

ADDITIONAL VOLUNTARY CONTRIBUTIONS

Additional Voluntary Contributions (AVCs) are a way to save money for your retirement by building up a new separate pension pot in addition to your Local Government Pension Scheme pension.

The size of your AVC pot will depend on how much you pay in, how long you pay in for, the impact of costs, charges and how well the fund(s) you invest in perform. The Council, as your employer, cannot contribute to your AVC pot.

If you're a tax-payer, you will benefit from tax savings as any regular contributions made into an AVC pot are taken from your salary before tax. Tax savings will depend on your individual circumstances and rules can change.

You can pay AVC contributions regularly or as a lump sum, and you can also change your contributions at any time - you choose how much to pay in AVCs and how they are invested. The money will come straight out of your salary and go to the AVC provider who will invest it for you.

If you leave the LGPS, your AVC payments will stop and your AVC plan will remain invested. You are normally only able to take your AVC benefits at the same time as you draw your main LGPS benefits.

Local Government Pension Scheme (LGPS)

The [Tayside Pension Fund](#) is part of the LGPS, and is administered by Dundee City Council. This scheme allows you to make AVCs through two independent providers: [Prudential](#) or [Standard Life](#). You may wish to consider whether Shared Cost AVCs (SCAVCs) may be more appropriate for you. SCAVCs are available through Prudential and, as this is a salary sacrifice agreement, there are potential tax and NI contribution savings. Here is the link to our information on [AVCs](#).

Teachers

[Prudential](#) is the official provider of [Teachers' AVCs](#) to the Scottish Teachers' Pension Scheme and their scheme is designed with teachers in mind.