

## HSC Pensions

### Maternity leave, paternity leave, parental leave and adoption leave

A member can continue to be pensionable throughout any period of absence for maternity, paternity, parental or adoption. This is referred to in this factsheet as 'special leave'.

Your employer must provide you with the necessary information about pension arrangements before you start any special leave for maternity, paternity, parental or adoption leave.

#### Contributions

Pension contributions can be paid regardless of whether the special leave is paid or unpaid.

#### **If you are in receipt of full pay**

Your pension contributions, at the tier you were paying before the leave, will be deducted on the amount of pensionable pay/reckonable pay/pensionable earnings you actually receive during the leave. If you go on to no pay, then the contributions will be based on the amount of pensionable/reckonable pay/pensionable earnings you were receiving immediately before the no pay commenced.

When you go on special type leave your full pay is calculated using the average weekly earnings rules and also accounts for any pay awards or annual increments before or during your paid leave. So the pay received during a period of full pay leave may not be the same as the pay immediately before the leave commenced.

#### **If you are in receipt of half pay**

Your pension contributions will be deducted on the amount of pensionable pay/reckonable pay/pensionable earnings actually received.

**If you are in receipt of Statutory Pay (e.g. Statutory Maternity Pay, Statutory Adoption Pay)**

Your pension contributions will be deducted on the amount of statutory pay you receive.

**If you are on unpaid leave**

Your pension contributions will be deducted on the rate of pensionable pay/reckonable pay/pensionable earnings immediately before any period of unpaid special leave begins.

**Added years/Additional Pension/Early Retirement Reduction Buy Out (ERRBO)**

Additional contributions continue to be paid on the pensionable pay/reckonable pay/pensionable earnings you were receiving prior to any reduction.

**Part time member**

If you work part time the 'deemed' hours (the hours you would have worked) will be included in your membership for pension purposes for the period you were paying pension contributions.

Pensionable pay/reckonable pay/pensionable earnings for benefit purposes will be based on your normal level of pay. This will be your whole time equivalent pensionable/reckonable pay if you are a 1995/2008 Scheme member or your actual pensionable earnings if you are a 2015 Scheme member.

**If you decide not to return to work**

If you intend to return to work and have already paid some contributions during your leave and then decide that you are not returning to work, HSC Pension Service can accept the last day of membership as the last day that you paid pension contributions.

If you do not intend to return to work you are still entitled to pay pension contributions during the period of statutory leave.

When you leave, your employer will provide you with access to the Leaving Early and Transferring Out Guide which gives you the necessary information about the choices available to you in respect of your pension.

All members, whether they opt out of the Scheme or leave, should be aware that pensionable membership will not be extended unless contributions are paid. Entitlement to benefits will be affected by the length of Scheme membership.

## Annual leave

If you have annual leave after a period of statutory leave and do not return to work, the date of leaving the Scheme will be the last day you pay pension contributions **plus** any annual leave entitlement.

Where a trust gives a higher annual rate of pay throughout an employment, instead of a period of annual leave itself, the higher rate of pay is pensionable. You may receive benefit if the period falls within the pensionable pay/reckonable pay/pensionable earnings period.

## Keep in Touch (KIT) days

Keep in touch (KIT) days are where a member carries out up to 10 days work during the maternity, paternity or adoption leave period.

For pension purposes, keep in touch days do **not** break the period of leave. The member will pay contributions for the KIT days, however these will be on the basis of the reduced earnings for the maternity leave. Any additional pay received during the KIT days will be excluded.

## Paid maternity leave: amount of pay flexibilities

By prior agreement with your employer, occupational maternity pay may be paid as a combination of full pay and half pay or a fixed amount spread equally over the maternity leave period.

If you have six months paid and six months unpaid leave, but your pensionable/reckonable pay/pensionable earnings is averaged out over the 12 month period, contributions will be deducted based on the underlying entitlement.

This provision does not apply to locum practitioners.

## Frequently Asked Questions

**Q What if I can't afford to pay pension contributions while I am on leave?**

**A** Arrears of pension contributions built up during a period of unpaid leave can be collected when you return to work provided they are collected within a reasonable amount of time. This should be agreed between you and your employer.

**Q If I return to work after my special leave, do I have to stay on the same contract?**

**A** You will need to discuss the terms of your employment with your employer.

**Q Can I have a refund of any contributions paid during my leave?**

**A** No, if contributions have been correctly paid on any part of your leave, whether the leave is paid or unpaid, they cannot be refunded (unless you subsequently leave the Scheme with entitlement to a refund of contributions).

**Q Is the percentage of contributions the same whilst I am on my leave?**

**A** Generally the percentage stays the same but may be subject to review.

**Q Can I join the HSC Pension Scheme during my leave?**

**A** No, an employee cannot join the HSC Pension Scheme during a period of maternity leave etc (this includes any employee who has opted out of the Scheme).