

Powys County Council Pension Fund

Local Government Pension Scheme

Election to Temporary Reduce LGPS Contributions

As a member of the Local Government Pension Scheme (LGPS), you can elect to pay half of your normal contribution and build up 50% of your normal pension during this time. This is known as the **50/50 Section**. However, if you do elect to enter the 50/50 Section, your life cover lump sum death benefit (death grant) and ill health retirement benefits under the LGPS 2014 will NOT be affected.

Please read the notes overleaf carefully before making your Election to temporarily reduce your contributions and move to the 50/50 Section. To proceed with your election, you will need to complete this form and **RETURN IT TO YOUR EMPLOYER.**

<u>PERSONAL DETAILS</u>			
Title:		Full Name:	
Home Address:			
		Post Code:	
Tel Number:		Date of Birth:	
Email:		NI Number:	
Marital / Civil Status:	Single / Married / in a Civil Partnership / Divorced / Widowed / Surviving Civil Partner / Cohabiting		
Employer			
Job Title:			
Pay Number:			
<u>DECLARATION</u>			
I understand that I will pay half my normal contribution to build up half my normal pension during this time. I can revert back into the 'Main Section' of the Scheme at anytime by informing my Employer in writing. I will then start to build up full benefits from the next available pay period. Under automatic enrolment provisions under the Pensions Act 2008, your employer may automatically enrol you back into the Main Section of the LGPS and at certain other times. Your employer must notify you if this happens. You would then have the right to opt back into the 50/50 Section or out of the LGPS.			
Having read the above information and the notes of guidance overleaf, I wish to join the 50/50 Section of the LGPS from the next available pay period. I will return this Election Form to my Employer.			
*Signed		Date	
*This form should ONLY be signed and dated following the commencement of your employment in the post from which you wish to reduce your contributions. If signed and dated before your commencement date, this form will become INVALID .			
For Official Use:			
<i>Actioned by Payroll:</i>	<i>Initials:</i>	<i>Date:</i>	

NOTES OF GUIDANCE**PLEASE READ CAREFULLY BEFORE MAKING YOUR ELECTION****How does the 50/50 Option work?**

There are two sections in the Local Government Pension Scheme (LGPS) 2014. There is the normal element, known as the '**Main Section**' and there is the '**50/50 Section**'. The Main Section is where you pay normal contributions and receive the normal pension build up, whereas under the 50/50 Section, you have the option pay half your normal contribution to build up half your normal pension during this time. Regardless of whether you are contributing under the Main Section or the 50/50 Section, you will gain full life assurance cover whilst a member of the Scheme.

You can elect to move between the Main Section and the 50/50 Section at any time. An election to do so must be made in writing via the completion of this form, which must be returned to your **Employer**. The completion of this form will act as your election to enter the 50/50 Section. In order to re-enter the Main Section, you will need to request another form from your Employer. If you contribute to the LGPS under more than one post, you can elect for the 50/50 option in one, some or all your employments.

How long can I contribute under the 50/50 Section?

The 50/50 Section is designed to be a short term option during periods of financial hardship. Your employer is required to re-enrol you back into the Main Section of the scheme in line with your Employer's Automatic Re-enrolment date. Your Employer will notify you when this is due to take place. If you then wish to continue in the 50/50 Section, you will need to make another election. For further information on this, please contact your Employer.

If you enter a period of 'No Pay' due to sickness or injury, you will re-enter the Main Section of the scheme on the first day of the next available pay period following your return to work. To continue in the 50/50 Section, you will need to make another election.

You can choose to revert back to the Main Section at any time by informing your Employer, via the completion of the appropriate Election Form. You would then start to build up full benefits in the Main section from the next available pay period.

How will my pension compare under the 50/50 Section?

EXAMPLE (based on an annual pensionable pay of £18,000)		
	MAIN SECTION	50/50 SECTION
Annual Gross Contribution:	£1,044 (5.8%)	£522 (2.9%)
Annual Pension Build Up:	£367.35 (1/49 th)	£183.67 (1/98 th)
Life Assurance Cover:	£54,000 (3 x £18,000)	£54,000 (3 x £18,000)

Will the 50/50 Option affect the 'additional contributions' that I am currently paying?

If you are paying additional contributions or considering paying additional contributions in the future, please contact the **Pensions Section** to find out more as to how the 50/50 Section may impact on this.

Can my Employer ask me or force me to elect to join the 50/50 Section?

Your Employer CANNOT ask you or force you to elect to join the 50/50 Section of the Scheme. However, if this is the case, you can inform the Pensions Regulator by visiting their website: www.thepensionsregulator.gov.uk

Please return the completed form to your employer

Please see our website www.powypensionfund.org for more information or contact us at pensions@powys.gov.uk