

POLICY OVERVIEW:

LGPS Access and Protections consultation



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The government remain highly active in the LGPS and have launched a further consultation on a range of issues – [Local Government Pension Scheme in England and Wales: Scheme improvements \(access and protections\)](#) - GOV.UK.

The consultation comes off the back of the Access and Fairness consultation earlier this year and covers further administration and benefits related issues, some of which have long been in the offing (like Fair Deal) and some which are more recent proposals (like the re-admission of councillors into the scheme).

The consultation closes on 22 December 2025 and before then we'll be circulating a briefing note with our thoughts on the proposals and then, in advance of the consultation closing, a draft of our response.

In this note we provide a brief overview of the proposals in the consultation.

Normal Minimum Pension Age (NMPA)

Summary

Following the previous decision that the NMPA for UK pension schemes should go up to 57 from 6 April 2028 all retirements except ill-health, the consultation proposes how this would be implemented in the LGPS.

Key points

- The government are proposing to implement the protected pension age (PPA) protections allowed for in the Finance Act 2022, with an exception for members who transferred previous service into the LGPS.
- If an LGPS member (active or deferred) was in the LGPS immediately before 4 November 2021, they would have a PPA and retain their right to take their pension from age 55 after 6 April 2028.
- Members joining on or after 4 November 2021 would not have a PPA. From 6 April 2028, they would only be able to take their pension from age 57.
- The government confirm that where an LGPS member has transferred service from a scheme where they had an actual or prospective right to a pension from 55, they will not have a PPA in the LGPS. We assume this only applies to members joining the LGPS on or after 4 November 2021, because if they had been in the scheme before then, they would have a PPA on the basis of their LGPS membership (as set out above).
- The consultation notes that the protections will be complex to administer and states that administrators will need to go back to immediately before 4 November 2021 to confirm which of their members had an unqualified or prospective right to take benefits before 57 at that time to deliver this change.
- No draft regulations covering this change are included in the consultation. The government say they intend to publish draft regulations for consultation later in the year.

LGPS access for councillors and mayors

Summary

The government's view is that councillors and mayors provide a vital public service and is proposing that councillors and mayors in England should have access to the LGPS.

Key points

- All English mayors and deputy mayors as well as councillors of principal English local authorities would have access to the LGPS. This will also apply to the Mayor of London and London Assembly Members.
- Councillors who are remunerated for roles (e.g. on combined authorities or audit committees) will be eligible for pension benefits on this remuneration.
- Elected members will participate as members in the 2014 Scheme. The Government say their starting point is that, as far as possible, elected members should be treated as other members of the scheme, but they list a number of exceptions to this.
- It's not proposed that councillors in Wales, who currently still participate in the scheme under the 1997 Regulations, should move to the 2014 Scheme, but the government say they will consider views on this in consultation responses.

- GAD have estimated the total cost to employers at £40-50mn per year and there will not be additional funding to cover the costs.
- Whilst the consultation does not say when this change would be effective from, the [draft regulations](#) have an indicative coming into force date of 1 April 2026, potentially indicating the government's plans.

Academies

Summary

The government are proposing changes to the LGPS employer consolidation rules. These are largely driven by the growth in multi-academy trusts (MATs) with over half of English schools now being academies.

Key points

- The government notes that being able to consolidate all of a MAT's schools into one LGPS fund may bring benefits for MATs, but recognises that these benefits need to be weighed against risks at the local level. Although the proposal is framed around academies, other employers will be able to use the same approach.
- To ensure a balance between these factors, the consultation proposes four criteria for consolidation are put in place:
 1. Clear value-for-money assessment in favour of consolidation.
 2. Pre-existing relationship with the fund the MAT wishes to consolidate into i.e. the MAT should already have academies in that administering authority.
 3. All administering authorities involved agree to the consolidation.
 4. The receiving fund must be able to administer the transfer effectively.
- When all these criteria are met, consolidation would not require Secretary of State consent (as is required for the current Direction process). Where they are not met, an application to the SoS would be required for the situation to be considered further and for the SoS to decide if a direction should or should not be issued.

New Fair Deal

Summary

Following previous consultations, the government is seeking to implement new Fair Deal in local government and is consulting on regulations to achieve this.

Key points

- Scheme members working for Fair Deal employers would retain a right to LGPS membership after being outsourced to a contractor under the new regulations. The broadly comparable scheme option would be removed and could only be used in the future in certain exceptional circumstances.
- Building on the [2019 consultation proposals](#), it's proposed that the only way for a contractor to participate in the LGPS would be through the 'deemed employer' route – where the member would be treated as being a member of their prior employer (the employer undertaking the outsourcing) for LGPS purposes, with the contractor having set responsibilities to comply with and future contracts being required to adopt a 'pass-through arrangement' for scheme contributions. The admission body route would not be permitted.
- For existing contracts, extant admission agreements and broadly comparable scheme memberships would continue for the remainder of the contract, but the deemed employer approach would have to be used for subsequent re-tenders.

- All LGPS employers would be Fair Deal employers and must follow the Fair Deal requirements with the exception of higher education corporations and admission bodies.
- The government is seeking views on [draft regulations](#) to implement Fair Deal and proposes to work with the scheme advisory board to develop and publish statutory guidance.

If you'd like any further information or it would be useful to discuss anything, please [get in touch](#).

Key points

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- Building on the [2019 consultation proposals](#), it's proposed that the only way for a contractor to participate in the LGPS would be through the 'deemed employer' route – where the member would be treated as being a member of their prior employer (the employer undertaking the outsourcing) for LGPS purposes, with the contractor having set responsibilities to comply with and future contracts being required to adopt a 'pass-through arrangement' for scheme contributions. The admission body route would not be permitted.
- For existing contracts, extant admission agreements and broadly comparable scheme memberships would continue for the remainder of the contract, but the deemed employer approach would have to be used for subsequent re-tenders.
- All LGPS employers would be Fair Deal employers and must follow the Fair Deal requirements with the exception of higher education corporations and admission bodies.
- The government is seeking views on [draft regulations](#) to implement Fair Deal and proposes to work with the scheme advisory board to develop and publish statutory guidance.

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