

NHS Pension Scheme:

Maternity Leave, Paternity Leave, Parental Leave and Adoption Leave Fact sheet

A member can continue to be pensionable when taking maternity, paternity, parental or adoption leave.

Contributions

Pension contributions can be paid regardless of whether a member's leave is paid or unpaid.

A member's normal pension contributions are deducted on the amount of pay actually received during the leave. If a member goes on to nil pay, then the contributions will be based on the amount of pay they were receiving immediately before nil pay commenced.

Added years contributions continue to be payable on the normal pensionable pay before leave commenced. Additional pension purchases continue at the normal rate.

Under all circumstances, employer pension contributions are based on the normal pensionable pay immediately prior to leave commencing.

If a member is part-time the 'deemed' hours (the member would have worked) will be credited to the member and must be supplied by the employer.

Pensionable/reckonable pay for benefit purposes will be based on the member's normal level of pensionable pay.

If a member does not intend to return to work, for example after maternity or adoption leave, they are still entitled to pay pension contributions during the period of statutory leave.

If a member has annual leave after a period of statutory leave and does not return to work for example after maternity or adoption leave, the date of leaving should be the last day of pensionable work **plus** any annual leave entitlement.

If a member intended returning to work and has already paid some contributions during their leave, then decides that they are not returning to work, NHS Pensions can accept the last day of membership as the last day that they paid contributions.

Employers need to ensure that all members, whether they opt out of the Scheme or leave, are aware that pensionable membership will not be extended unless contributions are paid. Entitlement to benefits can be affected dependent on length of Scheme membership. It is important that employers make certain that all Scheme members receive the necessary information about pension arrangements before they take Maternity leave, Paternity Leave, Parental Leave or Adoption Leave.

Arrears of contributions

Any arrears of pension contributions can be collected when the member returns to work provided they are collected within a reasonable amount of time.

Keep in touch days

Keep in Touch (KIT) days are where a member who is taking maternity or adoption leave etc, carries out up to 10 days work for their employer during their leave period.

Any part of a day worked will be counted as a full day for pension purposes.

For pension purposes KIT days do **not** break the period of leave. The member will pay contributions on the pay received for the KIT day(s). After the KIT day(s), contributions are once more payable based on the amount immediately before the KIT day(s).

Flexibilities

For example where an employee has 6 months paid and 6 months unpaid leave, but the pay is averaged out over a 12-month period, contributions to be deducted based on the underlying entitlement.

This provision does not apply to locum practitioners.

Contributions reminder

Member is receiving:

Full Pay

1. Deduct employer's contributions on the member's normal pensionable pay
2. Deduct employee's contributions on pay actually received

Half Pay

1. Deduct employer's contributions on the member's normal pensionable pay
2. Deduct employee's contributions on pay actually received

Statutory Pay (e.g. Statutory Maternity Pay, Statutory Adoption Pay)

1. Deduct employer's contributions on the member's normal pensionable pay
2. Deduct employee's contributions on SMP

Unpaid leave

1. Deduct employer's contributions on the member's normal pensionable pay
2. Deduct employee's contributions based on the rate of pay immediately before any period of unpaid leave begins

Keep In Touch (KIT) Days

The member will pay contributions on the pay received for the KIT day(s). After the KIT day(s), contributions are once more payable based on the amount immediately before the KIT day(s).

Added years

Deduct employee's contributions on the member's normal pensionable pay. Additional pension purchases continue at the normal rate.

http://www.nhsbsa.nhs.uk/Pensions/Documents/Pensions/TN9_2005.pdf