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| **Sample contents and employee election form July 2013**  |
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**Local Government Pension Scheme** **Regulations 2007 (Benefit, membership and contributions)**

**Re: Reduction in Pay Grade**

The LGPS, your pension scheme is a final salary pension scheme, this means that your pension is calculated using the best ‘pensionable pay’ from one of your last 3 years in the scheme.

Your pay grade reduced / will reduce with effect from     .

**Regulation 10**

Regulation 10 from the 2007 LGPS regulations, can give your future pension benefits some protection against your reduction in pay. If you leave employment within 10 years of reduction in pay (as above)      , you can choose your Final Pay to be the average pensionable pay for any 3 consecutive years in the last 13 years. These years will always be ending 31 March.

It will be your choice to use this protection, but to do so you **must** complete and return the attached form to Pension Services **at least one month before leaving the scheme** asking to:

* Calculate your Final Pay under regulation 10 and
* Confirm the 3 consecutive years’ pay you wish to use for your ‘final pay’.

For more information about your pensionable pay in previous years, you should contact

(Payroll department)

There is further information about the terms (such as final pay and pensionable pay) used in this letter in the current member’s guide on the Pension Services website [www.oxfordshire.gov.uk/pensions](http://www.oxfordshire.gov.uk/pensions) You can also contact Pension Services for more information about this election and what it may effect, while in this employment.

‘Final pay’ details are used to calculate your benefits when you leave your job, even if you do not at that time have an entitlement to an immediate payment

We ( xxx name of employer ) will retain details about your pay to enable any future election, if you choose to make one, to be fully supported by the correct and appropriate information**.**

I enclose the employee guide / Please see the pension’s website for the employee guide to effects on your pension after a reduction in pay. <http://www.oxfordshire.gov.uk/cms/content/current-members-guide-lgps>

There will be new pension arrangements for the LGPS from April 2014, however anyone in the scheme before April will keep their links to the final salary arrangements for their membership before the new scheme comes in.

If you leave your job after 10 years from the reduction in pay, any election you may have made will not be valid.

If you leave within 3 years of the reduction in pay, your benefit should be based automatically in the best year’s pay from the last three.

If you are dissatisfied by a decision made concerning your pension you will have a right of appeal. However you must lodge a complaint within specific time limits. Contact your employer, Pension Services or the website for more details.

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Reduction in Pay Election Form (Regulation 10)

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| --- | --- |
| Name  |       |
|  |  |
| National Insurance Number: |       |

|  |  |
| --- | --- |
| Job Title: |       |
|  |  |
| Name of employer: |       |

|  |  |
| --- | --- |
| Date of Pay Reduction: |       |

I wish to use Regulation 10 for the purpose of calculating the final pay of the job named above. The 3 consecutive years ending on 31 March I wish to use are:

Year 1……………………….

Year 2……………………….

Year 3……………………….

I confirm and understand;

* This election is only valid if I leave this job within 10 years of the pay reduction
* This election must be received by Pension Services at least one month prior to my leaving date.
* I have informed my employer

Signed:……………………………………. Date………………………………….

Please return completed and signed forms to: Pension Services, Oxfordshire County Council, Unipart House, Garsington Road, Oxford, OX4 2GQ.

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