



Opting out of the Local Government Pension Scheme

Notes of Guidance

PLEASE READ THESE NOTES OF GUIDANCE CAREFULLY BEFORE MAKING YOUR ELECTION.

What benefits will I lose by opting out of the Local Government Pension Scheme (LGPS)?

By opting out of the LGPS you are losing out on all these valuable benefits:

- A guaranteed pension, which increases annually, payable for life, and is based on your pay.
- A tax free lump sum when you retire.
- Lump-sum death grant of three times your pay if you die, paid to the people you have nominated.
- Pension for your husband, wife, civil partner or your eligible cohabiting partner.
- Pension if you become too ill to work.
- Early retirement if you're age 55 or over and made redundant.
- Tax relief on your contributions.
- Options to help you get more benefits by paying extra.
- Contributions from your employer.

What do I need to do to opt out?

In order to opt out please complete the attached form and return it to your **employer**. Pension contributions will stop from the next available payroll. If you have less than two years membership you will receive a refund of your contributions minus tax and National Insurance relief. If you have two years or more membership then your benefits will be frozen in the pension scheme until retirement age.

Have you considered the 50/50 section rather than opting out?

The 50/50 option could be an alternative option to opting out. Under the 50/50 section you have the option to pay half your normal contributions to build up half your normal pension during this time. You would however still get full life assurance cover, full ill health cover and full survivor benefits in the event of your death.

For more information and a 50/50 Election Form please contact Gwynedd Pension Fund.

Can I re-join the LGPS at a later date?

Yes, you can re-join the LGPS at any time in the future provided that you are under age 75 and remain working for an employer which offers membership of the LGPS. Please contact Gwynedd Pension Fund or your employer for a starters form. Please note you will not be able to aggregate any deferred benefits you had accrued if you decide to re-join the LGPS at a later date.

Will I be re-enrolled back into the Pension Scheme?

To encourage more people to save for their retirement, UK legislation requires all employers to enrol their workers into a pension at work if they are not already in one. The aim is to help more people have another income, on top of the State Pension, when they retire. If you opt out then your employer will normally automatically enroll you back into the LGPS approximately every 3 years from the date they have to comply with the automatic re-enrolment provisions.

Can my employer ask me or force me to opt out of the scheme?

No, your employer CANNOT ask you or force you to opt out of the scheme. However, if this is the case, you can inform the Pensions Regulator by visiting the website: www.thepensionsregulator.gov.uk



Local Government Pension Scheme Ceasing Active membership

Please read the notes overleaf carefully before making your Election to cease active membership. To proceed with your election, you will need to complete this form and **RETURN IT TO YOUR EMPLOYER**. Please use **BLACK** ink. A separate form must be completed for each post you wish to opt out.

Your Personal Details									
Title: (please ✓ as appropriate)	Mr		Mrs		Miss		Ms		Other
Full Name:									
National Insurance Number:							Date of Birth:		
Home Address:									
							Post Code:		
Telephone Number:									
Email Address:									

Your Employment Details	
Employer:	
Please indicate below, details of the post in which you wish to cease active membership. Please note that if you wish to do so under more than one post, you will need to complete an Election Form for each of your employments.	
Payroll Reference Number:	
Post Number: (if applicable)	
Post Title / Description:	

Declaration	
I, the undersigned, declare that I have considered the benefits of being a member of the Local Government Pension Scheme (LGPS) and after reading the notes of guidance, I have decided that I do not wish to remain a member of the LGPS. I confirm:	
<ul style="list-style-type: none"> I wish to opt out of pension saving. I understand that if I opt out I will lose the right to pension contributions from my employer. I understand that that if I opt out I may have a lower income when I retire. 	
I also understand that:	
<ul style="list-style-type: none"> If I opt out with less than 2 years membership I will be treated as never having been a member of the Pension scheme and will be given a refund of contributions, less deductions for tax and National Insurance. If I opt out with 2 years or more service my benefits will be frozen as deferred benefits in the Pension scheme until retirement age. No refund of contributions will be given. If I stay opted out, my employer will normally put me back into pension savings in around three years. If I change my job, my new employer will normally put me back into pension saving straight away. Please note you will not be able to aggregate any deferred benefits you had accrued if you decide to re-join the LGPS at a later date. 	
Signature:	Date:

For Official Use Only			
It's the employer's responsibility to comply with Auto Enrolment Regulations and to refund contributions through the Payroll system if the member has less than 3 months membership or to send a termination notice to Gwynedd Pension Fund if the member has more than 3 months membership. It is essential that a copy of this opt out form is sent to Gwynedd Pension Fund with the section below completed. You should also keep the original form for your records.			
If under 3 months membership:		If 3 months or more membership:	
Form received on:	/ /	Form received on:	/ /
Date started paying pension:	/ /	Date started paying pension:	/ /
Contributions stopped on:	/ /	Contributions stopped on:	/ /
Contributions refunded on:	/ /	Termination notice sent on:	/ /