



LOCAL GOVERNMENT PENSIONS
SPECIAL BY BOB CAMPBELL



LGPS - An Overview

The LGPS is a public service pension scheme and its rules are made with the approval of Parliament. The Scheme is administered locally by pension funds across the country who make decisions about your pension. Those pension funds decide how pension contributions are invested. A Local Pension Board helps each pension fund administer the LGPS and comply with the Scheme rules.

The LGPS is one of the largest pension schemes in the UK. It is a national pension scheme for people working in local government or working for other employers that participate in the Scheme. The LGPS in England and Wales is administered locally by 86 local pension funds.

The LGPS is a qualifying scheme that meets the Government's standards for automatic enrolment. If you have chosen to opt out of the LGPS, your employer is required to bring you into the Scheme every three years, depending on your age and earnings. Find out more about how you may be affected by [Automatic enrolment](#).

IN THIS ISSUE

LGPS - AN OVERVIEW

PAY BANDS & RATES

LGPS BENEFITS

A NOTE FROM BRANCH PENSIONS OFFICER



Pay Bands & Rates

In the LGPS in England and Wales, you currently pay between 5.5% and 12.5% (before tax relief) of the pay you receive, depending on how much you earn.

You only pay contributions on the pay you actually earn. If your pay is reduced – for example, because of ill health or maternity – there are rules that set out when “assumed pay” is to be used so you are not penalised.

For contributions and pay band rates that are applicable for April 2024 click here: [LGPS - Your contributions](#)

You can use the [Contributions calculator](#) to see what contributions you pay based on your pay. You can use the calculator to see how your contributions are affected by your pay, tax relief and what section of the Scheme you are in.

LGPS - The Benefits

The scheme offers:

- a pension based on your pay and how long you’ve been in the scheme,
- the option to exchange part of your pension for tax free cash on retirement;
- immediate life cover and a pension for your partner and/or children when you die;
- you can retire from 55 and receive benefits immediately, although if you voluntarily retire early, your pension is likely to be reduced for being paid early;
- immediate payment of pension benefits, without reduction, if you are made redundant or retired for business efficiency purposes after 55;
- access to a pension, which could be enhanced, from any age if the medical evidence shows you should be retired on ill health;
- the ability to boost your pension by paying more contributions, for which you receive tax relief;
- employers’ contributions averaging between 14% and 18% on top of the contributions you pay towards the cost of your pension.



Branch Pensions Officer - Bob Campbell

I have been Caerphilly Branch Pensions Officer since 2008 and have scrutinised the Local Government Pension Scheme and in particular the Greater Gwent Pension Fund. The Fund is managed by Torfaen Council for Greater Gwent and their Pensions Committee has the responsibility of the Fund's finances.

I was nominated as the Caerphilly Council Scheme Members' representative on the newly formed Greater Gwent (Torfaen) Pensions Board in April 2015. Over recent years the Board has matured and despite having no voting powers it acts to assist and scrutinise the Pensions Committee. The Board is made up of an Independent Chair (salaried) with five Employer Representatives and five Scheme Members' representatives (all unpaid but since April 2023 certain allowances have been made available by the Fund).

I have thoroughly enjoyed my time as the Branch Pensions Officer and as a Board Member where I have seen the Fund well managed and its assets grow from £1B in 2008 to over £4B this year.

Please feel free to contact me if you have any pension queries and I will assist where I can. Over the last year alone I have dealt with 15 personal pensions enquires from our Branch Members.

The Board's three year term is due to end in 2026 and I am hopeful that UNISON colleagues will take up the Pensions mantle from my Board colleagues and I to continue the scrutiny of our LGPS and Fund. Central governments have changed the LGPS in 2008 and most recently in 2014 but it has been resilient through the changes. My main worry is always that our excellent pensions scheme is continually vulnerable to attack from central government.

Please contact the Branch for any information on pensions from myself at caerphillyunison@caerphilly.gov.uk

