

**RETURN ALL FOUR PAGES OF THIS FORM TO YOUR EMPLOYER  
(Not to Norfolk Pension Fund)**

## Opting out of the Local Government Pension Scheme

The Local Government Pension Scheme (LGPS) is one of the best occupational pension schemes in the UK allowing you to save while you are working in order to enjoy a pension once you retire.

It's all too easy to think by opting out of your pension scheme, you've found an easy way of saving money, particularly when your finances are being stretched. However, Opting out won't save you as much in take home pay as you might 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.

The **50/50 section** allows you to reduce your scheme contributions by half and in return receive half the pension amount. You will still be eligible for full life cover for both yourself and your dependents. Please read the guide 'Do I Really Want to Opt Out?' for further details.

If you want to opt for the 50/50 section please complete **form SR106** and return to your employer.

Whatever your reasons for considering opting out of the scheme, you must 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](http://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.

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### Notes for Employer/Payroll

1. Options to Opt Out of the LGPS must only be accepted if this form is fully completed and signed by the employee. **No other form of election can be substituted.**
2. All four pages of this form must be returned to Norfolk Pension Fund with completed form SR88 by the employer. (See our Employer Handbook for more details.)
3. If this form is received incomplete or without the authorised SR88 it will be returned



Norfolk Pension Fund

LOCAL GOVERNMENT PENSION SCHEME

Notice to Opt Out of Pension Saving

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Please read the Guide “Do I really want to opt out of the LGPS?” before filling in this form.

**Section A – Personal Details**

Full Name

Date of Birth

NI Number

Address

Postcode

Telephone

**Section B – Employer/post details**

Employer

Department /Workplace

Job Title

Hours Per Week

Payroll No

Date Started Job

**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 at [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk).

If you change your mind, you may be able to opt back in. Please contact your employer if you want to do this.

**SIGN THE DECLARATION ON PAGE 3  
RETURN ALL FOUR PAGES OF THIS FORM TO YOUR EMPLOYER  
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**Declaration:**

I declare by opting out of the Local Government Pension Scheme (LGPS) I am knowingly giving up the opportunity to be a member in the LGPS which would provide a guaranteed package of benefits which are backed by law including:

- **a secure pension** – payable for life, increases with the cost in living
- **tax-free cash** – the option to exchange part of my pension for some tax-free cash at retirement
- **life cover** – with a lump sum of three times my 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

And, once I've met the two years vesting period in the scheme:

- **voluntary early retirement** – from age 55 (the scheme's normal pension age is your State Pension Age)
- **serious ill-health cover** – if I have to retire due to a serious illness at whatever age 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

**Declaration**

I have read the above and the additional information in the attached leaflet "Do I really want to opt out of the LGPS?" and understand the choices I make now are important in planning for my retirement. **I confirm I wish to opt out of pension saving in the post(s) I have indicated on this form.**

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

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

I understand I can remain in the LGPS by paying lower contributions in the 50/50 section, rather than opting out of the scheme completely, but I have chosen not to do so.

**Wet signature if paper copy otherwise input your email address in the 'Signed' box:**

**Signed****Date**

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

**If this form is not fully completed or returned in full (all 4 pages) it will not be accepted as a valid option out and will be sent back to you.**

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### **Opting out of the LGPS – What you need to know:**

1. Your employer cannot ask you or force you to opt out. If you are asked to opt out, you can tell The Pensions Regulator at [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk).
2. You cannot opt out of the LGPS before you have started the employment you wish to opt out of, or before your re-enrolment date, if you have opted out previously and are being automatically re-enrolled by your employer. If you sign and date the form before then it will be treated as an invalid opt out.
3. The completed opt out form should be returned to your employer's Payroll Section or Human Resource department. You must return all **four** pages of this form to your employer (not to Norfolk Pension Fund).
4. If you have another job, your other employer may also put you into pension saving, now or in the future. This notice only opts you out of the LGPS in relation to the employer and jobs you have named on this form. A separate notice must be filled in and given to any other employer you work for if you wish to opt out of pension saving with them. You will need to obtain the relevant option out form from the pension administrators of the scheme provided by the employer.
5. 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 already deducted from your pay. If you opt out after three months but before two years, have not bought a transfer into the LGPS from a scheme which does not permit a refund and do not already have a deferred benefit, or pension in payment, from the LGPS in England or Wales, you may be entitled to a refund (Norfolk Pension Fund will contact you).
6. If you opt out after completing two years membership 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 your State Pension Age (or on a reduced basis from age 55 at your choice).
7. If you decide to opt out of the LGPS and subsequently change your mind, you will be able to re-join the scheme provided you are under age 75 and you remain in a qualifying employment 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 automatically put you back into the LGPS approximately three years from the date they have to comply with the automatic enrolment provisions of the Pensions Act 2008. However, you will be able to opt out of the scheme again.
9. If you change employer you will normally be put back into pension saving straight away.

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