

Opting out of the Local Government Pension Scheme in England or Wales - Notice to opt out of pension saving

The Local Government Pension Scheme (LGPS) allows you to save while you are working in order to enjoy a pension once you retire. It is one of the best occupational pension schemes in the UK. What's more, the LGPS is provided by your employer who meets a large part of the cost of providing the excellent range of secure benefits, so it's an extremely valuable and important part of your employment package.

Before you opt out you may wish to consider the 50-50 option. This is where you pay half the contributions to receive half the pension benefits. See the '50-50 section' of the website for further details. To pay into the 50-50 section of the scheme you will need to complete the 50-50 Section Election Form.

Whatever your reasons for considering opting out of the scheme, we ask that you give this matter careful consideration before making a final decision. You may wish to take financial advice before making a decision to opt out. If you are opting out of the LGPS due to advice you have received you should ask for this advice in writing.

Your employer cannot ask you or force you to opt out. If you are asked or forced to opt out you can tell The Pensions Regulator - see www.thepensionsregulator.gov.uk.

Equally, no one can force you to remain a member of the scheme but, if you elect not to be a member, you should understand the implications both for you and your dependants.

From 11 April 2015 members that opt out of the pensions scheme will not be able to aggregate their benefits should they re-join the scheme

An outline guide to the LGPS is set out overleaf but you can also get a lot of useful information from the On-line Guide at www.lgpsmember.org and from the intranet or the Haringey Web Page at www.haringeypensionfund.co.uk

When you have signed and dated the Opt-Out declaration, please return it to the Pensions Team at the address below.

The form must be completed accurately otherwise it cannot be accepted and will be returned to you.

**HR Service
Level 9 Alexandra House
10 Station Road
N22 7TR**

What does membership of the New Look Local Government Pension Scheme Offer?

- It is a secure defined benefit scheme which means that you can look forward to retirement with confidence. The benefits you get will be based on your membership in the scheme and your pay on leaving.
- The benefits you build up during your employment keep pace with your pay rises. After retirement, your pension is increased in line with inflation, keeping pace with the cost of living.
- Immediate Lump Sum Life Cover on death in service of three times pay to your nominated beneficiary
- Pension cover for your husband, wife, civil partner, nominated co-habiting partner¹ and eligible children.
- Normal retirement is age 65 but if you carry on working, membership can continue up to age 75.
- Ill health retirement resulting from serious illness.
- Flexible retirement from age 55 if you reduce your hours or grade and your employer agrees.
- Immediate payment of benefits on Redundancy/Business Efficiency grounds from age 55 (see note 2 below)
- Early retirement is possible from age 55 This requires your employer's consent and may result in reduced benefits.
- Option to purchase up to £6675 additional pension.
- Option to pay additional voluntary contributions (AVCs) to increase benefits
- Transferability of pension rights into and out of the scheme.
- If you leave before retirement, you can choose to leave your benefits in the scheme until they are due to be paid or transfer them to another pension arrangement.
- The scheme is provided by your employer who pays a large part of the cost making membership of the LGPS a valuable part of your employment package.

For further details about the Local Government Pension Scheme please see the following websites www.lgpsmember.org or www.haringeypensionfund.co.uk

¹ To nominate a co-habiting partner, your relationship has to meet certain conditions laid down by the LGPS. Details and a Cohabiting Partner Nomination Form is available on request to the Pensions Team or from Harinet. .

Your Details:

| |
|---|
| Surname: |
| First name(s): |
| Title: Mr. / Mrs. / Miss / Ms. / Other (please specify) |

| | |
|--------------------|------------|
| Your home address: | |
| | |
| | Post code: |

| | |
|----------------------------|---------------|
| National Insurance Number: | Date of birth |
| Employer's Name | |

| | | |
|---|----------|-----|
| Name of Post from which you wish to opt-out of the LGPS:- | | |
| I wish to OPT-OUT of (all posts / the post named below (delete one) with my Employer named above | | |
| I wish to Opt-out of the following post(s)*:- | | |
| 01 Job Title | Location | Hrs |
| Pay Ref: | | |
| 02 Job Title | Location | Hrs |
| Pay Ref: | | |
| 03 Job Title | Location | Hrs |
| Pay Ref: | | |
| 04 Job Title | Location | Hrs |
| Pay Ref: | | |
| *If you are a new starter see your letter of engagement for details otherwise see your Payslip | | |
| Please read and sign the declaration and notes overleaf: | | |

Declaration:

I wish to OPT-OUT of the Local Government Pension Scheme as notified above and further :-
I declare that by opting out of the LGPS I am knowingly giving up the opportunity to participate in the LGPS which would provide a package of benefits including:

* a pension that is secure and gives me the guarantee of a pension that is backed by law

* the option to exchange part of my pension for a tax-free lump sum at retirement

* voluntary retirement from age 60, or from age 55 (even though the scheme's normal pension age is State Pension Age)

* an ill-health pension from any age (which could be paid at an increased rate if ill health meant I would be incapable of gainful employment for at least three years after leaving)

* early payment of pension benefits if I am made redundant or retired on business efficiency grounds at 55 or over

* the ability to take benefits from age 55 with my employer's consent if I continue in employment but reduce my hours or grade, helping me ease into retirement

* a death in service lump sum of three times my final pay

* protection for my family upon my death, including either a widow's, widower's, civil partner's or nominated cohabiting partner's pension as well as children's pensions

* the index-linking of benefits to ensure they keep pace with the cost of living

I have read the above and understand that the choices are important in planning my retirement I confirm that I wish to opt out of pension saving in the post(s) I have indicated on this form.

I understand that if I opt out I will lose the right to pension contributions from my employer.

I understand that if I opt out I may have a lower income when I retire.

I understand that I will not be able to aggregate their benefits should I re-join the scheme.

Signed**Dated**

Note: Please see the notes on the next page regarding when you can sign, date and return this form.

NOTES

Unless you are a high earner who has applied for and obtained a Fixed or Enhanced Protection Certificate from HM Revenue and Customs, you can only sign and date this opt out form once you have commenced employment in the post from you wish to opt out of membership of the LGPS. You cannot sign and date the form before then as it will be treated as an invalid opt out. (see below)

If you have another job with another employer, that employer might also put you into pension saving, now or in the future. This opt out notice only opts you out of LGPS pension saving in relation to the employer and jobs you have named on this form. A separate opt out notice must be filled out and given to any other employer you work for if you wish to opt out of that pension saving as well. You will need to obtain the opt out form for that scheme from the pension administrators for that scheme.

If you opt out of the LGPS before completing three months membership you will be treated as never having been a member and will receive a refund of any contributions deducted from your pay. If you opt out after three months you will be entitled to a deferred pension benefit in the LGPS which, unless you transfer the benefits to another pension scheme, would normally be payable from age 65 (or from age 60 at your choice).

If you decide to opt out of membership of the LGPS and subsequently change your mind you will be able to rejoin the scheme provided you are under age 75 and you remain in an employment that qualifies you for membership of the scheme. You will need to write to your employer if you want to opt back into the scheme.

If you stay opted out your employer will normally automatically put you back into the LGPS in around three years from the date they have to comply with the automatic enrolment provisions of the Pensions Act 2008. You will, however, again be entitled at that time to opt out of membership of the scheme.

If you change job your new employer will normally put you back into pension saving straight away

High Earners:

If you are a high earner who has applied for and obtained a Fixed or Enhanced Protection Certificate from HM Revenue and Customs and you wish to retain that protection you will need to provide two signatures and two dates on this form – sign and date once before you commence employment in the post from you wish to opt out of membership of the LGPS and once when you have commenced that employment. This is to ensure that, under the HMRC rules, you do not lose your Fixed or Enhanced Protection
Please contact the Pensions Team for further advice.

Disclaimer :

This is a brief leaflet about the cost and benefits of being a member of the Local Government Pension Scheme (which applies from 1 April 2008). It is for employees whose employer offers them membership of the Scheme and cannot cover every personal circumstance including the tax position of high earners. If there is any dispute over your pension benefits, the appropriate legislation will apply. This leaflet does not give you any contractual or legal rights, and is provided for information purposes only