

Member factsheet

The 50/50 section

What is it?

It's a way to pay half your standard pension contributions for a while and stay in the pension scheme. But you get half the standard pension for those contributions.

What's good about 50/50?

if you really need to spend your money on other things for a while, you can reduce your pension contributions and stay in the pension scheme.

That's important because even though you pay just half the contributions in the 50/50 section of the pension scheme, you're still building up a pension, and still getting the **full protection** of the pension scheme's generous death benefits for your loved ones. So you can be confident that your husband or wife, civil partner, or cohabiting partner and eligible children are fully protected while you're in the 50/50 section.

And the downside?

The obvious downside to 50/50 is that if you pay half in, you only get half out.

Even so, it might be right for you – for a while. But you should bear in mind that it will soon start to make a hole in your future pension. That's why, when you go 50/50, your employer has to put you back into the main scheme on full contributions at least every three years. There's nothing to stop you going 50/50 again straightaway when this happens, but before you do, think about what you want from your pension and your retirement.

Turn the page to see what difference it makes.

How much do I pay and how much will I get?

So you can see what difference being on 50/50 makes, here's what you'd pay in for one year and what you'd get back if your yearly pay was £20,000.

	In the main scheme paying full contributions	50/50
One year's pension contributions on £20,000 pay ▶	£928	£464
How much pension you get for that ▶	£408.16 a year for life	£204.08 a year for life
How long it takes to get your contributions back ▶	2 years 100 days	
Gross contribution rate ▶	5.8%	2.9%
Equivalent contribution rate after tax relief ▶	4.64%	2.32%

What if I'm off sick and on 50/50?

If you're sick and getting full or half pay, you'll stay in the 50/50 section. If you're still sick when your pay stops, it's good to know that your employer will put you back into the main part of the scheme, and we'll work out your pension for that time just as we would if you'd paid **full contributions**.

What if I'm paying extra?

- You can start paying, or continue paying additional pension contributions (**APCs**) to cover a period when you were absent or on strike. But you'll have to stop paying APCs if you're buying additional pension with them.
- If you're paying shared-cost APCs (**SCAPCs**) or shared-cost AVCs (**SCAVCs**) you can continue paying.
- You can start paying additional voluntary contributions (**AVCs**) whenever you like, as usual.

How do I go 50/50?

Ask your employer for a **50/50** form, fill it in and give it back to them. They'll put you on 50/50 from your next pay day.

How do I cancel 50/50 and join the main scheme again?

Ask your employer for a **50/50cancel** form, fill it in and give it back to them. They'll put you back into the main section of the pension scheme paying full contributions from your next pay day.