



Derbyshire
Pension
Fund

Elected members in the LGPS

24th June 2026

Background

- **Access and protections consultation**

Councillors/Elected members becoming eligible was a regulation change associated with this consultation

- **Takes effect from 11 May 2026**

Applies from first day of pay period after election made. The earliest an Elected member can join from is 1 June 2026 with no backdating

- **Applies to County and District councils**

Does not apply to Town and Parish councils. Elected members do not need consent from authority to join the scheme

Key differences

**Elected members
must opt in**

**Difference in
definition of
pensionable pay**

**Cannot combine
standard LGPS
benefits with
elected member
benefits**

**No flexible
retirement or
redundancy**

**You cannot
contribute towards
additional pension
other than through
a QAPA**

**You cannot waive
reductions or
award additional
pension**

Opting in

Must be in receipt
of opt in form

Notify Derbyshire
Pension Fund
(information on
how to submit
covered later)

Enrol from first
day of first pay
period after
election to opt in

If paid by multiple
authorities the
elected member
must opt in with
each authority
resulting in
separate pension
records

Pensionable pay

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.

Contributions



Employee contributions are based on the annual pensionable pay that the elected member is expected to earn and should use the same contribution rate bandings as for non-elected scheme members



Employer contributions should be the same for elected members as it is for non-elected members. **No further actuarial work is required to calculate a separate rate for elected members**



Assumed Pensionable Pay (APP)

When does APP apply?

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

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

How is APP worked out?

Same as non-elected members in terms of the way it is calculated and in the way that contributions are paid:

- Employee contributions based on actual pay received
- Employer contributions based on APP boosted pay

Assumed Pensionable Pay (cont)

Ill health retirement

- APP used to calculate enhancement for a tier 1 or 2 ill health pension
- Take into account reduced responsibilities due to the ill health condition

Death in service

- APP for calculation of death grant as for non-elected members
- If the member was on lower hours due to health reasons and the same condition caused or contributed to their death, then the reduction in hours should be ignored when calculating APP

50/50 Section

- Elected members can join the 50/50 section. Must elect to join the 50/50 section using the same option form
- 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:
 - your automatic re-enrolment date, or
 - going on to no pay due to sickness or injury (provided the elected 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 elected members from the 50/50 section back to the main section of the scheme
- Do not enter elected members into the scheme at your automatic enrolment date, unless they apply to join from that date

Additional Pension contributions (APCs)

- Elected members can buy additional pension and buy back lost pension through an APC
- Employers cannot contribute towards an APC for elected members, except where they relate to a Qualifying Additional Pension Arrangement (QAPA)
- 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
- 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.

- Include leaver details on your i-Connect submission
- Submit an L1 form through i-Connect if the leaver is aged 55+ or submit an L3 form if requested by the Fund

derbyshirepensionfund.org.uk/employerforms

Note: If the elected member is in the scheme for less than 2 years when their term ends, they will be eligible for a refund of contributions.





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 authority paying the elected member's allowances 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.

Elected member retirements

Type of retirement	Eligibility
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 issue a new CR1 form to you including a section for councillors once we've been made aware you have at least one that has opted into the scheme.
- We will be reconciling contributions for your elected members separately to your non-elected members.
- This reconciliation will be against your monthly i-Connect submissions

Monthly i-Connect submissions

Before we can configure i-Connect to accept data for your elected members:

- You must have submitted your final month without any elected members (for example, if your first councillor opts into the scheme from 1 June 2026, your May 2026 submission must be complete)
- We must have received an S1 starter form for at least your first councillor, as we need at least 1 active record under that location code before we can configure i-Connect to accept data for elected members.



Starter (S1) form

Until we have configured i-Connect to accept elected member data for your authority, please send S1 starter forms to:

Pensions.Tech@derbyshire.gov.uk


After we have configured i-Connect for you, you will no longer need to send S1 starter forms. We need to have received at least one starter form before we can configure i-Connect for you.

derbyshirepensionfund.org.uk/employerforms

Informing new and existing elected members they can opt into the LGPS

- Suggested wording is on page 11 of the guidance issued by Derbyshire Pension Fund.
- Scheme leaflet to accompany your communication is available on our website (linked in the guidance)
- Elected members should send their option form to the relevant authority, so you can then inform us they have joined from the next pay period (e.g., an election made on 17 July will be enrolled into the scheme with effect from 1 August)

Updating statements / policies



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.

Q & A session

