



Opting out of the Local Government Pension Scheme in England or Wales - Notice to opt out of pension saving

The Local Government Pension Scheme (LGPS) allows you to save while you are working in order to enjoy a pension once you retire. What's more the LGPS is provided by your employer who meets a large part of the cost of providing the excellent range of secure benefits, so it's an extremely valuable and important part of your employment package.

You might be thinking of opting out of the LGPS for a variety of reasons. Whatever the reason, it's worth taking some time to look at the benefits you could be giving up. A brief summary of these is included in the "Declaration" section of this form.

Opting out won't save you as much in take home pay as you may think. In most cases, you will pay more tax and National Insurance if you opt out of the LGPS. A basic rate tax payer paying pension contributions of £100 a month will pay £20 more tax and their NI will go up by about the same if they opt out.

Further information about the cost and benefits of being a member of the LGPS can be found at www.lgps.org.uk or you can call Durham County Council's pension helpline on 0191 3836500.

Although changes to the LGPS are planned for 2014 (for details see the national LGPS web site at www.lgps.org.uk) please remember that the LGPS is, and will continue to be, one of the best occupational pension schemes in the UK.

Whatever your reasons for considering opting out of the scheme, please 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

Equally, no one can force you to remain a member of the scheme but, if you choose not to be a member, you should understand the implications both for you and your dependants.