

Local Government Pension Scheme in England and Wales – Scheme Improvements (Access and Protections)

Statement made on 13 October 2025

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Statement made by



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Statement

I am today launching a consultation on proposed improvements to the Local Government Pension Scheme in England and Wales.

With 6.7 million members and £400bn of assets under management, this government sees the vital importance of its role as steward of the Local Government Pension Scheme. We know the impact that changes to the scheme have, not only on individual members but also the country as a whole. Investing in the members that make up the scheme – those who collect waste, serve school lunches, manage libraries and tend to parks and green spaces – rightly rewards the hard work that they put in to making our communities thrive.

As a first step, in May 2025, we launched a consultation on enhancing member benefits, with a focus on:

- equalising the entitlement to survivor benefits of all eligible survivors of Local Government Pension Scheme members, remedying historic discrimination in the scheme;
- taking concrete steps to addressing the gender pension gap;
- mandating reporting on opting out from the scheme;
- closing loopholes on current pension forfeiture rules.

This work sat alongside important reforms to investment and pooling, which unlock the investment might of the scheme, due to reach £1tn by 2030. These reforms will harness the potential of the scheme as a catalyst of growth while ensuring that it delivers on its primary duty to provide a retirement income for members.

Building on these, the consultation we are launching today covers four areas:

1. We are proposing to update the normal minimum pension age in the LGPS age to 57, following the Finance Act 2022, and confirm that we will protect members who had scheme membership before 4 November 2021. This gives clarity to millions of members who want to know when they can retire.
2. We are proposing to recognise the geographical spread of our schools across Multi-Academy Trusts, and simplify the process of applying for a direction to bring together staff into a single Local Government Pension Scheme fund. We are also proposing that the criteria applications are assessed against is put into legislation to provide transparency to employers.
3. We are proposing to implement long-awaited Fair Deal protections for workers outsourced from local government, ensuring they have seamless and continued access to the Local Government Pension Scheme. This will in part be achieved by removing the use of “broadly comparable” schemes, which see workers receiving downgraded pensions when they are outsourced.

4. Finally, we are proposing to restore access to the scheme for councillors in England and extend it to mayors, bringing England into alignment with the schemes in Scotland, Northern Ireland and Wales. As reorganisation and devolution continue to reshape local government, the responsibilities placed on mayors and councillors are expanding significantly, and access to the pension scheme is key to encouraging talented individuals into those roles.

For fourteen years, the Conservatives decimated local government and working people paid the price. The last government’s ‘Westminster-knows-best’ attitude saw power centralised in the Whitehall with local budgets cut to the bone. Communities lost their sense of pride and control. Neighbourhoods changed beyond recognition and local champions were locked out of government. This government is putting power back in the hands of communities and their local champions. We are rebuilding and streamlining local government so working people can once again rely on the regular, high quality local services they deserve.

Efficient and reliable local services are built on a foundation of hard-working, professional and talented local councillors. While the Tories saw councillors as a volunteer, part-time role, Labour will treat councillors with the respect they deserve as dedicated public servants, handing them the rights at work they deserve. The result will be a streamlined, efficient and more effective local government, with fewer more empowered local councillors. These councillors will be given the proper terms and conditions they deserve – the certainty of financial stability in older age should be a minimum.

I am grateful to the Local Government Association, the Local Government Pension Scheme Advisory Board, the Government Actuary’s Department, and many others for their support.

The next phase in this continued effort to improve the scheme will include the publication, later this year, of the full government response to the May 2025 consultation.

Statement from

Ministry of Housing, Communities and Local Government



Linked statements

This statement has also been made in the House of Lords

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[Baroness Taylor of Stevenage](#)

Parliamentary Under Secretary of State

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