

## **Scheme Member Webinar 15/09/2025 Q&A**

**Q. I am part of the LGPS and I also pay into the AVC option. Are there any other avenues of increasing my pension - and do these get paid to my spouse/children if i were to pass way before receiving it?**

A. There are two simple options to provide extra benefits on top of the benefits you are already looking forward to as a member of the LGPS.

- additional pension contributions (APCs) to buy extra LGPS pension
- additional voluntary contributions (AVCs) arranged through the LGPS (in-house AVCs)

Further details can be found on our website:

<https://www.staffspf.org.uk/Members/Forms/Improving-your-benefits/Improving-Your-Benefits.aspx>

You can also improve your retirement benefits by paying:

- free standing additional voluntary contributions to a provider of your choice (usually an insurance company)
- contributions to a stakeholder or personal pension plan.

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**Q. How do we raise specific questions with the team? It's probably a bit to complex for an email?**

A. You can find the Fund's Contact details on our website by using the following link: <https://www.staffspf.org.uk/Contact-Us/Contact.aspx>

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**Q. Does salary sacrifice lead to any enhanced contributions over just making normal AVCs?**

A. Some of our Scheme employers will offer a shared cost AVC scheme as a salary sacrifice arrangement. If they do, you would benefit from tax relief and national insurance savings on the AVC contributions. Your employer would also benefit from lower national insurance contributions. However, this does not impact on the monthly contribution or how you can use your AVC plan on retirement.

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**Q. I have 11 years left until retirement. is it worth me paying additional extra contributions to bolster my fund?**

A. The payment of voluntary pension contributions can mean you'll have more money to live off when you're ready to retire. Subject to HMRC limits, you will get tax relief on contributions you pay to a UK pension scheme. For further information on ways of increasing you pension, please visit our website:

<https://www.staffspf.org.uk/Members/Forms/Improving-your-benefits/Improving-Your-Benefits.aspx>

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**Q. Can you do both APC and AVC?**

A. Yes you can pay into both an AVC and APC.

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**Q. Can FSAVC's be transferred in as AVCs? Any tax implications?**

A. No, you cannot transfer a previous Freestanding additional voluntary contributions (FSAVCs) to an in-house AVC plan. However, if you have previous AVCs with the LGPS, these will normally be transferred to the new AVC arrangement.

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**Q. Is it possible to move other pension pots from previous employers into the LGPS?**

A. Yes, if you re-join the LGPS and you have benefits in another LGPS fund in England or Wales, you can combine those benefits with your current active pension account. Generally, previous LGPS membership – if ceased after 31 March 2014 – will be automatically joined with your new active pension account, unless you decide to keep it separate (although Staffordshire Pension Fund must be made aware of previous pension rights you may have).

Please note that different rules apply if you have deferred benefits in an LGPS fund because you opted out of the Scheme on or after 11 April 2015. You cannot join those benefits with your new active pension account. They will remain as a separate deferred benefit.

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**Q. Do you lose money if you transfer pensions into your LGPS, I have NHS pension from 2002 to 2018, is this possible?**

A. If you have paid into a different pension scheme, or into the LGPS in Scotland or Northern Ireland, you may be able to transfer your previous pension rights into the LGPS. However, you only have 12 months from joining the LGPS to opt to transfer your previous pension rights unless your employer and LGPS pension fund allow you longer. You cannot transfer a pension that is already being paid to you.

If you opt to transfer pension rights from a non-LGPS pension scheme, a sum of money called a cash equivalent transfer value (CETV) is offered to buy an amount of extra pension which is added to your pension account. If you transfer your previous pension rights into the LGPS your retirement benefits will be increased. The extra pension is added to your pension account in the scheme year that the transfer payment is received. These special terms apply if you have not had a break in membership of a public service pension scheme of more than five years.

Transfers from public service pension schemes may be treated differently under preferential rules known as the Club transfer rules.

If we accept a transfer under the Club transfer rules, the amount of extra pension added to your pension account will be broadly equal to the amount of pension you had built up in your previous scheme. The amount is adjusted to take into account any differences between the two schemes.

Public service pension schemes include schemes for civil servants, the armed forces, teachers, NHS, fire and rescue workers, the police force and the judiciary.

For further information transferring in previous pension rights, please see our website: <https://www.staffspf.org.uk/Members/New-Members/Joining/Transferring-pension-rights/Can-I-transfer-previous-pension-rights.aspx>

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**Q. Who can be your beneficiary – could it be you children, who are under 16?**

A. Staffordshire County Council, as the administering authority of the Fund, has absolute discretion over who receives any lump sum death grant. This means we can take your own wishes into account.

You can complete a Nomination form to tell Staffordshire Pension Fund who you would like to receive the payment in the event of your death and, if Staffordshire Pension Fund believe that the nomination is still valid in the event of your death, payment will be made directly to that person or people. Note: if you are already signed up to [My Pension Portal \(MPP\)](#), you can log on and complete your nomination details using your online account.

Whilst you can nominate a child under 18, the Fund's Discretionary Policy is that it would not pay the Death Grant lump sum to the child if under 18 at date of death. In this circumstance, your nomination to be declared invalid and the Death Grant would instead be paid to your legal personal representative.

Please see our website for further information on nominating beneficiaries: <https://www.staffspf.org.uk/Members/Forms/Nominate-Beneficiary.aspx>

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**Q. Is the 50/50 automatically applied once requested or do you need to do an assessment of "need" before approving it?**

A. An election to join the 50/50 section would take effect from the start of the next pay period.

It should be noted that if you are part of the 50/50 Section there are circumstances where your employer is required to automatically put you back into the Main Section of the LGPS;

- on the anniversary of your employer's automatic enrolment date and
- if you are absent because of illness and not in receipt of any pay at the start of a payroll period.

You will, however, be entitled to re-elect to re-join the 50/50 Section

For further information Changing sections of the LGPS, please see our website: <https://www.staffspf.org.uk/Members/Active-Members/Changing-Sections-of-the-Scheme.aspx>

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### **Q. What amount should I have in my pension when I retire?**

A. Staffordshire Pension Fund will provide you with an annual statement by 31 August every year if you are an active or deferred member. This will be available on [My Pension Portal \(MPP\)](#).

If you are paying into the LGPS, your statement provides an estimate of the pension benefits you have built up in the LGPS at 31 March in the current year. It will also provide a projection of the pension that you could have if you continue to work until your normal pension age.

The online member portal will also allow you to run your own pension estimates at various retirement dates of your choosing.

The [Retirement Living Standards](#), published by Pensions UK, show what the cost of life in retirement might look like and help you plan how you can achieve that lifestyle.

Which? Has also recently published an article in July 2025 on "Saving for retirement" which you may find useful:

<https://www.which.co.uk/money/pensions-and-retirement/saving-for-retirement/how-much-will-you-need-to-retire-aNmlv7V7sVe9>

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### **Q. Will the local government reorganisation affect the pension scheme?**

A. Other than a change of Administering Authority (i.e. Staffordshire County Council to xxx Council) we do not anticipate any changes.

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### **Q. As local government reorganisation is looming, will our pension carry over to our new employer (hoping we get a position) or will it be frozen and a new pension start?**

A. Your pension will automatically carry over to the new employer unless you elect to separate benefits within 12 months of the change.

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**Q. How ethical is the LGPS in terms of the industries it invests in?**

A. Information on the Fund's investments can be found on our website:  
<https://www.staffspf.org.uk/Finance-and-Investments/Corporate-Governance-and-Responsible-Investment/Responsible-Investment-Stewardship.aspx>

This includes a recent statement on investments in Companies Operating in Conflict Affected High Risk Areas (CAHRAs) which was published in May 2025.

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**Q. How do i move my Staffordshire Pension to my new employment, which i have a LGPS with.**

A. If you were previously a member of the LGPS and you re-join the Scheme, you can join your two periods of membership together. You should contact your pension fund to tell them that you have been a member of the Scheme before and they will provide you with your choices.

In most cases, your deferred benefits will be joined with your pension account automatically unless you elect to keep them separate.

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**Q. Could I ask what Staffordshire County Council's contribution is to our pensions?**

A. You can find your employers' contribution rate for 2025/26 in the Rates and Adjustment Certificate (dated 29 May 2025) document on our website:

<https://www.staffspf.org.uk/Finance-and-Investments/Actuarial-valuation-report/Actuarial-Valuation-Report.aspx>

For Staffordshire County Council, the current rate is 21.6% of employee's pensionable pay.

Note: the LGPS is a defined benefit scheme. This means that unlike a defined contribution (or money purchase) scheme such as the LGPS AVC arrangement where your retirement pot depends on contributions and investment performance, the LGPS provides a guaranteed income based on your salary and length of service. Your contribution rate is decided by your employer and depends on your actual pay. Your employer pays the balance of the cost of providing your pension benefits. Every three years

an independent review is undertaken to calculate how much your employer should contribute to the Scheme. Please note that what you and your employer pay into the Scheme does not change the amount you receive when you come to take your benefits.

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**Q. Can you transfer a frozen deferred pension?**

A. If you leave the Scheme and you are entitled to deferred benefits or a refund you can generally transfer the cash equivalent of your pension benefits into another pension arrangement or a new employer's pension scheme. This may even be to an overseas pension scheme that meets HMRC conditions.

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**Q. I was advised to leave pension in Derbyshire as I was on a higher salary there (this was 2010). Should I combine if rules have changed?**

A. It may not always be in your interest to combine previous pension benefits with your active pension account.

For membership before 1 April 2014, you will have built up benefits in the final salary scheme. Therefore, if you elect to combine benefits, the final salary benefits would then be based on the pay in your new job when your LGPS membership ends, which may be lower. However, by keeping benefits separate, the earlier period of membership will continue to be based on the higher salary before transfer.

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**Q. If you enter a new position at Staffordshire County Council (permanent to fixed) will there be a new pension account?**

A. If you have left one LGPS job and started another, your benefits from the job that has ended are automatically transferred to the active pension account for the job you are continuing in, unless you elect to keep them separate. If you wish to keep your deferred benefits separate, you must elect to do so within 12 months of leaving that job, unless your employer allows you longer.

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**Q. The percentage contribution rate is that the maximum you can make or can you make additional contributions?**

A. The contribution bandings are the standard employee contribution rate that you are required to pay in order to provide statutory LGPS benefits.

You can pay extra to increase your benefits, either by:

- paying additional pension contributions to buy extra LGPS pension, or
- making payments to the Scheme's additional voluntary contributions (AVC) arrangement.

For further information, please see the section on the Staffordshire Pension Fund on improving your benefits:

<https://www.staffspf.org.uk/Members/Forms/Improving-your-benefits/Improving-Your-Benefits.aspx>

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**Q. Can I transfer in a private pension? The value is in excess of £30k which I mention as it was an amount mentioned in the webinar. Would this be classed as an APC or AVC if it is allowed?**

A. You are able to transfer your previous pension into the LGPS. However, you only have 12 months from joining the LGPS to opt to transfer your previous pension rights unless your employer and LGPS pension fund allow you longer. You cannot transfer a pension that is already being paid to you.

There is no limit on the transfer value that can be transferred to the LGPS. The £30,000 limit mentioned in the presentation only applies to a transfer out of LGPS benefits to a defined contribution scheme. If the value of your LGPS deferred benefits is more than £30,000, you will have to take appropriate financial advice.

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**Q. How much influence does central government have over the scheme and could our contributions be at risk?**

A. The Scheme is governed by various sets of Regulations and any changes would need to be widely consulted on.

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**Q. Does that change in minimum retirement age in April 2028 tie in with local government changes implementation in 2028? Will that impact any redundancy situations that may happen with devolution?**

A. Unfortunately, it is too early to answer that. However, we would anticipate there being some transitional provisions around changes to the Normal Minimum Pension Age (NMPA).

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**Q. I have two grown up children 22 & 19, one is still at Uni, would my pension benefit be treated differently for each child, should I die in service? They are my only beneficiaries**

A. On your death, pensions will be paid to your:

- spouse, civil partner or, if certain conditions are met, eligible cohabiting partner.
- eligible children

Eligible children must be:

- under age 18, or
- aged between 18 and 23 and in full-time education or vocational training, or
- unable to engage in gainful employment because of physical or mental impairment.

If you die in service as a member of the LGPS, there would be a lump sum payable of three times your assumed pensionable pay. If you have not done so already, you can complete an expression of wish form (nomination form) to say who you would like any death grant to be paid to.

For further information on nominating beneficiaries to receive any Death Grant lump sum payable, please visit our website:

<https://www.staffspf.org.uk/Members/Forms/Nominate-Beneficiary.aspx>

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**Q. Based on slide 14 and the Redundancy, does this apply if you have been a member less than two years?**

A. To qualify for pension benefits you must be an active member of the LGPS for at least two years.

If you are made redundant and have not met the two-year qualifying period, you will be entitled to take a refund of your contributions.

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**Q. If made redundant at 55 and pension is paid straight away and unreduced, what do you mean by unreduced? Do you mean this would be the same pension as if you had worked till retirement age?**

A. If you are aged 55 or over when made redundant, you will be entitled to the immediate unreduced payment of your LGPS benefits, provided you have met the two-year qualifying period in the Scheme.

The benefits will be based on the pension built up to your last day of employment.

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**Q. Is the pension deferred if you are made redundant under the age of 55?**

A. Yes, if you have not reached the normal minimum retirement age at date of leaving (currently age 55) and have met the two-year qualifying period, you will be awarded deferred benefits in the Scheme. The deferred benefits will increase every year in line with the cost of living.

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**Q. Do we know if the government could use the business efficiency reason for reducing jobs in the local government devolution as a means of reducing costs by not paying redundancy?**

A. Reference would have to be made to Regulations applicable at the time.

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**Q. Will the announcement of a significant gap in the council budget, growing financial pressures and a hiring freeze affect the LGPS?**

A. There should be no impact on the LGPS from the local challenges you highlight.

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**Q. If you are made redundant before you reach 67, is the pension value you receive as at the date you are made redundant or the value if you had of continued working until 67?**

A. If you lose your job because of redundancy or business efficiency age 55 or over and have met the two-year qualifying pension, your LGPS benefits must be paid to you immediately.

Your pension benefits will be calculated up to your date of redundancy and released without an early retirement percentage reduction being applied. However, the benefits will not be enhanced and made up to the value you would have received had you remained in employment and contributing to the Scheme until your normal pension age.

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**Q. Is it possible to query when we get to Q&A, how redundancy works for under 55 / 57's? What the pension options / situation is then?**

A. If you have not reached the normal minimum retirement age at date of leaving (currently age 55), you will be entitled to deferred benefits in the LGPS.

While your pension benefits are deferred, they will increase each year in line with the cost of living.

Your deferred benefits will normally be paid unreduced at your Normal Pension Age, unless one of the following happens:

- You transfer your deferred benefits to another pension scheme or arrangement.
- Your benefits are paid early on health grounds. Your benefits could be paid in full if:
  - you are permanently incapable of doing the job you were working in when you left the LGPS and
  - you are unlikely to be capable of undertaking any gainful employment within three years of the date you applied for your LGPS pension to be paid because of ill health or by your Normal Pension Age, if this is earlier.
- You elect to receive your deferred benefits early from age 55 onwards.
- You elect not to receive your deferred benefits at your Normal Pension Age and defer receiving your pension until later. Your benefits must be paid by age 75.

If you have not met the two-year qualifying period, you will normally be able to claim a refund of your contributions, or you may be able to transfer your benefits to a new pension arrangement.

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**Q. Does Tier 3 payment affect your final pension payout? If you receive it for 3 years but are not near retirement age, what impact does this have?**

A. A Tier 3 ill health pension award is payable for a maximum of 3 years. If you have not attained normal minimum retirement age at point of the tier 3 pension ceasing, the pension payments will be deferred. If you elect for early payment before normal pension age, an early retirement percentage reduction would apply to the pension when it recommences. There is no option to commute for a further lump sum.

Note: the employer is required to conduct a review once the tier 3 pension has been in payment for 18 months. This could result in an uplift to a tier 2 award.

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**Q. I have just run my deferred pension calculator using my national retirement age. It says, 'Pension per year' = £20,000 (not my real number but for this example). Therefore, it is simply, I receive £20k per year?"**

A. if you run a Deferred Benefit calculation via the online benefit projecter in [My Pension Portal \(MPP\)](#), this will calculate the amount of pension you would be entitled to if leaving the scheme and were to defer payment of pension until normal pension age (linked to State Pension age for post April 2014 benefits). If you elect to receive the deferred benefits before normal pension age, a reduction will normally be applied for early payment. You can view the current early retirement reduction factors on our website:

<https://www.staffspf.org.uk/Members/Active-Members/Leaving-the-Scheme/Retirement/Early-Retirement/Early-Retirement.aspx>

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**Q. If your pension pots have been combined when you've taken on a new role, does the whole pension follow the CARE pension calc?**

A. If you joined the LGPS before 1 April 2014, you have membership in the final salary scheme. If you have combined pension pots after taking

up a new role, the membership you built up before 1 April 2014 will still be final salary membership as long as there is not a disqualifying break of 5+ year. The final salary membership will though be linked to your pensionable salary in your active pension account.

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**Q. What happens when you've paid 40 years of contributions?**

A. There is no limit on the number of years you can be a member of the LGPS although you can only stay in the scheme up to your 75th birthday. You can carry on paying into the Scheme and building up additional Pension benefits until you retire or terminate your employment.

Note: the previous 40 years' service limit (or 45 years to age 65) was removed from 6 April 2006.

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**Q. Is the rule of 85 still taken into account when age 60.**

A. The "rule of 85" was removed from the Local Government Pension Scheme (LGPS) with effect from 1 October 2006 and does not apply to anyone who joined the scheme after that date.

However, if you were a member of the LGPS at any time between 1 April 1998 and 30 September 2006, then you may be protected by the rule of 85.

You satisfy the rule of 85 when your age and length of LGPS membership add up to 85. Your age and Scheme membership are both measured in full years for this purpose. If you work part time, your membership counts at its full calendar length.

The rule of 85 will apply if you are over age 60 when you retire. If you fully retire between age 55 and 60, the rule of 85 will not automatically apply and your benefits will be reduced. Your employer can choose to allow the rule of 85 to apply. This is a discretion. You can ask your employer about their policy on this.

What the rule of 85 means for you depends on your age, the date you meet the rule of 85 and the date you take your LGPS benefits. If you are protected:

- and you take your benefits after you satisfy the rule of 85, some or all of your benefits will be paid without reduction

- and you take your benefits before you satisfy the rule of 85, your benefits will be reduced but the early payment reduction will be lower than the normal reduction that applies to a member who is not protected.

For further information on the rule of 85, please see our website:

<https://www.staffspf.org.uk/Members/Active-Members/Leaving-the-Scheme/Retirement/Early-Retirement/Rule-of-85-explanation/Rule-of-85.aspx>

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**Q. Does the inflation rate revaluation refer to the whole pot accrued or just that year? Where it was a negative number would the value reduce?**

A. It would be the entire Career average (CARE) pot at the current 31 March which will have the CPI revaluation applied. If the CPI is negative as was case in 2016, this would reduce the CARE pension.

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**Q. If I retire then die say 2 years later, what happens to my pension pot?**

A. When a member of the Local Government Pension Scheme (LGPS) dies there are two different types of benefits which may be payable:

- survivors benefits (ongoing pension) and
- a lump sum death grant.

If you are legally married or in a registered civil partnership and die, your surviving spouse or civil partner is automatically entitled to a pension, which is payable for the rest of their life. A child's pension may also be available to eligible children.

If you are in receipt of a pension, the amount of the lump sum death grant will depend on when you retired and how long you have been receiving pension.

If you left after 1 April 2014, the lump sum death grant will be 10 times your standard benefit (the pension before you gave up pension on retirement to increase your lump sum retirement grant) less the pension you have already received (the benefit payable after any pension you gave up on retirement to increase your lump sum retirement grant) and less the amount of additional lump sum you received on retirement as a

result of giving up pension for lump sum. Please note that if you are over age 75 at the date of your death, Staffordshire Pension Fund cannot pay a death grant.

For further information on what death benefits may be payable, please see our website: <https://www.staffspf.org.uk/Members/New-Members/Joining/Death-nomination/Payable-in-the-event-of-death/What-is-payable-in-the-event-of-my-death.aspx>

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**Q. Is service calculated pro-rata for part years or just on whole years?**

A. Service in the final salary arrangement (pre 1 April 2014 membership) is adjusted pro-rata for part-time hours (and uses FTE pensionable pay). However, for the career average arrangement, actual (part-time) salary is used.

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**Q. I am due to retire at the end of next year. At what point do I need to contact the pensions department to find out what my monthly or annual pension will look like and how much lump sum will I get.**

A. You can use [My Pension Portal](#) to calculate the value of your pension at your intended retirement date, including the maximum tax-free cash you can take.

If/when you have decided to take your pension, you should notify your line manager. Your employer or payroll provider should then notify Pension Services of your date of leaving and relevant pensionable salary information. On receipt of this information, we will then provide you with a final estimate of your pension and retirement forms to complete. If you are registered for the pension portal, electronic copies will be uploaded to your online account.

Note: due to the timing of your employer's payroll, your employer may not be in a position to submit a completed leaver form to Pensions until after you have left employment.

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**Q. My pension reduced during maternity leave due to loss of earnings, I had to make a voluntary contribution to top it up so please just make this point clear in future.**

A. For any paid or unpaid ordinary maternity absence (first 26 weeks), and paid additional maternity absence (usually weeks 27 to 39), you would continue to build up a pension in the LGPS as if you were working normally and receiving normal pay. During this period, your pension is usually worked out using your Assumed Pensionable Pay – a notional figure that is used to make sure your pension is not affected by the pay reduction.

However, any period of unpaid additional maternity leave (normally from week 40 to week 52, but could start earlier for some members) will not count for pension purposes unless you elect to pay additional pension contributions (APCs) to purchase the amount of pension 'lost' during that period of unpaid absence. If you elect to pay APCs to buy 'lost' pension within 30 days of returning to work, the cost will be split between you and employer.

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**Q. Hi, I joined LGPS recently (aged 54). I have filled in the DGN details on my LGPS portal but I have not sent in the paper form. Is that OK? Do I have to send the paper form in?**

A. If you are already signed up to My Pension Portal (MPP), you can complete your nomination details using your online account. You do not need to complete paper copy of the form. By completing details online, going forward, you will then be able to view/amend nominee(s) without needing to contact the Fund.

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**Q. if you got made redundant and 55+ would you have to still pay the early retirement reduction?**

A. If you are made redundant at age 55 and over, the pension would be paid unreduced i.e. no early retirement percentage reduction applied.

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**Q. Can you take part of the pension i.e. the 60 part and leave the rest till you get to the age of drawing e.g. 65 etc.**

A. If you are fully retiring, you cannot take your benefits built up before 1 April 2014 (final salary) separately from the benefits you built up from 1



April 2014 (career average). Once you have left your job and choose to take your pension, you must take your whole LGPS pension at the same time.

Note: Different rules apply if you take flexible retirement. Under flexible retirement, you reduce your hours or move to a less senior position and take some or all of the pension benefits you have built up.

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**Q. Will we still be on the system to access the portal once we have retired to receive this information.**

A. Yes, you will still have access to the portal once retired and are a pensioner member. You will be able to access electronic copies of payslips and P60s as well as keep contact details up to date.

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**Q. If you leave employment in June/July time and a pay increase is announced for that financial year after you have left which will be back dated to April of that year of which a part has been worked in, will your pension be increased on the final salary pension to reflect the increase in final salary?**

A. If a backdated pay award is agreed after your date of leaving, you can request that your pension benefits be recalculated. However, in order to adjust the pension benefits, we will need revised payroll data from your former employer. Note: you may also have to ask your employer for the pay award to be applied and arrears to be paid as not all employers will automatically pay backdated pay award to employees that have left employment before the award is agreed.

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**Q. Have i made a mistake registering my work e mail address as contact point rather than my private e mail address on the portal as i will no longer be able to access portal if i retire?**

A. You can register for the portal with either a works or personal email address. Currently, you don't need your email address to access the portal – you login by using the Username that was set up by you as part of the initial registration. However, your email will be used for sending any communications regarding your account including password resets.

Prior to leaving your employment, we would recommend that you update your contact details to include personal email in order that we can remain in contact with you.

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**Q. On MPP you state 'view and print your annual benefit statement'. Can we download the annual statement? Or will that be on the new portal?**

A. You can access a pdf copy of your Annual Benefit Statement in the portal which you can download to personal device and/or print as required.

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**Q. On retirement at 60, LGPS member for 30 years plus and you have an AVC wise policy running alongside- You wish to take the max cash lump sum from the LGPS scheme, can you take the AVC fund as cash lump sum as well and pay tax on it this ?, is that at 20%? and is this all processed at the same time, so you get LGPS max lump sum and AVC pot- tax at 20% on the AVC pot.**

A. On retirement you have several options on how you can use your AVC plan.

When you take your main LGPS benefits, you can use your AVC to:

- 1) Take tax-free cash
- 2) Buy a top-up LGPS pension
- 3) Buy a regular income paid for the rest of your life (known as an annuity) either from your AVC provider or another arrangement

Alternatively, you can transfer your AVC fund to another pension scheme or arrangement where you may be able to access options that are not available under the LGPS rules.

You can take some or all of your AVC plan as a tax-free lump sum, provided that:

- The total tax-free lump sum is not more than 25% of the overall value of the benefits you are taking. The total lump sum is any lump sum you take from your main LGPS benefits plus the AVC lump sum.
- The total tax-free lump sum is not more than your lump sum allowance.

The lump sum allowance is £268,275. It may be lower if you have already taken payment from a UK pension arrangement.

You can use the [Maximum AVC lump sum calculator](#) on the national LGPS member website to estimate the maximum AVC fund value that you could take as a tax-free lump sum when you take your LGPS pension.

In addition, you can use the separate [Lump sum calculator](#) to see how swapping pension for lump sum will affect your income in retirement. This calculator will account for the amount of AVC fund you wish to take as a lump sum - this would reduce how much of your LGPS pension you need to give up in order to achieve the maximum lump sum.

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**Q. Can you explain the 85 year rule again please?**

A. If you were a member of the LGPS at any time between 1 April 1998 and 30 September 2006, then you may be protected by the rule of 85.

Note: The "rule of 85" was removed from the Local Government Pension Scheme (LGPS) with effect from 1 October 2006 and does not apply to anyone who joined the scheme after that date.

You satisfy the rule of 85 when your age and length of LGPS membership add up to 85. Your age and Scheme membership are both measured in full years for this purpose. If you work part time, your membership counts at its full calendar length.

The rule of 85 will apply if you are over age 60 when you retire. If you fully retire between age 55 and 60, the rule of 85 will not automatically apply and your benefits will be reduced. Your employer can choose to allow the rule of 85 to apply. This is a discretion. You can ask your employer about their policy on this.

What the rule of 85 means for you depends on your age, the date you meet the rule of 85 and the date you take your LGPS benefits. If you are protected:

- and you take your benefits after you satisfy the rule of 85, some or all of your benefits will be paid without reduction
- and you take your benefits before you satisfy the rule of 85, your benefits will be reduced but the early payment reduction will be

lower than the normal reduction that applies to a member who is not protected.

For further information on the rule of 85, please see our website:  
<https://www.staffspf.org.uk/Members/Active-Members/Leaving-the-Scheme/Retirement/Early-Retirement/Rule-of-85-explanation/Rule-of-85.aspx>

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**Q. On the pension statement where does it show funds you transferred in from previous pensions providers?**

A. Any additional pension that you have transferred into the LGPS will only show on your annual benefit statement for the year it was received – under Section 3 and the amount of pension built up in the year to 31 March. If the transfer took place in an earlier year, this will be included in the previous year closing balance.

If you are signed up for [My Pension Portal \(MPP\)](#), you can view details of previous pension rights transferred in under the “Additional Benefits” section: **Home >> Your Dashboard >> Pension Benefits >> Additional Benefits**

If the transfer bought additional service (year/days) in the final salary scheme, this will show in the transfer details displayed. However, if bought additional pension in the career average scheme, this will be included in the CARE pension. You can view details of the CARE benefits, including breakdown of each year’s pension values (which will include pension credit for the transfer in) in the MPP “Latest Valuation” section: **Home >> Your Dashboard >> Pension Benefits >> Latest Valuation**

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**Q. How accurate are the pension portal figures, compared to your final figures when you draw your pension, providing you put your correct retirement date in**

A. The pension figures on the portal should be fairly accurate depending on the pensionable pay used. If retirement date used is more than 12 months away, you will be fine to use your current pensionable salary. However, if you are planning to retire within next 12 months and have membership before 1 April 2014, please note that the final salary benefits would (normally) be calculated on whole-time equivalent pay received in the last 365 days of your last day of membership. Consequently, may

require an average pay calculation if there has been a pay award/increment within that period.

Note: The pay figures shown on your pension record is that notified to us by your employer. Some of our employers submit monthly payroll data so pay figure held should be up to date. However, other employers will only send an annual return (usually around May each year) based on pay up to the end of the previous March. Therefore this won't reflect any changes since April. If you wish to use your current salary you may do so when using the benefit projector.

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**Q. If you have been with the LGPS since 2002 but moved employment in 2020 do the protections apply if you didn't move your pension when changing employer?**

A. If you have changed employer but did not combine your pension benefits, you will have a separate "deferred benefit" for the pension built up to the date of the previous contract and will start a fresh accrual of career average benefits for the new employment.

There will be no change to your deferred benefits. You will retain any existing protections e.g. protected normal retirement age for final salary benefits and rule of 85 protections. The deferred benefits would be inflation-proofed with effect from date of leaving to date brought into payment.

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**Q. A question if I may about the shared cost AVC with AVC Wise (My Money Matters). I believe that contributions to that scheme reduce your salary. Would that reduce my LGPS benefits at all?"**

A. Your employer may offer a salary sacrifice arrangement for shared cost AVCs. If they do, you would pay lower national insurance contributions as well as getting tax relief on the AVC contributions.

If you pay AVCs via salary sacrifice, this will not impact your main LGPS benefits as pension will be calculated on pensionable salary before the salary sacrifice is deducted (unlike other salary sacrifice arrangements).

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**Q. How do you view the AVC statements, I cannot seem to open it with the right app**

A. Unfortunately, this is an error with how the scanned copies of the AVC statements have been saved and default application/software not being assigned to document type. You should be able to view the document by opening with a pdf viewer such as Adobe Acrobat.

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**Q. If you use the benefit projector tool to calculate an early voluntary retirement, the figures also give details of how much your pension has been reduced by. This reduction would it be indicative of the amount that would potentially be payable if made redundant on efficiency grounds with no reduction of benefits? i.e. if reduction in £5k, if made redundant with no reduction you can add this back to annual pension.**

A. That is correct. Under the current LGPS regulations, if you are over age 55 and your employer terminates your contract of employment on grounds of redundancy, you are entitled to and must take immediate payment of the benefits relating to that employment. Your pension benefits would be calculated up to your date of redundancy and released without an early retirement percentage reduction being applied.

Therefore, to obtain rough estimate of potential benefits payable, you can run a voluntary age retirement through the online benefit projectors and add back the amount of reduction applied to the pension and lump sum (where applicable).

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**Q. Is the lump sum the 25% or do you take 25% of the lump sum?**

A. HM Revenue and Customs limits the amount of tax-free lump sum you can take when your pension is paid to you. From 6 April 2024, the maximum lump sum is the lowest of:

- 25% of the capital value of your benefits (as assessed in line with guidance issued by the Government Actuary),
- £268,275, or
- £268,275 less the total lump sums you have already taken for other UK Pensions.

If these limits are exceeded, tax may be due. However, most members will not be affected because the maximum lump sum they can take is much lower than the limits.

You can calculate how much tax-free cash lump sum you may receive by running an estimate through [My Pension Portal](#).

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**Q. Do you get NI savings on pensions? I made a lump sum contribution to account for loss of pay but was told by payroll there are no NI savings.**

A. You do get tax relief on pension contributions. For LGPS benefits, this is applied automatically as your employer takes the pension contributions out of your pay before deducting Income Tax.

However, there are no National Insurance savings unless paying additional voluntary contributions (AVCs) through a salary sacrifice arrangement).

Note: before 6 April 2016, the LGPS was 'contracted out' of the Additional State Pension. This meant that those contributing to the Scheme paid lower NI contributions than people who were not contracted out. However, all contracting out stopped on 5 April 2016 when the new state pension introduced.

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**Q. If you have worked over 40 years and meet the 85 Rule will your pension be reduced?**

A. If you were a member of the LGPS at any time between 1 April 1998 and 30 September 2006, then you may be protected by the rule of 85.

The rule of 85 will apply if you are over age 60 when you retire. If you fully retire between age 55 and 60, the rule of 85 will not automatically apply and your benefits will be reduced. Your employer can choose to allow the rule of 85 to apply. This is a discretion. You can ask your employer about their policy on this.

What the rule of 85 means for you depends on your age, the date you meet the rule of 85 and the date you take your LGPS benefits. If you are protected and you take your benefits after you satisfy the rule of 85, some or all of your benefits will be paid without reduction

For further information on the rule of 85, please see our website:  
<https://www.staffspf.org.uk/Members/Active-Members/Leaving-the-Scheme/Retirement/Early-Retirement/Rule-of-85-explanation/Rule-of-85.aspx>

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**Q. Is there any restriction on how much of my AVC pot I can take as tax-free cash, provided the total lump sum remains within 25% of my overall LGPS benefits and does not exceed the Lump Sum Allowance**

A. You can take some or all of your AVC plan as a tax-free lump sum, provided that:

- The total tax-free lump sum is not more than 25% of the overall value of the benefits you are taking. The total lump sum is any lump sum you take from your main LGPS benefits plus the AVC lump sum.
- The total tax-free lump sum is not more than your lump sum allowance.

The lump sum allowance is £268,275. It may be lower if you have already taken payment from a UK pension arrangement.

You can use the [Maximum AVC lump sum calculator](#) on the national LGPS member website to estimate the maximum AVC fund value that you could take as a tax-free lump sum when you take your LGPS pension.

In addition, you can use the separate [Lump sum calculator](#) to see how swapping pension for lump sum will affect your income in retirement. This calculator will account for the amount of AVC fund you wish to take as a lump sum - this would reduce how much of your LGPS pension you need to give up in order to achieve the maximum lump sum.

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**Q. if a death grant is paid out, is it subject to tax deductions or tax free?**

A. LGPS death grant lump sums are currently outside Inheritance Tax (IHT) because the administering authority has discretion over who receives it. Therefore, it is not part of the deceased's estate. However, new rules from April 2027 may see LGPS death grants included in the deceased's estate for IHT purposes.



Note: if the death grant lump sum is not paid within 2 years of the pension fund finding out that member has died, the payment would be subject to the deduction of a special lump sum death benefits charge.

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**Q. What's the SCC Pension scheme response to the Reform proposals on changes to LGPS? They claim it's mismanaged, is there any truth in this? I have a long time to go before retirement but I don't understand pensions enough to understand any potential impact to me (positive or negative).**

A. The aggregate scheme funding level for the 87 Funds in the Local Government Pension Schemes (LGPS) across England and Wales increased from 98% in 2019 to 106% at 2022. A funding level of 100% means that a fund's assets are expected to be sufficient to meet future payments to members which have been earned up to the valuation date. The funding level is expected to improve further when the next triennial valuation results for 2025.

The benefits of the LGPS are set out in law. Therefore, any changes must be made by acts of parliament. Reform UK's recent comments on the LGPS centre around the investments of the LGPS. Whilst investment income helps pay for the benefits due, this won't change the amount of benefits you receive when you come to take your benefits. However, should Reform get into government, they could then review the benefit structure of the LGPS.

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**Q. Where on the portal can you see how much has been contributed towards your pension that year? what percentage does SCC add?**

A. The pension portal does not hold details of the employer's contributions. However, you can find your employers' contribution rate for 2025/26 in the Rates and Adjustment Certificate (dated 29 May 2025) document on our website:

<https://www.staffspf.org.uk/Finance-and-Investments/Actuarial-valuation-report/Actuarial-Valuation-Report.aspx>

For Staffordshire County Council, the current rate is 21.6% of employee's pensionable pay.

Note: Your employer pays the balance of the cost of providing your benefits in the LGPS. Every three years an independent review is

undertaken to calculate how much your employer should contribute to the Scheme.

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**Q. Would taking out a car leasing contract through SCC scheme affect my eventual pension - I plan to retire within next 5 years?**

A. Utilising a Car Salary Sacrifice scheme can have an impact on your LGPS pension benefit.

A Car Salary Sacrifice scheme is not pensionable, so any amount of pay given up in exchange for leasing a car is not protected for your pension: we will use the lower pay after your Salary Sacrifice has been deducted to calculate your pension. This has an impact both on the current build-up of your Career Average Revalued Earnings (CARE) pension and on any Final Salary benefits you may have (if you were a member of the scheme before 1 April 2014).

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**Q. If I am 55 six months before the change to 57 for early retirement, would I have to retire in the first 6 months of being 55 otherwise I would have to wait until I was 57?**

A. The Government has announced the earliest age that you can take your pension will increase from age 55 to 57 from 6 April 2028. However, if you joined the LGPS before 4 November 2021, you could be protected from this change. We are still waiting further information on whether protections will be introduced, and this will also require a change in the LGPS rules. Further information will be provided on our website, when known.

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**Q. In 2002 I had a break in service due to going on strike. Am I able to cover the payment lost?**

A. As the absence occurred before 1 April 2014, it is no longer possible to pay contributions on the lost pay for the period of strike action in order for it to count in full in the calculation of your pension benefits - the opportunity to make a decision was limited to 30 days from the end of the recognised trades dispute.

Note: under the career average scheme (post 31 March 2014), the buying-back of "lost" pension for period of strike action is worked out differently. If a member wishes to buy-back the amount of pension "lost",

they can do so through an age-related Additional Pension Contribution (APC).

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**Q. If I leave the LGPS within 2 years of joining what am I entitled to. Just wondering if it is worth being part of LGPS?**

A. To qualify for pension benefits you must be an active member of the LGPS for at least two years. This is called the qualifying period (or the vesting period).

If you have not met the two year qualifying period at the date of leaving, you will normally be able to take a refund of your contributions.

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**Q. Where can I calculate how much my pension is worth if deferring to age 66 and 67?**

A. [My Pension Portal \(MPP\)](#) will allow you to run an estimate of what your pension would be worth if were to leave the Scheme and defer payment of benefits until your normal pension age (linked to your State Pension Age for benefits built up from 1 April 2014). Unfortunately, the online benefit calculators will not show the reduced benefits payable if you were to elect to bring these deferred benefits into payment before normal pension age. If you were to leave the Scheme before retirement age and are awarded a deferred benefit, you would then be able to run an estimate of the reduced benefits payable for early payment via the online portal.

You can, however, view the current early retirement reduction factors on our website:

<https://www.staffspf.org.uk/Members/Active-Members/Leaving-the-Scheme/Retirement/Early-Retirement/Early-Retirement.aspx>

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**Q. Tried for flexible retirement, declined as there was a cost attached to me taking pension early due to the rule of 85. Will there still be a cost attached when turn 60?**

A. There should be no cost to your employer if they agree to your flexible retirement at age 60 or over (and your employer chooses not to waive any reduction to your benefits for early payment).

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**Q. If I started my LGPS 2018 am I not covered by the CARE pay?**

A. As you first joined the LGPS after 31 March 2014, all your pension benefits will have been built up in the current career average scheme (CARE).

Each year, 1/49th of your pensionable pay is put into your pension account. Assumed pensionable pay is used if your pay has been reduced for certain reasons. The balance in your pension account at the end of each year is then adjusted in the following April in line with the cost of living.

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