

## Notes on completing the TERM2014 form

### Notification of Termination of Local Government Pension Scheme (LGPS) Membership – Main Section of the Scheme

Form TERM2014 should be completed for employees who are leaving the LGPS. An employee may leave the LGPS for one of the following reasons:

- Leaving employment (the reason for leaving can include resignation, dismissal, retirement, redundancy, death in service).
- The employee has opted out of the pension scheme
- The employee is moving to a new role which is not eligible for the LGPS – e.g. in a school, they may be transferring from a support staff role to a teaching role.

Please note that TERM2014 is to be used for employees who have contributed to the main section of the LGPS only, in the financial year in which they leave the scheme. If the employee, in the financial year in which they leave the LGPS, has contributed to the 50/50 section of the scheme, or to both the 50/50 section and the main section of the scheme, then TERM50/50 should be completed.

The form needs to be sent to Bedfordshire Pension Fund automatically as soon as possible after the employee leaves the LGPS. It should be sent no later than within the first two weeks of the month following the month in which the employee left the LGPS.

If you have a large number of employees leaving the LGPS on a monthly basis, you can choose to complete a spreadsheet with the relevant information rather than complete individual forms for each leaver – please call 01234 276154 if you want to look into this option.

### Completing the form

**Sections 1 – 4:** Please complete these sections with the employee's personal details. The job title and payroll number will help Bedfordshire Pension Fund to match the termination form to the correct record if the employee has more than one job. If an employee is leaving the scheme in more than one employment then a separate form needs to be completed for each job.

**Section 5:** This should be the last date that the employee was a member of the LGPS. If the employee has chosen to opt out of the pension scheme but has remained in employment, then the date should be the date pension contributions have been paid up to, usually the last day of a month.

**Section 6:** Please enter the employee's reason for leaving the scheme – opting out, resignation from post, redundancy, retirement etc.

**Section 7:** Please enter the employee's working hours as at the date they left the LGPS. If the employee is a term-time employee, please enter their hours per week and weeks per year (including annual leave). You can show the hours in full or write it as a part time percentage – for example, for a term-time employee who works 25 hours a week and their weeks per year are 45.2, you can express this as  $25/37 \times 45.2/52.1428^*$  or as 58.57%

\*or 52 or 52.14 weeks, depending on which formula is used by your authority.

**Section 8:** The figure needed here is called 'final pay' and is a full-time equivalent pay figure i.e. if the employee was part-time this figure should reflect the pensionable pay the employee would have received if they had been a full-time employee.

The figure is the full-time equivalent pensionable salary the employee received in the last 12 months before their date of leaving the scheme – e.g. if they left on 31/08/2021 then the pay figure for the period 01/09/2020 to 31/08/2021 should be provided.

Please note that if the full-time equivalent pensionable pay figure for the last 12 months is not the highest pay in the last three years then the best figure in the employee's last three years of membership should be used. Using the example of a person who leaves on 31/08/2021, you should check the periods 01/09/2018 to 31/08/2019 and 01/09/2019 to 31/08/2020 to see if the pensionable pay for either of these periods was higher. If you have entered a pay figure from a year other than the final year, please give details in Section 17 of which year has been used.

The full-time equivalent pensionable pay figure should not be reduced if the employee has had periods of reduced or no pay and should reflect the pay they would have received if they had been on full pay.

The figure should not include any non-contractual overtime payments, as the final pay in Section 8 is for calculating the value of the employee's pre 01/04/2014 benefits and is

based on the 2008 definition of pensionable pay, which can be found on the [lgpsregs.org website](https://www.lgpsregs.org)

Bedfordshire Pension Fund has an Excel spreadsheet which can be used to help calculate final pay – please contact [pensions@bedford.gov.uk](mailto:pensions@bedford.gov.uk) if you would like a copy of this spreadsheet.

**Section 9:** Please enter the cumulative pensionable pay the employee has received in the financial year in which the date of leaving falls e.g. if the employee left the scheme on 31/08/2021 the pay figure entered in this section should be the pay received between 01/04/2021 and 31/08/2021. If the employee is part-time the figure should be the actual pay received. If the employee has had any periods of reduced or no pay due to sickness or child related leave (not including unpaid additional maternity leave) the pensionable pay figure should include any Assumed Pensionable Pay (APP) which has been calculated – please see the [payroll guide at lgpsregs.org](https://www.lgpsregs.org) for more information on APP.

**Section 10:** Please indicate if the figure in section 9 includes any APP as this will help Bedfordshire Pension Fund with the reconciliation of pension contributions against pay and may resolve queries. Please give brief details for the reason for the APP (e.g. sickness, maternity leave etc) in section 17.

**Section 11:** Please provide the employee's contribution rate at date of leaving the scheme. This must be a valid LGPS main scheme contribution rate. If the employee has had changes in contribution rate in the financial year in which they leave the scheme, please make a note of this in section 17.

**Section 12:** Please provide the amount of contributions the employee paid in the financial year in which they left the scheme. For example, if the employee leaves the scheme on 31/08/2021, the contributions shown in section 12 should be for the period 01/04/2021 to 31/08/2021. The figure should be the employee's basic contributions only and should not include any contributions paid towards added years, Additional Pension Contributions contracts, Additional Regular Contributions contracts or Additional Voluntary Contributions.

**Section 13:** Please provide the amount of additional pension contributions the employee has paid, if applicable, in the financial year in which they leave the scheme.

**Section 14:** Please provide the requested National Insurance information.

**Section 15:** If the employee has left the scheme because they have left their employment, please provide details of the new employer, if known/applicable.

**Section 16:** Correspondence regarding the employee's pension benefits will be sent by Bedfordshire Pension Fund to the address provided in this section.

**Section 17:** Please use this section to add any additional relevant information