Qualifying Additional Pension Arrangement (QAPA).

If the absence in respect of the QAPA lasts for more than 36 months, the employer must contribute for the first 36 months and has the discretion to contribute for the remaining period.

Please see the guidance issued to employers on 23 April 2026 for more information on QAPAs.

Scheme employers cannot award additional pension to an elected member.

## **Additional Voluntary Contributions (AVCs)**

Elected members can pay AVCs. However, they can only enter a shared cost additional voluntary contribution arrangement (SCAVC) where it is a salary sacrifice SCAVC.

The amount that an employer can contribute towards a salary sacrifice SCAVC in any pay period is limited to the amount of pensionable pay sacrificed in that period.

Accordingly, the employer cannot pay any additional amount to the salary sacrifice SCAVC in a period over and above the pensionable pay sacrificed in that period. The employer therefore cannot contribute anything extra to the member's AVC.

As elected members do not qualify for national minimum wage under the National Minimum Wage Act 1998, there is no requirement to ensure their salary sacrifice arrangement doesn't reduce their remuneration below that.

## **End of Term of Office**

When an elected member who joined the LGPS, reaches the end of their term of office, and is not immediately re-elected, the same procedure of notifying Derbyshire Pension Fund should be applied as for non-elected members.

## **Re-election**

Elected members and mayors are generally sworn in on the same day as their predecessor's term of office formally ends, four days after the day of the election.

Where a member is re-elected and the scheme employer remains unchanged, membership should be treated as continuous. Therefore, the elected member will not need to complete a new election to join the LGPS if they are instantly re-elected.

Where there is a gap of 1 day or more in membership, a new election to join the LGPS will need to be made, and a new pension account will be created by Derbyshire Pension Fund upon receiving the new starter information. The normal provisions would then apply, including additional contribution contracts ending.

## **Retirement**

Elected members have broadly the same retirement options as other LGPS members, but with specific modifications because they are office holders rather than employees.

### **Redundancy and business efficiency**

Elected members **cannot** be dismissed by reason of redundancy or business efficiency, as these employment concepts do not apply to office holders.

### **Flexible retirement**

Elected members **cannot** reduce their hours or grade, as they do not work under a contract of employment.

### **Ill health retirement**

Ill health retirement applies equally to elected members as it does non-elected members.

References to ceasing an employment should be considered for elected members, as ceasing to hold office.

### **Waiving actuarial reductions**

Scheme employers cannot agree to waive actuarial reductions where an elected member retires early.

### **Contribution return (CR1) form**

We'll shortly be issuing you a separate CR1 form to return monthly along with the contribution payments relating to elected members.

As the elected members scheme is different to the scheme for non-elected members, Derbyshire Pension Fund must have the ability to reconcile contributions separately.

### **More information**

We'll be updating our [website](#) shortly, but if you require any further guidance from Derbyshire Pension Fund, please email [pensions.regs@derbyshire.gov.uk](mailto:pensions.regs@derbyshire.gov.uk)

## **Notification to new and existing Elected members**

The following is some suggested content for inclusion in communications to new and existing elected members to inform them about the option to join the LGPS.

### ***Option to join the Local Government Pension Scheme (LGPS)***

*As an elected member, you now have the option to join the **Local Government Pension Scheme (LGPS)** in respect of your role as an elected member. Legislation which enables elected members to join the LGPS comes (came) into force on 11 May 2026.*

*The LGPS is a defined benefit pension scheme, providing retirement benefits based on your pensionable allowances and the length of time you remain a member of the scheme.*

*Elected members in Derbyshire councils who are eligible, and decide to join the LGPS, will become scheme members in Derbyshire Pension Fund.*

*Derbyshire Pension Fund administers the LGPS in Derbyshire on behalf of its administering authority, Derbyshire County Council.*

### ***Who can join***

*You may choose to join the LGPS if:*

- *you are an elected member of a County or District Council in England; and*
- *you are under age 75.*

*Town and Parish elected members are not eligible to join the LGPS.*

### ***Joining the LGPS is optional***

*Joining the LGPS is entirely **your choice**. You are not automatically enrolled and you do not need the consent of the council to join.*

*If you decide to join:*

- *you will pay pension contributions based on your pensionable allowances; and*
- *the council will also pay employer contributions to the scheme.*

### ***How to join***

*If you wish to join the LGPS, you must complete the **LGPS option form** and return it to the council. Membership will normally start from the beginning of the month following the date when the completed form is received by the Council.*

*The scheme introductory leaflet, which is available at <https://www.derbyshirepensionfund.org.uk/about-the-fund/latest-news/news-items/councillors-can-join-the-lgps.aspx>, explains how the LGPS works and the benefits it provides, and you are encouraged to read this before making your decision.*

*If you wish to join the LGPS, you should complete the LGPS Option Form, which is also available at <https://www.derbyshirepensionfund.org.uk/about-the-fund/latest-news/news-items/councillors-can-join-the-lgps.aspx>, and return it to your authority.*

*If you decide to join, your membership of the LGPS will commence from the beginning of the month following the date your completed LGPS Option Form is received by the Council.*

### **Where to get more information**

*If you would like more information about the LGPS or help completing the option form, please visit Derbyshire Pension Fund's website ([derbyshirepensionfund.org.uk](https://www.derbyshirepensionfund.org.uk)), or visit <http://www.lgpsmember.org> for general guidance.*