

British Tourist Boards' Staff Pension and Life Assurance Scheme (the Scheme)

Factsheet 5 – Topping up your benefits

You may wish to increase your benefits by paying additional contributions into an authorised pension arrangement. This factsheet provides information on the options available to VisitScotland Section members only.

HOW TO INCREASE YOUR BENEFITS

You have two options by which you will be able to increase your pension at retirement.

Purchase of Added Years

By taking an Added Years contract you can buy additional service in the Scheme over a number of years which will increase the level of your pension at retirement. The cost of the number of Added Years you want to purchase will be actuarially calculated and expressed as a percentage cost. You will get income tax relief on any extra contributions you pay since they will be classed as 'pensions savings'.

Your Added Years contribution will be invested with the rest of the Scheme's assets and will be used to provide additional Pensionable Service. Any additional service you buy is used to increase your Final Salary Pension at retirement.

The number of years and months of additional service you will receive at retirement depends on the level of contributions you pay and when you started paying them.

If you wish to pay Added Years, please complete this form: [Added Years Application Form](#)

Money Purchase Additional Voluntary Contributions (AVCs)

The Scheme includes a facility to pay Money Purchase AVCs and build up a fund which can be used to top up the benefits payable from the Scheme when you retire. You will have control over how your fund is invested so you can take into account your target retirement age and attitude to risk. Unlike Added Years, you can change the amount you pay into your fund from time to time or you can stop and restart making contributions if you find it necessary to do so. You will get income tax relief on Money Purchase AVCs. At retirement you can use your fund to supplement your benefits from the Scheme.

Unlike your Defined Benefit pension the benefits provided by your AVCs are not guaranteed or known in advance. The additional benefits provided by your Money Purchase fund will depend on a number of factors including the level of your contributions, the investment returns you actually achieve and how you choose to use your fund at retirement.

If you wish to pay Money Purchase AVCs, please complete an [AVC Form](#).

Payment

Your payments will be made by a deduction from your salary. Your AVCs will be deducted before tax is calculated which will give you an automatic tax relief.

You will not pay any direct UK taxes on your investment earnings from your Money Purchase AVCs.

When deciding how much you want to pay in AVCs you should take into account the Annual Allowance and Lifetime Allowance set by HM Revenue and Customs as described in [Factsheet 1 – Definitions](#).

Leaving Service

If you leave the Employer before you retire, your Money Purchase AVCs will remain invested until your retirement unless you decide to transfer your main Scheme benefits to another pension arrangement, where your AVC fund will be transferred as well.

Independent Advice

The decision to pay AVCs is entirely up to you; the Trustees are not authorised to give you financial advice. If you need advice about AVCs you should speak to an Independent Financial Adviser (IFA). An IFA can give you specific advice on your circumstances.

IMPORTANT NOTE

This factsheet provides a summary of the various ways in which you can top up your benefits in the Scheme. However, your legal rights are governed by the Trust Deed and Rules of the Scheme. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet.

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