

PENSIONS



NORTHUMBERLAND PENSION FUND OPT OUT FORM

Data Protection Act

Under the Data Protection Act we are required to inform you that we hold information about you and notify you of the purpose for which the information is held.

We confirm that we will use your information for the administration and management of the pension scheme and, if appropriate, the payment of benefits in accordance with the scheme rules. In order to do so we will need to disclose your information to such professionals and other third parties that we have chosen to assist us in the administration of the scheme.

In addition, from time to time, it may be necessary to process what the Act describes as “sensitive information” about you. Should this be necessary we would process such data at your request or we will obtain your explicit consent.

You have the right to obtain a copy of your personal data (a fee may be charged for this in some circumstances) and to have inaccuracies corrected by writing to: Finance Department, Northumberland County Council, County Hall, Morpeth, NE61 2EF.

Notice to opt out of pension saving

IF YOU WANT TO OPT OUT OF THE LOCAL GOVERNMENT PENSION SCHEME I.E. TO OPT OUT OF PENSION SAVING FILL IN THIS FORM AND GIVE IT TO YOUR EMPLOYER'S PAYROLL OR HUMAN RESOURCES TEAM.

Your full name:

Your employer's name:

Your national insurance number:

Your assignment or payroll number:

Your date of birth:

I wish to opt out of the LGPS (i.e. to opt out of pension saving) in respect of the job relating to the assignment or payroll number above.

I understand that if I opt out I will lose the right to pension contributions from my employer. A brief description of the benefits available from the LGPS is shown overleaf, please read and consider this information.

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

Signed:

Date:

What you need to know

You must **not** complete this form before you start employment.

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.

If you change your mind you may be able to opt back in.

If you stay opted out your employer will normally put you back into pension saving in around 3 years.

If you change job your new employer will normally put you back into pension saving straight away.

If you have another job your other employer might also put you into pension saving, now or in the future. This notice only opts you out of pension saving with the employer you name above. A separate notice must be filled out and given to any other employer you work for if you wish to opt out of that pension saving as well.

As an alternative to opting out of the LGPS, you may wish to consider electing to join the 50/50 section of the scheme where you would pay half the contributions and earn half the pension for the period of membership in that section of the scheme. Further details are available from the Pension Section.

For Official Use Only

Date opt out input on payroll: Input by:

Date form copied and forwarded to Pensions: Signed:

The Local Government Pension Scheme – LGPS – Basic Scheme Information

Joining The Scheme

If you wish to opt back into the scheme an option to join form is available from your employer.

What Does It Cost?

The table below sets out the contribution rates payable. The rate you pay is determined by your annual rate of pay. Contributions will be calculated on your actual pensionable pay as defined within the scheme rules, this is normally your contractual pay and overtime – see main scheme guide for more information.

If you elect for the 50/50 section of the scheme you would pay half the rates listed below.

Band	Range	Contribution Rate
1	Earnings up to £13,500	5.5%
2	More than £13,500 to £21,000	5.8%
3	More than £21,000 to £34,000	6.5%
4	More than £34,000 to £43,000	6.8%
5	More than £43,000 to £60,000	8.5%
6	More than £60,000 to £85,000	9.9%
7	More than £85,000 to £100,000	10.5%
8	More than £100,000 to £150,000	11.4%
9	More than £150,000	12.5%

What pension do I earn?

To qualify for a pension you must normally have to complete 2 years scheme membership or more. Every year you will build up a pension at the rate of 1/49th of the amount of pensionable pay you receive in that year if you are in the main section or half this rate for any period you have elected to be in the 50/50 section – see the main scheme guide for more details.

Is There a lump sum option?

Within limits set by the tax authorities it is possible to exchange part of your pension for a lump sum at retirement– see main scheme guide for more details.

When are pensions paid?

Normal pension age in the LGPS is linked to your State Pension Age (with a minimum of age 65). You can however opt to take your pension from age 55 if you retire, a reduction would normally be applied to your pension if you retire before normal pension age. Your pension can be paid early if you are made redundant and have attained age 55. Early retirement or Flexible retirement may also be available from age 55 at your employers consent, a reduction may be applied to your pension. Your pension would be paid early, regardless of your age if you are required to retire on the grounds of certified permanent ill-health which would impact upon your ability to obtain gainful employment at a future date, in some ill-health cases additional pension may be awarded. To qualify for a permanent ill-health pension you must be certified as such by the Council's occupational health doctor. Please read the main scheme guide with regard to the conditions to be met and dates from which retirement benefits become due.

Death Benefits

The LGPS provides for a lump sum on death in service of 3 times annual pensionable pay from the day you join the Scheme. Where a person dies on pension a lump sum is due if the pension has been in payment for less than 10 years. The scheme also provides for the payment of a pension to a spouse, civil registered partner, or subject to certain qualifying conditions, an eligible cohabiting partner. Pensions may also be payable to dependent children. You can nominate who you would wish to receive any lump sum payable on death. Please read the main scheme guide for full detail and conditions for the payment of death benefits.

Tax Relief – Transfers – Paying additional contributions – Contribution Refunds

If you pay income tax, contributions to the LGPS attract tax relief. If you were previously a member of a pension scheme it may be possible to transfer those rights into the LGPS provided you elect to transfer within 12 months of joining and you are still in LGPS employment at the date of election. The scheme provides options to pay additional contributions to improve your pension benefits. Contribution refunds **cannot** be paid once you have been a Scheme member for 2 years or more. If you have been a scheme member for 2 years or more any pension earned would be deferred for payment at retirement age. All LGPS pensions are index linked to CPI inflation. On leaving before retirement age you would have the option to transfer your pension rights to an alternative pension scheme.

Employer Contributions

The average employer contributes in excess of 20% of pay into the Northumberland LGPS Pension Fund. Of this, on average 15% is to finance future pensions with the balance being a deficit repair contribution.

This information is provided for general guidance only and should not be relied on. These notes do not convey any rights upon the reader or any other person. LGPS rights will always be determined by the statutory regulations governing the scheme. For more information and a full scheme guide please contact the Pension Section, County Hall, Morpeth, NE61 2EF call 01670 623571

LOCAL GOVERNMENT PENSION SCHEME
08/04/14

NORTHUMBERLAND
Northumberland County Council

