



HEREFORD & WORCESTER
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FIRE AND RESCUE SERVICE



OPTING OUT OF THE PENSION SCHEME

It may be beneficial to seek independent financial advice if you are thinking of opting out of the Firefighters' Pension Scheme 2015. You would save the cost of your contributions but would probably pay more by way of tax (contributions attract tax relief) and you and your dependents would not have the cover provided by the scheme.

Please ensure you read the information below and consider your position carefully before deciding to opt out of the FPS2015. It:

- Is a CARE occupational pension specially designed for firefighters and which offers a guaranteed level of retirement benefits to its members. Contributions to the scheme attract tax relief.
- Provides early payment of benefits in the event of retirement on the grounds of permanent ill-health. If the ill-health prevents any further regular employment the benefits would normally be enhanced.
- Provides early payment of benefits in the event of the Fire Authority terminating employment at the age of 55 or over in the interest of the management of the service.
- Allows early payment of actuarially reduced benefits to a person aged 55 or over who elects for a member initiated early retirement pension.
- Provides death benefits for a surviving spouse, civil partner, nominated partner and/or children, plus a death in service lump sum death grant of three times actual pensionable pay.
- Is a public service pension scheme which allows inflation proofing of pension



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fully in line with the Consumer Price Index (Average Weekly Earnings in the case of active members).

- Is a pension scheme towards which your employer pays contributions

If you are currently a member of the FPS2015, by completing and returning this form you are giving notice that you wish to leave the scheme and you will cease to be a member with effect from the start of the following pay period.

This form can also be used by those who are already firefighters, and FPS2006 members (or members of the 1992 scheme) but who are undertaking additional firefighting duties that they do not wish to be treated as pensionable. For example, if you are a regular firefighter who also undertakes duties on call (retained) duties and wish to opt out in respect of the on call duties only, you should tick the 'retained firefighter' box on page 4. You would then remain in the scheme as a regular firefighter, but not a member in respect of the retained duties.

What You Need to Know

- Your employer cannot ask you, encourage or force you to opt out
- If you are asked, encouraged or forced to opt out, you can tell the Pensions Regulator – see www.tpr.gov.uk
- If you change your mind, you may be able to opt back in – write to your employer if you wish to do this.
- If you stay opted out, your employer will automatically enroll you back into a pension scheme in accordance with the Pensions Act 2008, this is usually in 3 years, unless you become an eligible member
- If you change your job, your other employer might also put you into pension saving, now or in the future. This notice only allows you to opt out of pension saving with Hereford and Worcester Fire Authority. A separate notice must be filled out and given to any other employer you work for, if you wish to opt out



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of that employer's pension saving as well.

What happens if you were a member of the FPS2015 and you opt out?

If you have paid contributions into the FPS2015, you may have built up entitlement to pension rights. What will happen to them?

This will normally depend upon your length of membership, and you could have a choice. The various options are set out below. Consider which you would like and then complete page 5 (if applicable) to let Hereford and Worcester Fire Authority know your preference and return it with your declaration.

A. Return of contributions from the Firefighters' Pension Scheme 2015

Eligibility: You must:

- Have been a member of the FPS 2015 for less than 3 months
- Not have attained normal retirement age (age 60)
- Not have had a transfer of pension rights from a personal pension scheme into the FPS 2015
- Not currently be a member of the FPS 2015 in any other employment elsewhere
- Not have received a previous payment from the FPS 2015 by way of payment of benefits
- Not have deferred FPS 2015 benefits held by any Fire and Rescue Authority
- Not have had a transfer of previous FPS 2015 pension rights to an overseas pension

Note: The refund paid would be the total of contributions you have paid in the employment, less a tax deduction in accordance with the Finance Act 2004 – usually 20%.



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B. Transfer of pension rights to another pension arrangement

Eligibility: You must:

- Have been a member of the FPS 2015 for at least 3 months, or, if less, have had a transfer of pension rights from a personal pension scheme into the FPS 2015 and not have reached age 59

Note: If you ask for a transfer to be investigated, a transfer value would be offered to your other pension arrangement. They should then tell you how much it would be worth in that arrangement. Hereford and Worcester Fire Authority Pension Fund would only make the payment when you confirm that you wish the transfer to proceed

C. Benefits

Eligibility: You must:

- Have been a member of the FPS 2015 for 3 months or more, or if less, have had a transfer of pension rights from a personal pension scheme into the FPS 2015

Note: If you elect for deferred benefits, these could be converted at some later time to a transfer value to another pension scheme if you wish.

If you do decide to go ahead with opting out of the pension scheme, please contact Sharon Lewis (slewis3@worcestershire.gov.uk) for an opt out form