PENSION
AWARENESS WEEK
15 - 19 September 2025

Frequently Asked Questions

Paying Extra Webinar

PENSION
AWARENESS WEEK
15 - 19 September 2025

Questions Asked

Can you purchase APC and AVC as well?

Yes, you can purchase both Additional Pension Contributions (APCs) and Additional Voluntary Contributions (AVCs) in the LGPS. APCs allow you to buy extra pension benefits, while AVCs enable you to build up a pot of money with an external provider that can be used to top up your LGPS pension when you retire. Both options provide tax relief on contributions deducted from your pay, and you can choose to pay towards either an AVC or an APC. However, if you are in the 50:50 section of the LGPS, you will not be able to pay towards an APC.

Can I transfer an AVC to an APC? As a block purchase?

No, you can't directly transfer an AVC to an APC as a block purchase. These are two different types of pension contributions within the LGPS, each with separate rules, structures, and purposes.

How do extra contributions affect those on universal credit?

We recommend you speak to the Universal Credit team who should be able to help with this question.

Can you please return to the QR code on the first slide?

Here is the QR code and link to the APC calculator:

www.lgpsmember.org/help-and-support/tools-and-calculators/buy-extra-pension-calculator/

If paying APC and made redundant with early retirement, would that be paid in full along with other pensionable amount?

If you are under your normal pension age, your main LGPS benefits will not be reduced for early payment. However, if you have bought any additional pension, this will be reduced because of early payment. This applies to any additional pension paid for by:

- Additional Pension Contributions (APCs)
- Shared Cost Additional Pension Contributions (SCAPCs), or
- Additional Regular Contributions (ARCs).

What is the process for using an AVC to increase a survivor's pension and what happens to the monies invested from the AVC if the spouse dies before the person who owns the AVC monies?

Please speak to your pension fund to confirm whether your AVCs can be used to purchase survivor benefits and under what conditions.

If a lump sum is to be paid from your AVC fund, we have absolute discretion over who receives it. However, it is helpful if you let us know your wishes by completing an expression of wish form or logging into your Member Self-Service account. Please make sure you review this on a regular basis and update it if any circumstances change.

Do not really know what the benefit of one over the other is.

We can't give advice on which is better, as this is dependent on the individual and their circumstances.

However, here is a breakdown of their different features:

Feature	APC	AVC
Type	Defined benefit (extra pension)	Defined contribution (investment pot)
Flexibility	Low: fixed outcome	High: multiple options at retirement
Investment risk	None (guaranteed pension)	Yes: depends on fund performance
Available in 50:50 section	No	Yes
Tax relief	Yes	Yes
Employer contributions	Possible (Shared Cost APC)	Possible (Shared Cost AVC)
Max contribution	£8,903 pension per year	Up to 100% of pensionable pay

An APC gives you a

- Fixed outcome: you know how much extra pension you are buying.
- Payment with or alongside your main LGPS pension.

With an AVC

- You choose how the pot is invested.
- At retirement, you can:
    - Take up to 100% of it as tax-free cash (within limits),
    - Buy an annuity (guaranteed income),
    - Transfer it to another pension arrangement.

I am just looking at the calculator; I do not have enough info to use it. You need to choose "Main section" or "50:50 section" I do not know what these are. You also need to know what % your employer has agreed to pay - I do not know. So, I cannot use the calculator.

The 'Main section' is where you pay contributions at a normal rate. The 50:50 section allows you to reduce your contributions by half, and in return build up half your normal pension benefits. This is something you would have chosen to do but if you are unsure of which section of the scheme you are in, then contact your pension fund.

You would need to speak to your employer to check if they would contribute towards an APC.

A lot of talk at present of the Government taxing tax free lump sums etc. Is it likely they could do that and backdate for whole pension. This could be automatic lump sum or conversions of pension to a lump sum or both?

Once the budget has taken place on 26th November 2025, LGPS funds will let members know if there are any changes to lump sums.

Useful Links and Contact Details

National LGPS member website lgps	**www.lgpsmember.org** Calculators, videos, FAQs, general information about the scheme
Cronfa Bensiynau CLWYD Pension Fund	**clwydpensionfund.org.uk** **pensions@flintshire.gov.uk**
Oxfordshire Pension Fund www.oxfordshire.gov.uk/pensions	**www.oxfordshire.gov.uk/business/oxfordshire-pension-fund** **Pension.services@oxfordshire.gov.uk**
Shropshire County Pension Fund	**www.shropshirecountypensionfund.co.uk** **pensions@shropshire.gov.uk**