

Factsheet



Auto Enrolment



Photo taken in Devon by Roy Riley



Automatic Enrolment

For members of the Local Government Pension Scheme

What is Automatic Enrolment?

Automatic enrolment is a Government initiative to help more people save for later life through a pension scheme at work. It requires employers to automatically enrol their eligible workers into a pension scheme. The employer must also pay money into the scheme. Automatic enrolment is being rolled out in stages, across all employers. It started with the larger employers first, but, by February 2018 all existing employers will be required to offer a workplace pension scheme to eligible workers.

Who will be automatically enrolled?

For the purpose of automatic enrolment employees are put into three different categories depending on how much they earn and their age. The categories are:

- **eligible jobholders**
- **non-eligible jobholders**, and
- **entitled workers**.

To find out what type of employee you are, visit the [automatic enrolment](#) pages on the LGPS site.

When will I be automatically enrolled?

If you are a new employee who is eligible to join the LGPS, you will be entered into the scheme when you start (if you are under age 75 and have a contract of employment for three months or more).

If you then opt out, your employer will be required to re-enrol you into the LGPS approximately every three years on a set re-enrolment date, if you are an eligible jobholder. If you were either a non-eligible jobholder or an entitled worker when you opted out of the LGPS your employer will be required to put you back into the scheme the first time you become an eligible jobholder.

Who won't be automatically enrolled?

Your employer may choose not to automatically enrol you if:

- you opt out of the LGPS within 12 months of the date you are due to be automatically enrolled,
- you have given notice of your resignation or retirement, or you been given notice of dismissal,
- your employer believes that you hold a lifetime allowance protection, such as Primary, Enhanced or Fixed Protection (see the section [tax controls & pensions](#) for further information about these protections),
- you have received a winding up lump sum in the previous 12 months.

Can I choose to join the LGPS?

You can choose to join the LGPS at any time whether you are an eligible jobholder or not. To be able to join the LGPS you need to be under age 75 and work for an employer that offers membership of the scheme.

If you are employed by a designated body, such as a town or parish council, or by a non-local government organisation which participates in the LGPS (an admission body), you can only join if your employer nominates you for membership of the scheme.

Police officers, operational firefighters and, in general, teachers and employees eligible to join another statutory pension scheme (such as the NHS Pension Scheme) are not allowed to join the LGPS.

If you start a job in which you are eligible for membership of the LGPS you will be brought into the scheme, unless your contract of employment is for less than 3 months in which case you can opt to join by completing our [opting in form](#) and returning it to your payroll provider to action.

If you are not brought into the scheme automatically – or you are already employed and wish to opt-in to the scheme at a later date – you can do so by completing our [opting-in form](#).

How do I leave the LGPS?

The LGPS is, and continues to be, one of the best occupational pension schemes in the UK. Whatever your reasons for considering opting out of the scheme, we ask that you give this matter careful consideration before making a final decision.

You may wish to take financial advice before deciding 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 elect not to be a member, you should understand the implications both for you and your dependants.

As an alternative to opting-out of the Local Government Pension Scheme (LGPS), there is an option to pay half the pension contributions – this is called [50/50](#). If you choose 50/50 you will pay half of the normal full pension contributions. Pension accrual rate will be 1/98th instead of 1/49th, but ill health, death and survivors' benefits remain the same.

If you decide you still want to opt out of the LGPS then you will need to fill out the [Opt out form](#).