

Pension Bulletin - 11

Automatic enrolment Safeguarding Provisions & Opt Outs

Key Points:

- From July 2012 the Safeguarding provisions of the automatic enrolment legislation become effective, introducing new duties for employers.
- These duties include the prevention of inducement to opt out.
- As part of our ongoing process review the LGSS opt out forms have now changed – use form OPT01.
- However NCC employers can continue to issue the old style opt out forms (LGP1D) that are integrated in Member Packs until the ‘new member’ process is reviewed and new member packs/forms issued.

Further Detail:

The new Safeguarding duties for employers are effective from July 2012 irrespective of an employer’s automatic enrolment staging date. Full details of these duties can be found on the Pensions Regulator website:

<http://www.thepensionsregulator.gov.uk/docs/pensions-reform-safeguarding-individuals-v3.pdf>

It is clear that from an employer’s staging date an opt out form can no longer be supplied directly by an employer, but instead must be obtained from the Pensions Fund.

The Safeguarding guidance does not specify whether opt out forms can no longer be supplied directly by employers from the earlier effective date of the Safeguarding provisions. It is the Pensions Regulator view that each employer should decide whether they believe such action would constitute inducement to opt out.

Employers therefore need to decide, particularly for the recruitment process:

- Do you continue to send out an Opt out form (currently the new OPT01 for CCC employees and the integrated LGP1D for NCC employees)

Or

- Do you refer the member to the Pensions Service or the LGSS Pensions website

Our contact details are:


- Website: www.cambridgeshire.gov.uk/lgps (new joint website is in development)
- Cambridgeshire Pension Fund - 01223 715445
- Northamptonshire Pension Fund - 01604 366537

Should you choose the latter Northamptonshire Pensions Fund employers would need to remove the integrated Opt out forms (LGP1D) from existing Member Packs.


Please note that whatever your course of action, going forward the Pensions Service will need to have sight of ALL actioned opt out forms. This is part of the automatic enrolment procedure and enables us to monitor opt out trends across both Funds.

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