



Purchase of additional pension by means of additional regular contributions (ARCs)

- Additional pension can be purchased in multiples of £250 per year, up to the maximum of £5,000.
- Cost is dependant on factors relating to age, sex and the length of the payment period selected.
- Contracts may commence at any time up until the day before your 64th birthday.
- ARCs are deducted monthly and are not indexed. However, contribution rates are subject to change in the future. Any revision would apply to existing contracts.
- Option to purchase additional pension with a proportion of the additional pension payable to dependants.
- Can cease your contract at any time by letting us know in writing.
- If you are already paying more to buy extra years, you will continue to pay them and receive extra benefits on the same basis that you had agreed to buy them.
- On claiming your retirement benefits, your additional pension will come into payment and will be paid together with your local government pension.
- The rate of additional pension is increased with reference to the Retail Prices Index (RPI) from the date of the first contribution to the date the benefits become payable.
- For normal retirement, your additional pension is payable without reduction.
- On ill-health retirement, the additional pension is payable without reduction.
- On early retirement before age 65 (other than ill-health), your additional pension will be reduced to allow for early payment.
- The amount of additional pension payable to a spouse, civil partner or nominated cohabiting partner on death is 37.5% of the rate of additional pension purchased.
- The amount of the additional pension payable to an eligible child is 18.75% of the rate of additional pension purchased. If there are two or more eligible children, the total children's pension awarded is 37.5% of the rate of additional pension purchased shared equally between the eligible children.
- Please note that the total contributions you choose to pay (including standard contributions and any AVC contributions) cannot exceed your pay figure.
- Another option available is additional voluntary contributions (AVCs). The 'in-house' AVC scheme is provided by **Prudential**. For more information, please contact the provider on **0845 607 0077**.
- If you would like to pay ARCs by this option, please complete the enclosed information request and return it to the Fund.

The cost to purchase additional pension is based on factors dependant on your age and the length of the contract you have chosen.

In order for you to make a decision, shown below are examples detailing the additional monthly contributions required in order to purchase £250 additional personal pension.

Should you wish to purchase more than £250 additional pension, you will need to increase the appropriate contribution rate accordingly. For example, to purchase £500 additional pension, the chosen contribution rate will be doubled, and for £1,000 the contribution rate will be multiplied by 4, etc.

All applications to purchase additional pension are scrutinised to ensure you are not suffering from any illness that is likely to cause premature retirement. Therefore, we may ask you to undergo a medical examination at your own expense before your application is accepted.

Example costings

Regular contributions required to achieve £250 of pension per annum – male aged 40:

Contributions paid over 1 year	=	£172.45 per month
Contributions paid over 5 years	=	£38.25 per month
Contributions paid over 24 years	=	£13.76 per month

Regular contributions required to achieve £250 of pension per annum – male aged 50:

Contributions paid over 1 year	=	£235.85 per month
Contributions paid over 5 years	=	£53.42 per month
Contributions paid over 14 years	=	£26.15 per month

Regular contributions required to achieve £250 of pension per annum – male aged 60:

Contributions paid over 1 year	=	£316.63 per month
Contributions paid over 4 years	=	£90.27 per month

Regular contributions required to achieve £250 of pension per annum – female aged 40:

Contributions paid over 1 year	=	£192.56 per month
Contributions paid over 5 years	=	£42.77 per month
Contributions paid over 24 years	=	£15.41 per month

Regular contributions required to achieve £250 of pension per annum – female aged 50:

Contributions paid over 1 year	=	£262.89 per month
Contributions paid over 5 years	=	£59.63 per month
Contributions paid over 14 years	=	£29.42 per month

Regular contributions required to achieve £250 of pension per annum – female aged 60:

Contributions paid over 1 year	=	£348.33 per month
Contributions paid over 4 years	=	£99.97 per month



Additional regular contributions - information request

Your details

Full name:

Date of birth:

Marital status:

Employer's name:

Pension
reference no.:

Annual pay:

Home address:

Please forward information on paying additional regular contributions (ARCs) into the Local Government Pension Scheme.

Signed:

Date:

When completed, this form should be returned to:

West Midlands Pension Fund

PO Box 3948

Wolverhampton

WV1 1XP

This is not an election form