

Worcestershire Pension Fund: guidance notes for completing a Leavers form dated 15 02 2023

A Leavers form is usually needed when an employee ceases Local Government Pension Scheme (LGPS) membership.

If a member has multiple employments, a separate form must be completed for each employment.

Please complete all the fields on the form, so that we can identify the member, the post that is ceasing, have been supplied with the details of the member's pay and advised of the type of benefits that we are being asked to process.

REASON FOR LEAVING LGPS: which box to tick

Voluntary resignation – appropriate if the member has resigned but will not be receiving or transferring their pension benefits when they leave your employment.

Opt out – appropriate if a member opts out 3 months or later after joining. In these cases we also require the member's Opt out form. Note: if the member opts out within 3 months of joining, a refund must be paid through their employer's payroll, and we don't require a Leavers form.

Transfer- appropriate if the member's benefits are being transferred to another pension scheme. Note: please indicate whether this is a TUPE transfer and confirm where the member is transferring to.

Dismissal – appropriate if the employer has decided to terminate the member's contract of employment on grounds other than ill health.

Ill health – appropriate if the member is being dismissed on ill health grounds. Note: please indicate which tier has been agreed and attach a copy of the ill health certificate.

Flexible retirement – appropriate if the employer has agreed with the member for them to access their pension but remain in work on a change of employment conditions (pay / hours) in accordance with the employer's flexible retirement policy. Please indicate whether you are waiving the reductions and note that, if this is the case, any actuarial strain cost will be sent to you.

Age 60+ - appropriate if the member is age 60 or over and is retiring of their own choice – please also indicate whether any reductions are to be waived (and note that, if this is the case, this will incur an actuarial strain cost to the employer).

Age 55-59 – appropriate if the member is age 55 to 59, is retiring of their own choice and wishes to receive immediate payment of their benefits. Please indicate whether any reductions are to be waived (and note that, if this is the case, this will incur an actuarial strain cost to the employer).

Redundancy / Efficiency – these types of retirement are appropriate only if the member is 55 or over, as at lower ages the member is not entitled to immediate payment of benefits. Note: any actuarial strain cost will be sent to you.

Death in service – please enclose full details of next of kin, and copies of any death or marriage certificates if available.

Section 1 - pension contributions and contracted-out earnings

Please complete the pension contributions in all cases. Contracted out earnings for the year of leaving, and the previous year are only required for leavers leaving before 05 04 2016.

Section 2 – Confirmation of current hours – please confirm any changes in hours, and, if applicable, the term time percentage.

Section 3 - Final year's pay – Full-time equivalent (FTE) pensionable pay

If the member has benefits built up in the LGPS **before 1 April 2014**, they will have a 'final salary' link to an element of their pension, and, as you may not know if this is the case, you must provide the Fund with details of their FTE pensionable pay in the last 12 months up to the date of leaving.

FTE pensionable pay is based on the 2008 definition of pay, see the HR and Payroll guides at: <http://www.lgpsregs.org/resources/guidesetc.php>

FTE pensionable pay, if a member worked **part time or term time**, needs to be the full time equivalent, but reduced for term time.

Please include any pensionable allowances paid, for example honorarium, contractual overtime, and confirm what this is in respect of. Please only include allowances that were pensionable under the 2008 Regulations, i.e. don't include **non-contractual overtime**, which is only pensionable under the 2014 CARE scheme. **Please do not include any term time adjustment payment made to the member on leaving.**

If the member has received a reduction or restriction in their FTE pensionable pay in the 10 years prior to leaving, please provide either:

- The previous 2 years' FTE pensionable pay if the reduction occurred in the last 3 years (based on the anniversary of the leaving date).
- 13 years of FTE pensionable pay figures, as of 31st March of each year, if the reduction occurred in the 10 years prior to leaving.

Section 4 – CARE PAY

These figures are based on ACTUAL PAY and **not** full-time equivalent see the HR and Payroll guides at: <http://www.lgpsregs.org/resources/guidesetc.php>

This is required for service accrued **from 01 04 2014 onwards**.

This is the total pensionable pay the member has received in the year they leave from 1st April to their date of leaving, and the previous year.

Any Assumed Pensionable Pay (APP) they are entitled to, for example if they have been off sick or on maternity (but not the unpaid period of maternity leave), should be included in the total pay (please tick the relevant box if APP is included). APP is calculated based on 12 complete weeks / 3 months prior to the start of the relevant period after removing any payments that are not payable every period. This is then grossed up to an annual figure, and any regular lump sums can then be added back in, if applicable.

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