

LOCAL GOVERNMENT PENSION SCHEME (LGPS)

ELECTION TO CEASE SCHEME MEMBERSHIP (OPT OUT FORM)

An Employee who wishes to opt out of the Scheme whilst remaining in employment, must complete Part A and B of this form and return it to their Employer for completion of Part C.

The Employer should comply with the member's declaration in Part B, then complete Part C and send the form to your Payroll provider and Equiniti at the address on Page 3 - if sending a scanned copy, please ensure you send both sides of the form.

Part A: MEMBER DETAILS (to be completed by the EMPLOYEE)

Surname		Title	
Forename(s)			
Date of Birth		NI No	
Job Title		Payroll No	
Employer			

Part B: EMPLOYEE DECLARATION (to be completed by the EMPLOYEE)

I declare that by opting out of the Local Government Pension Scheme (LGPS) I knowingly give up the opportunity to participate in the LGPS, which would provide a guaranteed package of benefits which are under written by central government including:

- **a secure pension** – payable for life that increases with the cost of living
- **tax free cash** – the option to exchange part of my pension for some tax-free cash at retirement
- **voluntary early retirement** – from age 55 (without employers consent)
- **serious ill-health cover** – if I have to retire due to a serious illness I could receive immediate benefits based on an enhanced period of scheme membership
- **redundancy cover** – with the early payment of pension benefits if I am made redundant or retired on business efficiency grounds at 55 or over
- **life cover** – with a lump sum of three times my final pay if I die in service
- **cover for my family upon my death** – including a survivor's pension for my husband, wife, civil partner or nominated cohabiting partner as well as children's pensions

I have read the above and understand that the choices I make now are important in planning for 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 confirm that I wish to cease membership of the Local Government Pension Scheme with effect from:-

DATE	
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NB: this date should be the last day of the current month that you are contributing into the LGPS and can not be back dated. If you are opting out with less than three months pensionable benefits and you have no other LGPS benefits, the date entered should be the date of your first contribution and your contributions will be refunded, with adjustments for tax and national insurance.

I Do / I Do Not have any previous LGPS benefits (tick as appropriate)

I have been a member of the scheme for - 3 months or less / more than 3 months (tick as appropriate)

Reason for opting out

We are monitoring reasons why employees may be opting out of the LGPS.

It would help us if you could give your reason(s) for opting out: *(Please tick relevant box)*

Personal Financial Reasons:

Adequate Alternative Pension Provision:

Short Term Contract:

Other:

SIGNED		DATE	
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(Signature of the Employee)

Part C: SALARY, HOURS & WEEKS DETAILS (to be completed by the EMPLOYER)

MONTH OF LAST CONTRIBUTION (e.g. 31 ST July)	
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FINAL PENSIONABLE PAY – MUST be completed for all Pre 1 April 2014 joiners only

Final Pensionable Pay starts 365 days prior to LDS. Pensionable pay based on the 2008 regulations e.g. including pensionable bonuses but not overtime.			Annual salary FTE	Actual Pay (if Part Time)
Year	Start date (365 day period prior to end date)	End date	£	£
Latest year (365days from LDS)				
Previous year 1				
Previous year 2				
Total salary for the 365 days prior to LDS or the earlier two years prior to last day of service if higher *			£	£

If part-time, term time, or part time term time, please state Full Time Equivalent Salary (FTE)	£	
If the member works part-time, term time, or part time term time please detail the hours worked per week and weeks per year at the date of opt out.	Actual hrs	Full time hrs
	Actual wks	Full time wks 52.143

To be completed for ALL members

PENSIONABLE PAY/ASSUMED PENSIONABLE PAY - MAIN 100% SECTION of the SCHEME

Actual pensionable pay since 1 April to LDS. Where a member has been on reduced pay or nil pay an adjustment may need to be made (APP). Pensionable pay based on the LGPS 2014 definition e.g. including pensionable bonuses and all overtime. Start date – must be 1 April. Only enter the date of joining the scheme if member joins and opts out within the same scheme year (April to March) e.g. If member joins February and leaves October – enter start date as 1 April. If member starts June and leaves February - enter start date as June.		
Start date	Opt out date	Actual Pensionable Pay and/or Assumed Pensionable Pay (APP) for the period

PENSIONABLE PAY/ASSUMED PENSIONABLE PAY - 50/50 SECTION of the SCHEME

Actual pensionable pay since 1 April to LDS. Where a member has been on reduced pay or nil pay an adjustment may need to be made (APP). Pensionable pay based on the LGPS 2014 definition e.g. including pensionable bonuses and all overtime.
 Start date – must be 1 April. Only enter the date of joining the scheme if member joins and opts out within the same scheme year (April to March) e.g. If member joins February and opts out October – enter start date as 1 April. If member starts June and opts out February - enter start date as June.

Start date	Opt out date	Actual Pensionable Pay and/or Assumed Pensionable pay (APP) for the period

DATE MEMBER JOINED 50/50 SECTION of the SCHEME

Start date End date

DECLARATION BY THE EMPLOYER

I confirm that the above employee ceased membership of the Scheme on -

DATE	<input type="text"/>
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and that I have arranged for the necessary payroll adjustments

Signed, on behalf of the Employer	<input type="text"/>	Date	<input type="text"/>
Name in block capitals	<input type="text"/>	Contact Tel No	<input type="text"/>

When completed please return this form to your HR/Payroll provider,

and a copy to Equiniti using the secure up-load facility, [Sharefile](#),

or by post to: London Borough of Hackney Pensions, Equiniti, Russell Way, Crawley, West Sussex RH10 1UH

OPTING OUT OF THE LOCAL GOVERNMENT PENSION SCHEME Explanatory notes

You can elect to cease to be a member of the scheme whilst continuing in employment.

IT IS IN YOUR OWN INTEREST that you read the following before signing the election form. You should remember the following points.

- A. **DO NOT** sign this form if you wish to stay in the Scheme.
1. You can only sign and date this opt out form once you have commenced employment in the post from which 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.
 2. 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.
- B. If you elect to Opt Out of the Scheme:
1. It will be for you to make your own pension arrangements within the Private Sector (e.g. a personal pension) or rely instead upon the State Pension Scheme.
 2. From the date of opting out, your service will not accumulate for any entitlement under the Scheme, e.g. an indexed retirement pension based on final pensionable pay and length of service; dependants benefits, ill health retirement benefits; death in service lump sum payment of three years' pensionable pay.
 3. Your future benefits in retirement, especially if you are forced to retire on health or redundancy grounds, could be severely limited.
 4. Opting out won't save you as much in take home pay as you may think. In most cases, you will pay more tax if you opt out of the LGPS. A basic rate tax payer paying pension contributions of £100 a month will pay £20 more tax if they opt out.
 5. Also if you opt out after 3 months of joining **DO NOT EXPECT** an automatic refund of the contributions you have paid.
 6. 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 independent 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.
 7. 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.
 8. If you stay opted out your employer will normally put you back into pension saving in around 3 years.
 9. If you change job your new employer will normally put you back into pension saving straight away.
 10. 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 pension saving with that employer as well.** You will need to obtain the opt out form for employment with that employer from the pension administrators for the scheme provided by that employer.
 11. If you opt out within 3 months of joining, Equiniti will instruct the *employing authority* to refund the contributions through the payroll, adjusting the income tax accordingly.
 12. If you opt out of the scheme after 3 months of joining, you will not be entitled to a refund of contributions through the payroll. Equiniti will write to you and if you are eligible, give you details of how to receive a refund of your contributions adjusting for the income tax and National Insurance contribution relating to the period up to 5th April 2016 accordingly.