

London Borough
of Hounslow

EMPLOYER FACTSHEET

Leave of absence

Members can buy lost pension for **authorised unpaid leave of absence** including any period of unpaid additional maternity or adoption leave, unpaid shared parental leave or unpaid parental bereavement leave.

Note: only **active** members can pay additional pension contributions (APC) for lost pension.

If they choose to do this **within 30 days** of returning from the leave of absence, the APC cost is split one third employee and two thirds employer. This is a shared-cost APC (SCAPC).

If they choose to do this **after the 30 day period**, the APC contract will be at full cost to the member unless you choose to contribute.

The lost pension is 1/49th of the APP for the unpaid leave period, or 1/98th if they were in the 50/50 section for that period. Members can start APCs or SCAPCs for this reason in either section.

Members can buy what will often be a small amount of lost pension (when it's for authorised unpaid leave of absence) with an **age-related** APC contract, over a period of time (**we cannot accept regular contributions of less than £10 per month due to administration costs**) or as a one-off lump sum.

Note: if a member elects to pay by lump sum this should be paid in one payment and not paid over several months.

1. Child related leave – ordinary maternity & adoption leave, paternity leave, paid shared parental leave, paid parental bereavement leave or paid additional maternity or adoption leave

During ordinary maternity leave, ordinary paternity leave or ordinary adoption leave, members build up 1/49th of Assumed Pensionable Pay (APP) (1/98th if they're in the 50/50 section).

For a Keep In Touch (KIT) day during child-related leave, members build up 1/49th of the **pensionable pay** they get that day, if pensionable pay is more than APP (1/98th in the 50/50 section).

During child related leave any pre-existing APC or SCAPC contracts remain payable. If members with an SCAPC go onto **no pay**, continue making employer contributions. Member contributions you can't collect become a debt you can recover from their pay when they return to work.

2. Authorised unpaid leave of absence (including unpaid additional maternity or adoption leave), unpaid shared parental leave or unpaid parental bereavement leave

Members can buy up to three years pension lost during an authorised unpaid leave of absence.

For a Keep In Touch (KIT) day during unpaid additional maternity, paternity or adoption leave, members build up 1/49th of their pensionable pay for that day (1/98th if they are in the 50/50 section).

Note: if you let members buy extra annual leave by giving up their salary, the extra leave is treated as authorised unpaid leave of absence.

During authorised leave of absence including unpaid additional maternity, paternity or adoption leave, pre-existing APC or SCAVC contracts remain payable. Although the member is on **no pay**, your SCAVC contributions are still payable. Member contributions you can't collect become a debt you can recover from their pay when they return to work.

3. Jury service

See authorised unpaid leave of absence.

4. Unauthorised absence

Members who take an unauthorised leave of absence can't buy lost pension and no employer contributions are payable.

5. Strike

Members can use APCs to buy lost pension for strike days, and they can do this at **any time** they are an active member. They pay the full cost, so there are no employer contributions.

Note: members can start paying APCs for lost pension even if they are in the 50/50 section.

Pre-existing APC or SCAPC contracts remain payable during strike absences. Even though members are on no pay for the period of strike, **your SCAPC contributions remain payable**.

Deduct member APC or SCAPC contributions if there is enough pay, or roll them over as a debt and recover them from pay when the member returns to work.

6. Reserve Forces Service leave (RFSL)

Calculate the APP while reservists are on RFSL and add it to their cumulative for the main or 50/50 section on the monthly return. They build up a pension as if they are still at work.

You don't pay employer contributions to us on APP. Instead, tell the reservist and the Ministry of Defence (MoD) what APP is and what member and employer contributions are due, including member contributions for APCs or SCAPCs.

The MoD deducts member contributions from reservists and pays that to us along with the employer contributions.

If you continue to pay reservists who are on RFSL, that pay is non-pensionable and no member or employer contributions are due. Don't add this pay to reservists' cumulative (APP is added in instead).

Note: your employer SCAPC contributions remain payable.

7. Sickness or injury

Add **APP** to members' pensionable pay cumulative for periods of reduced contractual pay or no pay – not the amount they actually got.

Members pay contributions based on the actual pay they receive (if any) but you pay contributions on APP, so you will pay contributions **in full** for members who are on long-term sickness absence.

Pre existing APC or SCAPC contracts remain payable during sickness on reduced contractual pay or no pay. Contributions are deemed paid for members on no pay, but you must continue to pay employer SCAPC contributions.