Local Government Pension Scheme

Opting out: notes of guidance

Please read these notes carefully before making your election.
Opting out is a significant decision that may reduce your income in retirement.

What will I lose by opting out?

By opting out of the LGPS you give up all of these benefits:

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

How do I opt out?

Complete the form on pages 2 and 3 and return it to your **employer**. Contributions stop from the next available payroll.

- **Less than two years' membership:** you will receive a refund of your contributions, minus tax and National Insurance relief.
- **Two years' membership or more:** your benefits are frozen (deferred) in the scheme until retirement age.

Have you considered the 50/50 section instead?

The 50/50 section can be an alternative to opting out. You pay half your normal contributions and build up half your normal pension during that time, but you **keep full life assurance cover, full ill-health cover and full survivor benefits**. Contact Gwynedd Pension Fund for more information and a 50/50 election form.

Can I rejoin the LGPS later?

Yes. You can rejoin at any time provided you are under 75 and work for an employer that offers LGPS membership. Ask Gwynedd Pension Fund or your employer for a starters form. Please note you will not be able to aggregate (combine) any deferred benefits you built up before rejoining.

Will I be re-enrolled?

UK law requires all employers to enrol their workers into a workplace pension if they are not already in one, to help more people have an income on top of the State Pension. If you opt out, your employer will normally re-enrol you into the LGPS approximately every three years, from the date they must comply with the automatic re-enrolment provisions.

Can my employer ask or force me to opt out?

No. Your employer cannot ask you or force you to opt out. If this happens, you can inform The Pensions Regulator at www.thepensionsregulator.gov.uk.

Local Government Pension Scheme

Opt-out form: your details

Complete pages 2 and 3, then return the form to your employer.

Use a separate form for each post you wish to opt out of.

1. Your personal details

TITLE

○ Mr ○ Mrs ○ Miss ○ Ms ○ Mx ○ Other

If other, please specify

FULL NAME

NATIONAL INSURANCE NO. e.g. QQ123456C

DATE OF BIRTH DD/MM/YYYY

HOME ADDRESS house number and street

TOWN / CITY

POSTCODE

TELEPHONE NUMBER

EMAIL ADDRESS

2. Your employment details

Details of the post you are opting out of.

EMPLOYER

PAYROLL REFERENCE

POST NUMBER (if applicable)

POST TITLE / DESCRIPTION

Continue to page 3 to sign the declaration →

Local Government Pension Scheme

Opt-out form: declaration

3. Declaration

I have considered the benefits of LGPS membership and, having read the notes of guidance, I do not wish to remain a member. I confirm that:

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

I also understand that:

- If I opt out with **less than 2 years'** membership I will be treated as never having been a member and will receive a refund of contributions, less tax and National Insurance. With **2 years or more**, my benefits will be frozen as deferred benefits until retirement age and no refund will be given.
- If I stay opted out, my employer will normally put me back into pension saving in around three years.
- If I change jobs, my new employer will normally put me back into pension saving straight away.
- I will not be able to aggregate any deferred benefits if I rejoin the LGPS later.

☐ **I have read and agree to the declaration above**

SIGNATURE tap or click the box to sign

Sign here

OR TYPE YOUR FULL NAME if you can't sign above

DATE DD/MM/YYYY

For official use only (employer)

It is the employer's responsibility to comply with Auto-Enrolment Regulations and to refund contributions through payroll if the member has less than 3 months' membership, or to send a termination notice to Gwynedd Pension Fund if the member has 3 months' membership or more. **A copy of this completed form must be sent to Gwynedd Pension Fund.** Keep the original for your records.

Under 3 months' membership		3 months or more	
Form received		Form received	
Started paying pension		Started paying pension	
Contributions stopped		Contributions stopped	
Contributions refunded		Termination notice sent	