



Important: This form can be used to tell your employer that you wish to opt out of being a member of the Local Government Pension Scheme (LGPS). **Before you complete the form, please read the guidance notes carefully.** They contain important information you need to be aware of before making a decision and you will be asked to sign to say you have read them if you chose to opt out.

Guidance notes

Making a decision

The LGPS is one of the largest occupational pension schemes in the UK. It is a pension scheme for those who work with and for local government, providing scheme members with a tax efficient way to save for retirement while working. Being a member of the scheme is optional; no one can force you to stay in the scheme and no one can force you to opt out. However, a decision to opt out should be considered carefully as it could have important implications for your income later in life.

Benefits of being an LGPS scheme member

The LGPS is a defined benefit scheme, which means that your pension is based on your salary and how long you have paid in. It is not based on how well investments perform. Paying into the LGPS provides you with a secure and guaranteed income each year when you retire. You will also have the option to take a tax-free lump sum as part of your retirement package. You will receive tax relief on any contributions deducted from your pay. If you opt out, you will usually pay more tax. Being a member of the scheme provides you with other benefits such as [life cover](#) and, after 2 years membership, [ill-health cover](#). To fund the cost of paying these considerable benefits, your employer makes very generous contributions to the Fund on your behalf. If you opt out, your income at retirement may be less than it would if you stayed in the scheme. Find out more about [member benefits on our website](#).

Paying less

If you want to reduce how much you pay in contributions while still building up tax efficient retirement savings, you do have the option of paying less by moving to the 50/50 section of the scheme. In the 50/50 section, you pay half the normal contributions in return for half the normal pension build up, but you will still receive the other benefits of being an LGPS member such as death in service and ill-health cover. You can request to move to the 50/50 section by completing the [contribution flexibility form](#) available on our website.

Getting support

If you have any questions about the LGPS, you can contact us using the details at the bottom of page 2. However, we won't be able to tell you what decision you should make. We always recommend that you take independent advice before making a decision about your pension. MoneyHelper is a government backed organisation that offers free impartial one to one advice about money and pension options. To find out more, and contact an adviser, visit: www.moneyhelper.org.uk/en You may also choose to seek the help of an Independent Financial Adviser. Always make sure that any adviser you talk to is registered with the Financial Conduct Authority (FCA) and qualified to provide you with advice in relation to defined benefit pensions. Find out more information at: www.fca.org.uk/consumers/finding-adviser

Choosing to opt-out

If you have thought carefully about the options available to you and have taken the decision to opt out, there are some important things you need to be aware of.

- You can only opt out after starting an employment and being auto-enrolled. We will be unable to process an opt-out form received or dated before these dates.
- If you have more than one post, you don't have to opt out of all of them. You can choose to pay in or opt out of one, some or all of them. The choice is yours.
- This form should be sent directly to your employer or your employer's payroll provider. Sending the form to an incorrect place can delay your request being actioned. If you're not sure where to send the form, please contact your employer.
- Once your employer processes the form, you will be opted out from the next available pay period. If you submit your form after payroll has been processed, the change may not take effect until the following month. Please check your payslips. If you have any questions about the time frame for processing this form, please contact your employer.
- If you opt out now, you can choose at any time to re-join the LGPS by completing an [opt-in form](#) available on our website and sending it to your employer.
- You will be automatically bought back into the LGPS if you remain eligible,
 - approximately every three years on your employer's set re-enrolment date.
 - if you start a new employment under the LGPS.

If you wish to opt out again after being moved back into the LGPS, you will need to complete another opt-out form. More information about this can be found on [our website](#).

Refund entitlement

If you have been in your job for less than 3 months, you will be treated as never having been in the scheme and your employer will refund you any contributions that have been deducted from your pay.

If you have been in your job more than 3 months, you will only be entitled to a refund if you,

- have been a member of the LGPS for less than 2 years.
- do not have any previous LGPS membership, including those held outside of the Buckinghamshire Pension Fund, that when added together with the membership in your current job, would mean you have over two years' total membership in the scheme.
- do not have a deferred benefit in the LGPS or an LGPS pension in payment.
- did not transfer in any non-LGPS pension from a scheme where refunds were not permitted.
- did not have a transfer in of pension that increased your membership to two years.

If you do not qualify for a refund under the above criteria, if you opt out you will be entitled a deferred pension benefit in the LGPS. You will only be able to take payment of the deferred pension benefit once you reach pensionable age (minimum age is currently 55), and you leave the job you opted out of. You may also be able to transfer your deferred benefit outside of the LGPS. If you opt out and are entitled to a deferred pension benefit you won't be able to combine it with a later LGPS pension account if you re-join the scheme.

Once we receive confirmation from your employer that your opt out request has been actioned, as well as the necessary pay information, we will finalise your pension account and write to you with your options. If you are entitled to a refund and you wish to receive it, you will need to complete a further form that we will provide you with before any refund is paid. Any refund of contributions that may be payable will be taxed. Employer contributions are not included in the refund payment.

For more information about the LGPS visit our website: lgps.buckinghamshire.gov.uk

If you have further questions email: pensions@buckinghamshire.gov.uk or phone: 01296 383755

Pensions & Investments Team, Buckinghamshire Council, Walton Street Offices, Aylesbury, HP20 1UD



Important: By completing this form and providing it to your employer, you are confirming that you wish to opt out of being a member of the LGPS. This form should not be distributed without the attached guidance notes. **Please ensure you have read the notes carefully before completing the form. Once you have completed the form, please send it to your employer/payroll provider.** Sending this form to the incorrect place, could delay your request. Incomplete or incorrectly completed forms will not be processed. If you are completing this form electronically, please ensure your font size does not fall below 12pt. You can insert a digital signature if you download this form and have a pdf reading programme (such as Adobe reader) enabled. If you have any queries about completing this form, please contact us using the details at the bottom of page 2.

Section 1 - Your personal details

Full name

Date of birth

National insurance number

Address

Email address

Employer

Section 2 – Details of the job(s) you wish to opt out of. If there are more than 4, please use a separate form. The date that any of your jobs started cannot be later than the date you sign the form.

Job 1

Payroll number

Job title

Date enrolled in LGPS under this employment

Job 3

Payroll number

Job title

Date enrolled in LGPS under this employment

Job 2

Payroll number

Job title

Date enrolled in LGPS under this employment

Job 4

Payroll number

Job title

Date enrolled in LGPS under this employment

Section 3 - Declaration - Please read the statement below and sign and date the form.

By signing this form, I confirm that I wish to opt out of the Local Government Pension Scheme (LGPS) in the post(s) I have indicated on the previous page. I understand that by doing so, I am giving up the opportunity to be a member of the LGPS which provides a guaranteed package of benefits, backed by law including:

- **a secure pension** – payable for life that keeps up with the cost of living
- **tax-free cash** – the option to exchange part of my pension for tax-free cash at retirement
- **life cover** – with a lump sum of three times my pensionable pay if I die in service
- **cover for my family when I die** – including a survivor’s pension for my spouse, civil partner or eligible cohabiting partner as well as children’s pensions
and, once I have two years’ membership in the Scheme:
- **voluntary retirement** – currently from age 55 until age 75. (Benefits taken before normal pension age are reduced for early payment)
- **serious ill health cover** – if I have to retire due to serious illness I could receive immediate benefits based on an enhanced period of Scheme membership
- **redundancy cover** – early payment of pension benefits if I am made redundant or retired on business efficiency grounds at age 55 or over.

I can also confirm that I have:

- read the guidance notes carefully and understand the full implications of opting out.
- understood the choices I make now can impact on my retirement planning and that by opting out now I will lose the right to pension contributions from my employer and I may have a lower income when I retire.
- not been forced or asked to opt out by my employer and this election is the result of my own choice. I am also aware that I can opt back into the LGPS if I choose to at any time and that my employer is required to bring me back into the scheme approximately every three years at the relevant re-enrolment staging date.

Signed - A digital signature is acceptable as long as it is an actual signature and not a typed name.

Date - This cannot be earlier than the date you commenced your job(s) or were automatically enrolled

Employer’s Section – Office use only

To be completed by the employer/payroll provider responsible for processing this form. We won’t be able to accept this form if the section below is not completed

Employers: Please ensure a copy of this election form is sent to the Pensions and Investments Team.

Action	Date
Form received by employer/payroll provider	
Date opt out form was actioned	
If the member opts out within 3 months of commencing employment, you are responsible for paying the member a refund of contributions. If you have refunded contributions to the member, please confirm the date the refund was paid:	
Name of person responsible for actioning the opt out request:	