

Additional Voluntary Contributions : LSC Scheme Guide

What are AVCs - can I use them to increase my pension?

While the scheme was "active", you could increase the amount of benefit you receive at retirement by buying additional years of service. These contributions are called additional voluntary contributions (AVCs).

You could buy a specific number of additional years, so as to increase your **pensionable service**. There were limits however, in that you had to buy a minimum of 1 year's service and your total pensionable service, inclusive of any added years, could not exceed 40 years.

If you opted to buy added years, you did so through a monthly additional contribution contract, with any tax relief being calculated and included as part of your monthly salary. Lump sum contributions were not allowed, as tax relief was given at source. The cost of buying added years was determined by the scheme actuary and was also based on individual factors such as your age and current salary at the time. The maximum that you could contribute into the scheme, in any tax year, was 15% of your gross annual earnings i.e. your normal pension scheme contributions of 6.5% plus AVCs of up to 8.5% of your earnings.

Where can I find details of my AVCs?

Details of any additional years of service you may have purchased are held as part of your pension record. Deferred members can see an overview of any AVC information, when you log into your secure pension record and go to the Your Benefits page (example below).

Additional Voluntary Contributions (AVCs)			
AVC Provider	AVC Type	Contributions started on	Contributions ended on / Due to end
AVC Added Service	Added Years	01/07/2002	13/07/2025
LSC Added Years AVC	External AVC	01/07/2002	13/07/2025
Additional Voluntary Contributions Paid - Yes			

Can I ask for a refund of my AVCs?

As your AVCs have been used to buy additional years of pensionable service, they are not refundable. The added years will be calculated and awarded as part of your main scheme entitlements when you retire and/or included in any transfer value quote should you choose to transfer out of the LSC scheme before you retire. However, should you die before your pension becomes payable, your AVCs will be returned with interest to your named beneficiary or your estate.