



LOCAL GOVERNMENT PENSION SCHEME OPT-OUT FORM

Before you opt out of the Scheme entirely have you considered opting for the 50/50 section of the Scheme instead?

The 50/50 section allows you to pay half your current contribution rate but build up half the pension. However, you retain full life assurance, dependant's and Survivor's benefits cover. If you like to take this option, then please complete to '50/50 Contribution Flexibility Form', which is available on our website at the following link: www.gloucestershire.gov.uk/pensions.

If you are considering opting-out of the Local Government Pension Scheme, it is essential that you are aware of some important facts.

If you choose to opt out of the Scheme and are entitled to a deferred benefit and subsequently make an election to rejoin the Scheme at a later date, you WILL NOT have the option to link your deferred benefit to your new period of membership.

As a member of the Local Government Pension Scheme, you do not pay tax on your pension contributions and normally pay National Insurance Contributions at a reduced rate. This means that the actual cost is much less than that shown on your payslip.

Are you fully aware of the comprehensive range of benefits provided by the Local Government Pension Scheme? If you are considering an alternative pension arrangement, can it offer you the security of the following guaranteed benefits?

- A regular income when you retire plus the option to receive a tax-free lump sum
- A cash lump sum of up to 25% of your fund value
- A regular income and the option to take a tax-free lump sum if permanent ill-health forces you to retire
- Full inflation proofing of your benefits
- A Death Gratuity, in case of death in service, of 3 times your assumed pensionable pay
- Spouses/Civil Partner/nominated co-habiting partner/Children's pensions payable

As a member of the Local Government Pension Scheme you have the security of all these guaranteed benefits, and more, at a relatively low cost. It will give you the peace of mind in knowing that your family is spared the worst effects of financial hardship should you die or become unable to work. The complete package of benefits is valued at around 17% of your salary. It is worth remembering that your employer contributes about two thirds of the cost of your benefits.

If you contribute to a personal pension plan, you will have to pay the whole cost yourself.

If you choose not to remain a member of the Local Government Pension Scheme and decide not to make any alternative pension arrangements, you will automatically contribute to SP2 and pay an extra 1.4% in National Insurance contributions from your gross salary (unless you are exempt from paying contributions or a married woman paying N.I. at a reduced rate). The benefits from SP2 are minimal with plans for them to be even further reduced.

The final decision is yours. It is entirely up to you which route you choose for providing for your retirement and your dependants. However, you should remember that all the Local Government Unions recommend the Local Government Pension Scheme as providing the better range of benefits in return for your contributions.

Should you decide to opt out, then the following will apply:

If you commenced membership of the Scheme BEFORE THE 31ST MARCH 2014 and at the date of opting out you:

- ◆ have attained less than 3 months membership in the Scheme and **have not brought a transfer value in**, then the contributions deducted will be refunded to you via your pay by your Employer.
- ◆ have attained less than 3 months but **have brought a transfer value in**, then your benefits will be deferred in the Scheme, regardless of the time you have been a member.
- ◆ have contributed for 3 months or more but for less than 2 years, you have the option to receive a refund of contributions paid, defer your benefits, transfer your benefits or to hold your contributions in abeyance until such time as you are ready to make a decision about what you would like to do with your contributions.
- ◆ have attained 2 years or more, your benefits will be deferred in the Scheme unless you elect for a transfer of benefits.

If you commenced membership of the Scheme ON OR AFTER THE 1ST APRIL 2014 and at the date of opting out you:

- ◆ have attained less than 3 months membership in the Scheme and **have not brought a transfer value in**, then the contributions deducted will be refunded to you via your pay by your Employer.
- ◆ **have brought a transfer value in**, then your benefits will be deferred in the Scheme unless you elect for a transfer of benefits, regardless of the time you have been a member of the Scheme.
- ◆ have contributed for 3 months or more but for less than 2 years, you have the option to receive a refund of contributions paid, transfer your benefits or to hold your contributions in abeyance until such time as you are ready to make a decision about what you would like to do with your contributions.
- ◆ have attained 2 years or more, your benefits will be deferred in the Scheme unless you elect for a transfer of benefits.

If, after having read the above and the full guide to the LGPS, you decide that you do not wish to remain a member of the Local Government Pension Scheme, then please read the additional notes below and complete the form overleaf.

Please note an opt out form cannot be completed before you commence employment in your post. Notice to withdraw from the Scheme will take effect from the next pay period following receipt of your fully completed opt out form, unless you specify a later date. If you have concurrent employments with your Employing Authority, then deductions will cease on all your posts unless you confirm otherwise (you can choose to cease paying on certain employments only). If you wish to cease paying on certain posts only, then you must state clearly, by providing a covering letter showing the full post details and pay number of the posts on which you wish to continue paying pension contributions.

Your fully completed opt out form should be returned to:

If you are paid by Gloucestershire CC Payroll Services; The Business Services Centre, Gloucestershire CC, Shire Hall, Gloucester GL1 2TG

In all other cases; The HR/Pay Office of your employer

Continued overleaf

LOCAL GOVERNMENT PENSION SCHEME OPT OUT FORM

YOUR PERSONAL DETAILS										
Full Name				Title	Mr	Mrs	Miss	Other		
Home Address				Tel No						
				Home						
				Work						
				Mobile						
				E-Mail						
Date of Birth				Ni No						
Employing Dept (i.e. District or Dept)							Pay No			
Date of commencement										

I am currently contributing to the Local Government Scheme (LGPS) and wish to cease to be a member. I confirm that I have read the notes on page 1 & 2 of the opt out form and the full guide to the LGPS and am fully aware of the implications relating to my decision

I confirm that I have read the notes on page 1 & 2 and wish to: (please tick one box only)

***RECEIVE A REFUND OF CONTRIBUTIONS PAID (I have read the notes on page 2 regarding the criteria which must be met in order to receive a refund of contributions)**

I further certify that I do not have other pension rights in the Local Government Pension Scheme (LGPS) in England and Wales. I acknowledge that if I do have such pension rights, I am not entitled to make a claim for a refund of contributions and that, if I make a false statement, the payment of the refund will mean that I cease to be entitled to any other pension benefits I have in the LGPS in England and Wales and that I will have no further claim on the relevant pension fund, administering authority or employing authority in respect of those pension benefits.
* this includes other concurrent employments / unclaimed refunds / deferred benefits / pension credits (by virtue of a pension share on divorce) / pensions in payment. If you are at all uncertain, you should contact the Pension Section before completing this declaration.

DEFER MY BENEFITS I understand that I **WILL NOT** have the option to link my deferred benefits, should I make a subsequent election to rejoin the LGP Scheme

I WISH TO HOLD MY CONTRIBUTIONS IN ABEYANCE (if you do not make a written election to transfer your benefits or receive a refund within 5 years, then the refund will automatically be paid to you after this time)

ELECT FOR A TRANSFER OF BENEFITS*

*if you wish to investigate a transfer of benefits to another pension provider then please provide details of the new Scheme, including the name, contact address and policy/reference number.

SIGNED :**DATE :**

For Employer use only - *Please delete whichever of the following statements DOES NOT APPLY

***We certify that the employee has been brought out of the pension scheme. They have contributed to the pension scheme for less than three months and all the pension contributions deducted have been refunded to the member via the payroll.**

***We certify that the employee has been brought out of the pension scheme and that they have contributed to the pension scheme for three months or more.**

If the employee is not paid via Gloucestershire CC Payroll Services and they have contributed to the Scheme for 3 months or more, then you must ensure that a fully completed leaver 1 form is attached. In Addition, if the 'Employer starter notification' form has not already been sent to this office, you must ensure that this form, fully completed, is also attached.

Signed..... Please print name.....
 Contact phone number.....Position.....Dated.....