



Norfolk County Council's Salary Sacrifice Shared Cost AVC Scheme

As a member of the Local Government Pension Scheme (LGPS), you can top-up your retirement pot by making Additional Voluntary Contributions (AVCs.) This is an extra pot of money alongside your LGPS which can mean you have more when you retire.

Norfolk County Council provides two AVC facilities for LGPS members:

- 1) A standard AVC arrangement that provides Income Tax relief.
- 2) A shared cost AVC scheme that provides Income Tax relief and National Insurance (NICs) savings.

The Shared Cost AVC scheme is provided through a salary sacrifice arrangement and is fully supported by the Council on the basis that it will:

- Provide further flexible pension saving opportunities
- Result in an increase in take home pay when compared to paying AVCs in the standard way

The main advantage of the shared Cost AVC scheme over a standard AVC option is that, as well as receiving full Income Tax savings, you will not pay National Insurance Contributions ('NICs') on the amount of pay that you have sacrificed. As a result, the Scheme allows you to save NICs in addition to Income Tax, therefore increasing your take-home pay when compared to paying AVCs in the standard way.

Example: If your salary is £25,000 per year and you pay £3,000 in standard AVCs per year, your Income Tax savings will be circa £600 per year. If you join the Scheme, you will benefit from the same Income Tax savings and you will also benefit from NICs savings of circa £360 per year, making the Scheme a lot more beneficial for you when compared to paying AVCs in the standard way.

The amount you save will depend on the amount of salary sacrificed and the rate at which you pay Income Tax and NICs (Basic Rate or Higher Rate).

Employees of Norfolk County Council, including staff in maintained schools, that are members of the LGPS are eligible to join the Scheme. Those that work under a variable or zero hours contract or casual assignment are not eligible to participate in the Scheme.

Both Prudential and Clerical Medical provide our standard AVCs but only Prudential are currently available to offer a Shared Cost scheme.

If you choose to join the shared cost AVC scheme, your main LGPS contributions and benefits will be unaffected, including any benefits due to your dependants in the event of your death.

AVC Wise Ltd is supporting the Council with management and administration of the shared cost AVC scheme.

Further details of the shared cost AVC scheme are available at www.avcwise.co.uk or Telephone: 01252 784 546 Email: support@avcwise.co.uk