

Introduction to the Councillors LGPS Membership

The Government has extended membership of the Local Government Pension Scheme to councillors and mayors (referred to as 'elected members') in England who are under age 75. You are eligible to join if you receive an allowance or salary from a principal authority in England. **Please note:** Town and Parish councillors will remain ineligible for admittance to the LGPS.

Opting into the LGPS

If you are an eligible elected member and decide to join the LGPS, you will need to complete the Opt-in form and return it to your relevant authority (Payroll department). Once the form is received, you will become a member of the LGPS from the beginning on the first day of the next pay period following the application. Please check your payslips to make sure the correct contributions are being taken. We will set up your pension record and write to confirm that you are a member of the Scheme.

If you receive an allowance or salary from more than one authority and want pension benefits from each role, you must complete a separate Opt-in form for each authority.

What if I already pay into another pension scheme?

You can pay into the LGPS even if you already contribute to another pension scheme. You are allowed to pay up to 100% of your UK taxable earnings into as many pension schemes as you like and still be eligible for tax relief, subject to the annual allowance.

What would I pay?

As an elected member, you pay a percentage of your pensionable pay into the LGPS. Your contribution rate is based on how much you are paid. It's currently between 5.5% and 12.5%. You can find out how much the Scheme costs using the [contributions calculator](#). Your authority pays the balance of the cost of providing your LGPS benefits.



Go online

Find out more and log on to
'My Pension Online' at:

www.shropshirecountypensionfund.co.uk



Call us

01743 252130



Email us

Please use our [online contact form](#)



Write to us

Pensions, PO Box 4826
Shrewsbury SY1 9LJ

How does my pension build up?

1/49th of your pensionable pay is put into your pension account every year. The balance in your pension account is adjusted in line with the cost of living every April. When you retire, the balance in your pension account is the annual pension payable for life.

Scheme Year	Opening Balance	Pension build up in Scheme year	Total account 31 March	Cost of living adjustment	Total Pension
2025/26	£0.00	£24,500 ÷ 49 = £500.00	£500.00	10.1% £50.50	£550.50
2026/27	£550.50	£25,000 ÷ 49 = £510.20	£1,060.70	6.7% £71.07	£1,131.77

What are the key benefits of the LGPS?

- **Tax relief** - You receive tax relief on the contributions that you pay. You also have the option to exchange part of your pension for tax-free cash when you take it.
- **Flexibility to pay more or less** – You can boost your pension by paying more in contributions while getting tax relief. You can also pay half your normal contributions in return for half your normal pension through the 50/50 section of the scheme.
- **Peace of mind** - Your family enjoys financial security, with immediate life cover and a survivor's pension if you die in service. If you become seriously ill and you have met the two-year qualifying period, you could receive your pension straight away.
- **Retirement benefits** - Once you have met the two-year qualifying period, you can retire from office and take your pension from age 55. Benefits paid before state pension age will be paid at a reduced rate.

Want to know more? You can find more information on the [councillors and mayors page](#) of www.lgpsmember.org.

Disclaimer: This letter is for councillors and mayors in England and reflects the provisions of the LGPS and overriding legislation at the time of publication. The Government may make changes to overriding legislation in the future to the LGPS. This letter cannot cover every personal circumstance. This letter does not confer any contractual or statutory rights and is provided for information purposes only.

