

Local Government Pension Scheme LGPS - Additional Pension Contributions (APCs)

This leaflet and form will enable you to look into the possibility of paying Additional Pension Contributions (APCs). There are two reasons a scheme member may wish to pay APC's they are **Option 1** to purchase an additional amount of pension on top of your normal scheme pension benefits that you are building up **OR Option 2** to reinstate "lost pension" benefits whilst away from work.

So having understood the different reasons, the action you need to take is as follows;

Option 1 (Increasing your LGPS pension)

If you want to investigate increasing your normal LGPS pension by paying APCs, you need to let the Pensions Section know some information. This will be either:

- (A) How much do you want to pay extra monthly from your pay? If you have a figure in mind, we can tell you how much retirement pension this will buy for you in retirement.
- OR
- (B) How much extra retirement pension do you want to buy? The maximum extra retirement pension you can buy is £6,755 per year worth of retirement pension. We can tell you what this will cost you each month.

Plus in both cases how long did you want to pay the additional contributions for?

So, for example, you may wish to know what extra pension you could receive if you paid an extra £50 gross per month for 4 years. We could quote this for you. Alternatively you may wish to know how much an extra £400 pension would cost if you paid extra for 5 years. You just need to let us know using the attached form.

APCs can be paid in either a lump sum, or as a contract spread over a set amount of months. The contract period must be in complete years with the minimum being one year.

If you wish to contribute a lump sum towards your pension, please complete (C) on the form.

Option 2 (reinstating lost pension, this is usually due to a period of approved unpaid leave)

You will need to contact your employer for them to confirm in writing how much PAY you have lost during your absence and the reason for the absence. Once you have this information then you can send us those details on the attached form again. We will then let you know how much this will cost you and also how much your employer will have to pay too, as in these cases they pay 2/3rds of the cost of reinstating lost pension benefits. This is known as a 'shared cost APC'.

Further information

Tax Relief

Pension contributions receive the benefit of tax relief.

Will this contract purchase any extra pension in the event of my death?

The purchase of APCs does not provide for additional dependants benefits, nor does it increase the level of death grant lump sum payable, should you die whilst still in employment as a contributing member of the LGPS.

So to sum up, if it is extra pension you want to buy, just let Pensions know your requirements by completing the form below, if it is lost pension you are looking to buy then you need to contact your employer first and ask them to complete the relevant part and return to you. When you have this send onto Pensions and we will contact you with the details.

Yours faithfully

A handwritten signature in black ink, appearing to be 'M. D.', followed by a period.

Pensions Manager

**APC QUOTE REQUEST FORM
PAYING ADDITIONAL PENSION CONTRIBUTIONS (APCS)**

Name _____

National Insurance Number _____

Telephone number in case of enquiries: _____

Please complete either Option 1 or Option 2, and then return this form to: The Leicestershire County Council Pension Section, County Hall, Glenfield, Leicester, LE3 8RB or e-mail a scanned copy to pensions@leics.gov.uk

Option 1 (Increasing your LGPS pension)

I am interested in increasing my pension benefits. Please quote on the following basis, either A, B or C:

(A) I may want to spend £_____ **gross** (i.e. before any tax relief) per month over _____ years. How much would this buy me by way of additional retirement pension?

(B) I am interested in buying an additional yearly retirement pension of £_____ and I want to buy this spread over _____ years

(C) I wish to invest a lump sum into my pension. Please tell me how much yearly pension £_____ would buy

Payroll reference number _____

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Option 2 (reinstating lost pension, this is usually due to a period of approved unpaid leave)

I am interested in reinstating 'lost' pension whilst away from work.

My employer has provided the details below:

Total lost pay amount (based on Assumed Pensionable Pay APP) £_____

Reason for absence (please delete) nil pay child related leave / approved unpaid leave

Which relates to the period _____ to _____ (dates)

Date member returned to work _____

Payroll reference number _____

Is the member in the main scheme or 50/50 scheme? _____

Signature on behalf of employer _____

Print name _____ Position _____