

**Avon  
Pension  
Fund**



Your pension, your future

# **Pensions for councillors and mayors in England**

Introductory leaflet

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## Introduction

The Local Government Pension Scheme (LGPS) now provides pension benefits for councillors and mayors (referred to as 'elected members') in England from 11 May 2026.

You are eligible to join if you receive an allowance or salary from Bristol City Council, North Somerset, South Gloucestershire or Bath and North East Somerset Council. The West of England mayor and deputy mayor are also eligible to join.

This leaflet gives you a simple outline of the scheme. It explains what you will pay in and what benefits you will receive.

The LGPS is a career average scheme offering defined benefits, so you do not need to worry about stock market performance or changes in share prices. The regulations guarantee your benefits.

## How do I join the LGPS?

You can choose to join the Scheme if you are eligible as an elected member and under age 75. To join you will need to complete and return a joining (opt-in) form.

Once the authority for which you hold office receives your form, they will start deducting pension contributions. If you opt to join the scheme, you will join from the beginning of the next pay period.

Avon Pension Fund will set up your pension record and send you an official notification of your membership of the Scheme.

Note: If you are paid a special allowance from another authority (different to that of the one that you are elected and hold office), you must complete a separate joining form. Instances of where this may occur is for elected members sitting on Committees with West of England Combined Authority and the Fire or Police Authority. If these special allowances are paid directly by these authorities, they will be responsible for setting up your membership.

## Can I join if I already pay into another pension?

You can pay into the LGPS even if you already contribute to another pension scheme. In each tax year, you can pay up to 100% of your UK taxable earnings into any number of pension arrangements of your choice and still be eligible for tax relief, subject to the annual allowance.

## What do 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 is currently between 5.5% and 12.5%.

Your pensionable pay is the total of all basic allowance, any special responsibility allowance, salary, and other relevant allowances paid by your authority. Generally, this means that all pay from your authority is pensionable except travel and subsistence allowances.

### Contribution rates

Band	Actual pensionable pay for an employment	Main section contribution rate for that employment	50/50 section contribution rate for that employment
1	Up to £18,400	5.50%	2.75%
2	£18,401 to £29,000	5.80%	2.90%
3	£29,000 to £47,300	6.50%	3.25%
4	£47,301 to £59,800	6.80%	3.40%
5	£59,801 to £84,000	8.50%	4.25%
6	£84,001 to £119,100	9.90%	4.95%
7	£119,101 to £140,400	10.50%	5.25%
8	£140,401 to £210,700	11.40%	5.7%
9	£210,701 or more	12.50%	6.25%

The authority that pays the allowance will pay the employer balance of the cost of providing your LGPS benefits.

## What are the key benefits?

### Tax relief

As a member of the LGPS, you receive tax relief on the contributions that you pay.

### Flexibility to pay more or less contributions.

You can boost your pension by paying additional contributions, in the form of an Additional Pension Contributions (APC) contract, which you would get tax relief on. You can also pay half your normal contributions in return for half your normal pension. This is known as the 50/50 section of the Scheme, but you must join the main scheme before then moving to this section.

### Retirement benefits

Once you have met the two-year qualifying period, you can retire from office and elect to take your pension. Benefits paid before your state pension age will be paid at a reduced rate. When you retire you can look forward to a pension payable for life that increases each year in line with the cost of living. You also have the option to exchange part of your pension for tax-free cash when you take it.

You can take up to 25% of the value of your pension benefits as a tax-free lump sum. For every £1 of annual pension you give up, you will receive £12 as a lump sum. The lump sum paid tax-free is restricted to a limit of £268,275 across all your UK pensions.

The Government has announced that the earliest age you can take your pension will increase from the current age 55 to 57 from April 2028. The LGPS regulations have not yet been amended to reflect this change.

### Death Benefits

There is financial security for your family, with immediate life cover and a pension for your spouse, civil partner or eligible cohabiting partner and eligible children 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.

## How are benefits worked out?

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.

## A historic example of how benefits accrue

Scheme Year	Opening Balance	Pension build up in Scheme year	Total account 31 March	Cost of living adjustment	Total Pension
2022/23	£0.00	$\text{£}24,500 \div 49 = \text{£}500.00$	£500.00	10.1% £50.50	£550.50
2023/24	£550.50	$\text{£}25,000 \div 49 = \text{£}510.20$	£1,060.70	6.7% £71.07	£1,131.77
2024/25	£1,137.77	$\text{£}27,000 \div 49 = \text{£}551.02$	£1,682.79	1.7% £28.61	£1,711.40
2025/26	£1,711.40	$\text{£}27,500 \div 49 = \text{£}561.22$	£2,272.62	3.8% £86.36	£2,358.98

## Can I transfer into the LGPS?

You can transfer into the LGPS from another approved pension scheme or personal pension plan. However, any transfer-in of final salary benefits will not entitle you to final salary benefits in the LGPS, it will buy earned pension. You will have 12 months from joining the LGPS to opt to transfer your previous pension.

You can also combine your previous councillor or elected membership of the LGPS with your new elected membership, with some exceptions. Again any final salary links will not be maintained.

## What happens if I leave before retiring?

If you leave the LGPS before you retire and have at least two years' membership, your pension benefits will be deferred. This means they will be held for you until you are ready to retire, which you can currently do from age 55 onwards.

If you leave with less than two years' membership you may be able to claim a return of your contributions (less tax) or apply for a cash transfer sum to another approved pension scheme.

## **Disclaimer**

This leaflet 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 and, after consultation with interested parties, may make changes in the future to the LGPS.

This leaflet cannot cover every personal circumstance. In the event of any dispute over your pension benefits, the appropriate legislation will prevail. This leaflet does not confer any contractual or statutory rights and is provided for information purposes only.