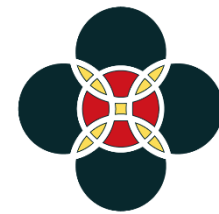
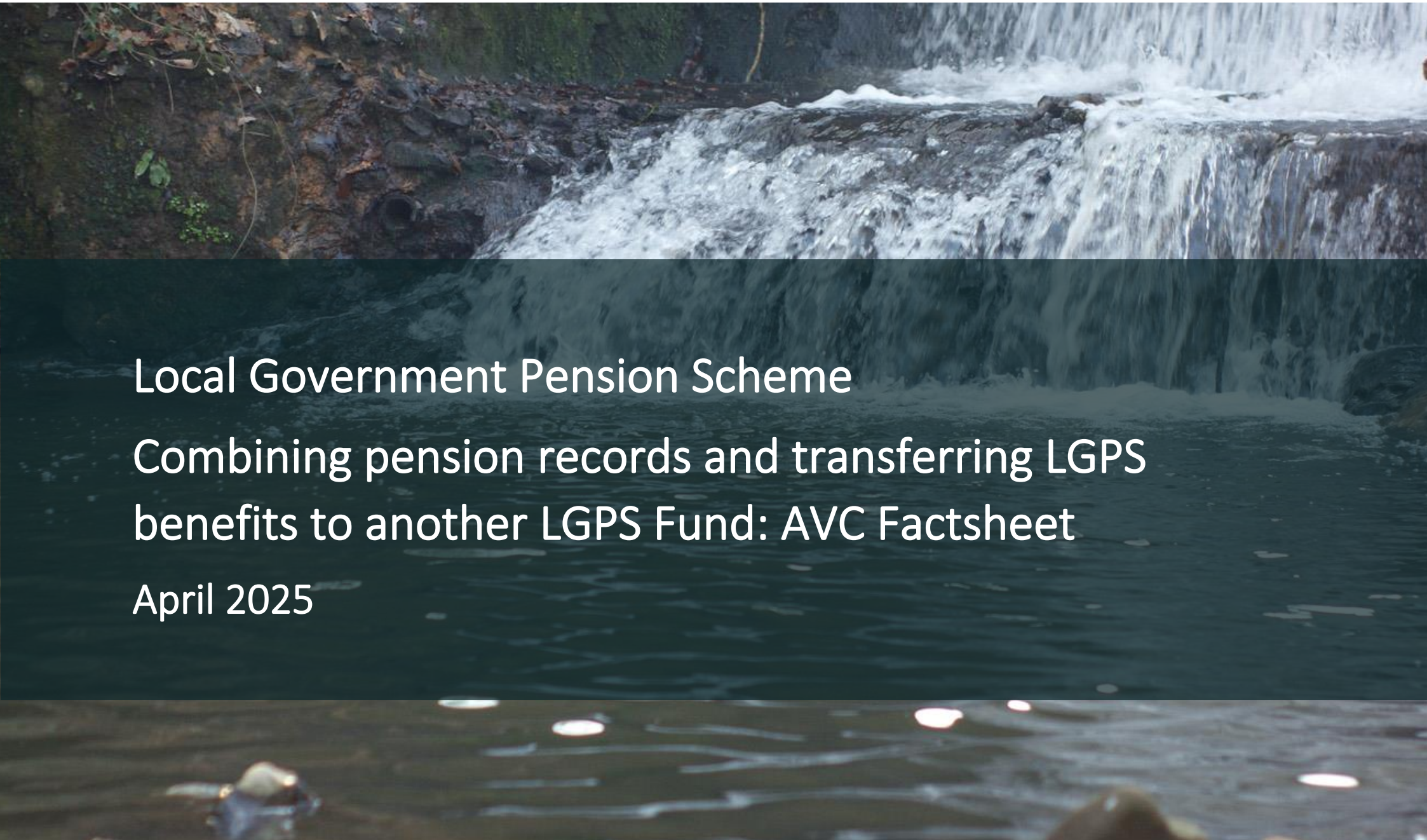




Local Government  
Pension Scheme



Cronfa Bensiynau  
**CLWYD**  
Pension Fund

A background image of a waterfall cascading over rocks into a pool of water. The water is white and frothy as it falls, and the pool below is dark with some ripples. The surrounding area is rocky and mossy.

# Local Government Pension Scheme

## Combining pension records and transferring LGPS benefits to another LGPS Fund: AVC Factsheet

April 2025

## Contents

Combining pension records and transferring LGPS benefits to another LGPS fund .....	3
Paying AVCs before 1st April 2014: .....	3
Paying AVCs on or after 1st April 2014: .....	3
Taking your AVC as lump sum at retirement .....	5
Where can I find more information? .....	6
Disclaimer.....	6

## Combining pension records and transferring LGPS benefits to another LGPS fund

Some members of the Local Government Pension Scheme (LGPS) decide to increase their pension benefit value by paying extra pension contributions through additional voluntary contributions (AVCs). This factsheet explains what options you have if you change LGPS funds or change jobs within the same LGPS fund and decide to transfer your LGPS benefits and AVCs to your new pension record.

If you change jobs, you will have a pension record for each job. You can transfer your LGPS benefits from your old LGPS fund to your new one (or combine pension records if your LGPS fund is the same one). If you transfer your main LGPS benefits and you have an AVC too, then the value of your AVCs must be transferred as well. Your AVC will then be looked after by the AVC provider used by your current LGPS fund.

**However, there is an exception to this rule:**

- If you were previously a member of the LGPS on 31st March 2014 and 1st April 2014 **and**
- You do not have a continuous break in \*active membership of a public sector pension scheme of more than five years

**You can choose not to transfer the value of your AVCs to the AVC provider used by your current LGPS fund.**

\*Active membership is classed as being the period of time when you pay pension contributions into a pension scheme.

**Paying AVCs before 1st April 2014:** If you started to pay AVCs in your previous job before 1st April 2014, you can choose not to transfer the value of your AVCs. This means that the AVC will stay with your previous LGPS fund and will be deferred with them.

If you do transfer your AVCs, once it is transferred to the new AVC provider, it is treated as a new contract under the scheme rules in place at the time.

**Paying AVCs on or after 1st April 2014:** If you started to pay AVCs in your previous job on or after 1st April 2014, and then transfer or combine your main LGPS benefits from your previous job to your new LGPS fund, the value of your AVCs must be transferred to your current active pension record with your new LGPS fund.

	If deferred benefits are combined with your current pension record	If deferred benefits are kept separate
<b>If you started paying AVCs before 1st April 2014</b>	<p>If your deferred LGPS benefits are combined with your current LGPS benefits, the value of your AVCs must also be transferred to the Clwyd Pension Fund's in-house AVC provider, Prudential. If you do transfer, it will be treated as an AVC contract that started on or after 1st April 2014, which means:</p> <ul style="list-style-type: none"> <li>• You can pay up to 100% of your pay each month as AVCs (after your main scheme pension contributions and national insurance contributions have been deducted)</li> <li>• You can usually take up to 100% of your AVC fund value as tax-free cash at retirement as long as you stay within <b>HM Revenue &amp; Customs lump sum allowance limits</b></li> <li>• The normal retirement age for the benefits from your AVCs is linked to your State Pension age</li> </ul>	<p>If you choose to keep your deferred benefits separate, your AVCs will stay with the in-house provider at the LGPS fund that holds your deferred pension record and you can't transfer the value of your AVCs to our AVC provider, Prudential. The AVC will be treated as an AVC contract that started before 1st April 2014, which means:</p> <ul style="list-style-type: none"> <li>• If you take your AVC at the same time as your LGPS pension, you may be able to take some or all of your AVC as a tax-free lump sum (depending on if you qualify for this at retirement)</li> <li>• You will have a protected normal retirement age (usually age 65)</li> </ul>
<b>If you started paying AVCs on or after 1<sup>st</sup> April 2014</b>	<p>If your deferred benefits are combined, the value of your AVCs must also be transferred to Clwyd Pension Fund's in-house AVC provider, Prudential. Your AVC contract will continue to be treated as a contract that started on or after 1st April 2014, which means:</p> <ul style="list-style-type: none"> <li>• You can pay up to 100% of your pay each month as AVCs (after your main scheme pension contributions and national insurance contributions have been deducted)</li> <li>• You can usually take up to 100% of your AVC fund value as tax-free cash at retirement as long as you stay within <b>HM Revenue &amp; Customs lump sum allowance limits</b></li> <li>• The normal retirement age for the benefits from your AVCs is linked to your State Pension age</li> </ul>	<p>If you choose to keep your deferred benefits separate, your AVCs will stay with the in-house provider at the LGPS fund that holds your deferred pension record. The AVC will be treated as an AVC contract that started on or after 1st April 2014.</p>

## Taking your AVC as lump sum at retirement

HM Revenue & Customs limits the amount of tax-free lump sum you can take when your pension is paid to you. This limit is called a lump sum allowance (LSA).

If you take your AVC pot at the same time as your main scheme benefits, you can usually take up to 100% of it as tax-free cash. You can do this as long as your total lump sums from the LGPS are not more than:

- 25% of the total value of your LGPS benefits, including the AVC pot
- £268,275\*
- £268,275\* less any tax-free lump sums you have already taken from pensions.

\*If you hold a valid Lifetime Allowance protection, you may be able to take a lump sum that is larger than £268,275.

You can read more about the lump sum allowance in our **taking a tax free lump sum when you retire factsheet** available on the **forms and resources section** of our website.

## Where can I find more information?

This factsheet gives general guidance only. If you need more information, please contact the Clwyd Pension Fund:

**Phone:** 01352 702940

**Email:** [pensions@flintshire.gov.uk](mailto:pensions@flintshire.gov.uk)

**Address:** Clwyd Pension Fund, Tŷ Dewi Sant, St. Davids Park, Ewloe, Flintshire, CH5 3FF

**Website:** <https://mss.clwydpensionfund.org.uk>

## Disclaimer

The Clwyd Pension Fund is unable to provide any financial advice. After reading this factsheet, you may want to seek independent financial advice to make an informed decision.

These bodies may be able to help you:

**Unbiased:**

<https://unbiased.co.uk>

**MoneyHelper:**

<https://www.moneyhelper.org.uk/en/getting-help-and-advice/financial-advisers/choosing-a-financial-adviser?source=mas>





[mss.clwydpensionfund.org.uk](https://mss.clwydpensionfund.org.uk)

**Clwyd Pension Fund, Tŷ Dewi Sant, St. Davids Park, Ewloe, Flintshire, CH5 3FF**

Please note that Flintshire County Council is the administrative authority of the Clwyd Pension Fund and we use your personal data in accordance with Data Protection legislation to provide you with a pension administration service. For more information about how we use your data, who we share it with and what rights you have in relation to your data, please visit the Privacy Notice on our website.