

Consultation: Taxpayer-funded pensions for councillors and other elected local office holders	
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<i>Papers with this report</i>	None
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SUMMARY

This report presents a draft response to the consultation on Councillors continued access to the Local Government Pensions Scheme.

RECOMMENDATIONS

That Committee agree the proposed response to the consultation on ‘Taxpayer-funded pensions for councillors and other elected local office holders’.

Information

A consultation on Councillor access to the LGPS was launched on 10 April 2013 and will run until 5 July 2013 (12 weeks). It is a very simple consultation with three options:

- **Option 1:** No access to the new Local Government Pension Scheme from April 2014 through being directly elected to local office. Thus, councillors; elected mayors; the Mayor of London and members of the London Assembly would be excluded from active Scheme membership – **this is the government’s preferred position;**
- **Option 2:** Two-tier membership - continued access for ‘front bench’ councillors only. This option could include just elected mayors (including the Mayor of London) and elected leaders or could encompass all those with a special responsibility allowance (including members of the London Assembly) – the government would welcome views on which councillors and elected local office holders should be eligible if this option were to be pursued;
- **Option 3:** No change. Access to the taxpayer-funded Local Government Pension Scheme remains for all councillors and elected local office holders on the same basis as at present.

Three questions are then asked:

Question 1: Taking account of the issues raised in this consultation document and any other considerations, what option do you prefer and why?

Question 2: Do you have any alternative proposals on councillors and other elected office holders access to the Scheme?

Question 3: If councillors continue to have access, do you agree with the proposed change in contribution rate? If not, what contribution rate would you recommend? (This relates to councillors currently paying 6%, whereas staff pay banded contributions dependent on salary. The consultation sets out a potential range of rates.)

The proposed draft response has been written on behalf of Pensions Committee and supports the retention of access to the LGPS for Councillors. The move to tiered contribution rates is also supported.

FINANCIAL IMPLICATIONS

There are no additional financial implications arising directly from the report. The costs of Councillor's access to the LGPS are already contained within the Council's budget.

LEGAL IMPLICATIONS

There are no legal implications arising directly from the report