

ABERDEEN CITY COUNCIL PENSION FUND
Local Government Pension Scheme Regulations 2008

OPT-OUT FORM: CANCELLATION OF MEMBERSHIP – EXPLANATORY NOTES

Please read the following notes carefully.

GENERAL INFORMATION

Before deciding whether to opt out of the Local Government Pension Scheme (LGPS) you should consider carefully the types and ranges of benefits provided by the Scheme. Detailed information is available in the Scheme Guide which, if you have not already received a copy, can be obtained from your employer or from the address below.

If you are satisfied that you do not wish your future employment to be pensionable under the Local Government Pension Regulations, and you are currently a member of the Scheme, you should complete the form attached and forward it **to your employer's Payroll Section** so that your pension contributions can be cancelled. Thereafter you will be required to pay the higher non-contracted-out rate of National Insurance.

EFFECTIVE DATE OF ELECTION

The election shall have effect from the date of election or, if no date is specified, from the first day of the pay period following that in which the opt-out form is received by your employer.

REJOINING THE LGPS

You can rejoin the LGPS at any time, so long as you have a contract of at least 3 months duration with a participating employer and are aged under 75. Further information can be obtained from:

Aberdeen City Council Pension Fund
AECC – 2nd Floor
Balgownie One
Conference Way
Bridge of Don
Aberdeen
AB23 8AQ

Telephone: 01224 814949

Email: pensions@accpf.org.uk

Website: www.accpf.org.uk

EXISTING LGPS PENSION RIGHTS – YOUR OPTIONS

As a current member opting out of LGPS membership, you must indicate on Section B of the opt-out form how you wish your existing pension rights to be treated. The options are as follows:

Option One

If at the date your contributions cease you have been a member of the scheme for less than two years, and you have not transferred in any prior membership of this or other pension schemes, you will be entitled to a refund of the contributions you have paid to the LGPS, less income tax and a premium paid to HM Revenue & Customs (HMRC) to establish pension rights in the State Earnings-Related Pension Scheme for the relevant period.

A refund is not available if:

- **you rejoin the LGPS within one month and one day of opting out.**
- **you have concurrent employments in the LGPS (Scotland) and have only left or opted out of one of those employments.**
- **you are in receipt of a pension or you have deferred benefits, a Pension Credit or a frozen refund in the LGPS (Scotland).**

If you claim a refund when you have existing benefits in the LGPS, you will lose your entitlement to those benefits.

If you request a refund of your pension contributions, as well as completing the opt-out form please also complete the attached bank mandate. All refunds of pension contributions will be made directly to a bank or building society account.

Option Two

In addition to the reasons above, if your scheme membership includes a period of transferred-in membership, regardless of length of total membership, a refund of contributions cannot be paid. You will be entitled to deferred benefits payable from normal retirement age. Deferred benefits are increased annually in line with the Retail Prices Index.

Option Three

If at the date of election your total membership of the LGPS amounts to two or more years, a refund of contributions cannot be paid. You will be entitled to deferred benefits payable from normal retirement age. Deferred benefits are increased annually in line with the Retail Prices Index.

Option Four

You may also be entitled to transfer all or part of your existing pension rights either to an individual pension arrangement or to a buy-out policy if you have an entitlement to deferred benefits.

Now remove and keep these notes. Complete Sections A, B and C on the next two pages. Then send Sections A – D to your employer so that they can stop your pension contributions as soon as possible.

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OPT-OUT FORM: CANCELLATION OF MEMBERSHIP

SECTION A – DECLARATION – to be completed by member

Full Name (Mr/Mrs/Miss/Ms):	<input type="text"/>		
Date of Birth:	<input type="text"/>	National Insurance No:	<input type="text"/>
Daytime Telephone No:	<input type="text"/>	Employer:	<input type="text"/>
Payroll Number:	<input type="text"/>	Unique Identifier: (if applicable)	<input type="text"/>

In the full knowledge of the conditions and potential benefits available to me as a member of the LGPS, and having read the explanatory notes accompanying this form, I elect to terminate my membership of the Scheme.

In making this election I acknowledge that, other than any rights, options and benefits which may have accrued to me in the Scheme prior to the effective date of this election, I will have no claim on the Scheme in respect of any period on or after the effective date of this election.

I certify that I do not have other pension rights in the LGPS in Scotland and therefore I am entitled to claim a refund of my pension contributions.

I acknowledge that if I make a false statement, any payment of a refund will mean that I cease to be entitled to any other pension benefits I have in the LGPS in Scotland and that I will have no further claim on the relevant Pension Fund, administering authority or employing authority in respect of those benefits.

I certify that I do have other pension rights in the LGPS in Scotland and therefore I am not entitled to a refund of my pension contributions.

Signed _____ Date _____

SECTION B: OPTIONS FOR EXISTING PENSION RIGHTS – to be completed by member

Please indicate your preferred option by ticking the appropriate box.

Option One:

I have less than two years Scheme membership and wish to receive a refund of my contributions. (NB: This will not be available until one month and two days after date of election. Please complete bank mandate overleaf.)

Option Two:

I have less than two years Scheme membership but I am not eligible to receive a refund as I am still participating in the LGPS in another employment, or I have existing benefits in the LGPS, or my Scheme membership includes transferred-in membership. I therefore wish to preserve and defer my existing rights.

Option Three:

I have two or more years existing membership of the Scheme and wish to preserve and defer my existing rights.

Option Four:

I wish to transfer my existing rights to another pension scheme. I will inform my new pension provider that I have benefits to transfer.

SECTION C: Bank mandate – to be completed by member

Name of Account Holder

Name of Bank / Building Society

Branch

Sort Code --

Account Number

Building Society Reference Number

If you have any questions or concerns about completing this form, please contact the Pension Fund or your bank or building society for advice.

Signature _____ Date _____

Address _____

Now return Sections A – D to your employer immediately so that your pension contributions can be cancelled.

SECTION D: INFORMATION FROM EMPLOYER – to be completed by employer

Note to Payroll Section:

Please check the employee's details in Section A and complete the form below. An election to leave the Scheme will have effect from the date specified, or, if no date is specified, from the first date of the pay period following that in which the notice of election was received by you.

Effective date of election, i.e. the day after contributions ceased

Pension Contributions

Employee's pension contributions in year of opting out

Employee's pension contributions in year before opting out

Hourly rate of pay at effective date of election

CONTRACTED-OUT EARNINGS:
(total of columns 1b and 1c in HMRC form P14)

Year of Opting Out £

Year before Opting Out £

Part-time Employees:

Hours worked:

with effect from:

NI Contrib. Table Letter

EMPLOYEES WITH TWO OR MORE YEARS SERVICE

(Complete as for PEN 2 Notice of Cessation – see Appendix A in Administration Guide for Employers)

RELEVANT PERIOD (See LGPS Benefits Reg. 9 – Final pay)			RATE OF PAY		AMOUNT PAID (FTE) (No of days/365) x Annual Rate
Date from	Date to	No. of days	Hourly Rate (R)	Annual Rate (R x FTE hours x WPY)	
ALLOWANCES: (See LGPS Benefits Reg. 5 - Meaning of pensionable pay)					
TOTALS		365			

I have checked the employee's details overleaf and have from the effective date of election taken appropriate action regarding pension and National Insurance contributions.

Signed: _____

Position: _____

Date: _____

Please forward completed form, duly signed, to: **Aberdeen City Council Pension Fund, Pensions Section, AECC – 2nd Floor, Balgownie One, Conference Way, Bridge of Don, Aberdeen, AB23 8AQ** within 14 days of date of change.