

POLICY BRIEFING NOTE:

Extension of LGPS Access to Councillors and Mayors in England



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This briefing note summarises the forthcoming changes to Local Government Pension Scheme (LGPS) Regulations that will extend scheme access to councillors and mayors in England. It outlines the policy background, key themes from the government consultation, and the main issues for LGPS funds in preparing for implementation and ongoing administration.

Background and policy context

The government has [confirmed](#) its intention to amend the LGPS regulations following a consultation on councillor and mayor access, which closed on 22 December 2025. A draft statutory instrument is being prepared to reflect minor post-consultation changes, with the final version expected in March.

While elected members in Scotland, Wales and Northern Ireland already have access to the LGPS, councillors and mayors in England (including deputy mayors and London Assembly members) do not. The reform therefore applies only to England. It reflects the government's view that the role of councillor or mayor can be substantial and, in some cases, effectively full-time, and is intended to align England with other parts of the UK.

Implementation timetable and scope

Earlier proposals envisaged commencement from 1 April 2026. However, the Regulations will instead come into force on 11 May 2026, the first Monday after the May local elections. This timing is intended to reduce administrative complexity and avoid short periods of LGPS membership for councillors leaving office shortly after entry. It also allows some additional preparation time for administrators and software providers.

Only service from 11 May 2026 onwards will be pensionable. Elected members may aggregate service that they accrued as an elected member under earlier schemes, but not service from periods of employment as a member of staff.

Membership for councillors and mayors will be on an opt-in basis rather than via automatic enrolment, increasing the importance of clear communication of pension options and implications.

Summary of consultation response themes

Consultation responses showed majority support for extending LGPS access to councillors and mayors in England, with broad acceptance that elected office represents significant public service that warrants pension provision.

The main concerns related to cost and to differences between elected office and conventional LGPS employment, including the political nature of the role and variability of workload. Despite these concerns, most respondents supported proceeding with the proposals.

Some respondents suggested adopting a modified regulatory approach like that used in Wales. The government rejected this option, citing insufficient time to develop and implement a separate framework, and confirmed that councillors and mayors in England will participate on the same benefit structure as other LGPS members.

Scheme design and benefit structure

Under the confirmed approach, councillors and mayors will accrue benefits on the same basis as other LGPS members, including access to the 50/50 section. Pensionable pay will comprise basic allowance and any special responsibility allowances.

Certain safeguards will apply. Councillors will not be permitted to pay additional voluntary contributions and employers will not be able to award additional pension.

Elected members will accrue LGPS benefits for pension built up during their period of office, in line with standard rules. The first annual benefit statements are expected to be issued in accordance with LGPS requirements, with the earliest statements due by the end of August 2027.

Key considerations for LGPS funds

- Contribution rates and employer structure - A central issue for funds will be determining the appropriate employer contribution rate payable in respect of councillors and mayors. The working assumption may be that the same employer rate as the council will be paid in respect of elected members, as the benefit entitlement is the same. However, funds will need to make an explicit decision on this point noting that the cost increase for councils is estimated to be no more than 1% of total payroll.

Linked to this is the question of whether to administer councillor participation under existing council employer codes or to establish separate employer records for elected members and mayors. While the Regulations will not mandate a particular approach, there may be a strong case for separate tracking to enhance transparency and accountability, given the political sensitivity of the issue.

If councillors and mayors are to be tracked under a separate code, and effectively be recognised as a separate LGPS employer, this may influence decisions around the employer contribution rate payable (specifically, should the employer contribution rate payable recognise the current surpluses?).

- Funding Strategy Statements (FSS's) - Funds are currently finalising Funding Strategy Statements for implementation from 1 April 2026. The introduction of councillors and mayors into the LGPS may trigger a review of the FSS once implementation arrangements are settled. Funds should anticipate updating their FSS during spring 2026 to reflect their chosen approach.
- Valuation and accounting implications - Final 2025 valuation reports are due by 31 March 2026. While the change will not affect the valuation as at 31 March 2026, funds may wish to include narrative in valuation reports to flag the forthcoming extension of scheme membership. IAS 19 accounting impacts for councils will first arise in respect of reporting at March 2027.

- Software updates – With little over two months until this change comes into effect, implementation timescales are short. Manual record keeping may be required if administration and payroll software systems are not able to automatically process councillors’ pensions on day one. To minimise the risk of this, funds may wish to communicate with software providers to understand their plans and timescales and make interim arrangements where required.
- Councillor communications – Communications with councillors will be particularly important given that joining the LGPS is something they must opt for. Consideration should be given to how best to communicate the key LGPS benefits to councillors so they can make an informed decision. This may be done in a combination of ways, including standalone factsheets, updating websites and holding information sessions.
- Governance, external communications and data requests - The decision for individual councillors to opt-in is likely to be highly politicised. Funds should anticipate increased public and freedom of information requests regarding councillor participation in the LGPS. Consideration should therefore be given to data handling processes, disclosure protocols and communication strategies to manage transparency while ensuring compliance with data protection obligations.

Summary

The extension of LGPS access to councillors and mayors in England represents a significant regulatory and administrative development. While the policy direction is now settled, LGPS funds retain discretion over several important implementation choices. Early consideration of contribution structures, employer coding, governance arrangements and communication plans will be essential to ensure a smooth and credible transition when the regulations come into force on 11 May 2026.

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