

NHS Pensions - Authorised leave/career breaks

Prior to 1 April 2008 periods of authorised leave were pensionable. However, it was generally anticipated that these would be fairly short periods, for example periods of leave that had been authorised because of a domestic emergency or bereavement.

Where a period of authorised leave was granted and pensionable pay was reduced or suspended during that period, employee and employer pension contributions were based on the member's pensionable pay immediately prior to the leave of absence.

From 1 April 2008 the NHS Pension Scheme Regulations changed to allow a member who commenced a period of authorised leave on or after this date (including a career break where the contract of employment is retained), to choose to remain pensionable for a period of up to six months.

Where the authorised leave is to be pensionable your employer must treat you as an active member of the Scheme and ensure that you pay employee contributions and that they pay employer contributions continuously throughout the six month period.

Before the leave begins therefore, you and your employer must make arrangements to collect your employee contributions throughout the break. Arrears **cannot** be allowed to accumulate and paid upon your return to work.

Where pensionable pay is reduced or suspended your contributions will be based on your pensionable pay immediately prior to the break starting.

It is not compulsory to pay pension contributions during a period of authorised leave or a career break. If you decide not to pay pension contributions your last day of Scheme membership will be recorded as the day before the leave commences.

If after the six month period has elapsed you wish to extend your leave you can do so for a further period of up to 18 months.

Should you wish to take up this option you will be responsible for paying **both** the employee and employer pension contributions.

If pension contributions are not paid for the first six months, you will not have the option to continue to be pensionable for the further period of up to 18 months. The facility to pension authorised leave (which includes career breaks where the contract of employment is

retained) applies equally to 1995 Section members, 2008 Section members, and 2015 Scheme members.

The facility to pension authorised leave does not apply to freelance locum GPs.

Can an employer choose whether a career break is granted?

The decision on whether to agree an application for a career break is a contractual issue and therefore rests with the employer. The employer should refer to the employees relevant terms and conditions.

Can an employer choose whether the authorised leave/career break is pensionable?

No. If the break has been agreed and you choose to pay pension contributions your employer must pay the employer pension contributions for the first six months.

I have been granted a career break for longer than two years. Can I continue to contribute to the NHS Pension Scheme after two years have elapsed?

No. Although under Agenda for Change terms and conditions you can be granted an employment break of up to five years, the NHS Pension Scheme Regulations only allow authorised leave periods (which includes career breaks where the contract of employment is retained) to be pensionable for the first two years. After this time your Scheme membership would end.

Which part of the Scheme will I belong to on returning from authorised leave/career break?

Whilst contributing to the Scheme you will remain in the same part of the Scheme you were in prior to the authorised leave/career break.

If you were a 1995 or 2008 Section member, on your return to the NHS you will either remain in that Section or join the 2015 Scheme if you have reached your transition date. If you were a 2015 Scheme member prior to the break you will return to the 2015 Scheme.

I currently have Mental Health Officer or Special Class status. Will this be retained during the authorised leave/career break?

If you decide not to pay pension contributions during the period of authorised leave/career break the normal rules surrounding membership of the Scheme and entitlement to Mental Health Officer/Special Class status will apply. You must return to pensionable NHS employment within five years to be eligible to be considered for Mental Health Officer /Special Class status on your return.

What life assurance and family benefits would I be entitled to during authorised leave/career break?

You will be entitled to death in membership benefits during the period of up to two years providing that you continue to contribute to the Scheme.

For further information about life assurance and family benefits please visit our website.

What happens to my Added Years, Additional Pension or Early Retirement Reduction Buy Out (ERRBO) contract during authorised leave/career break?

You can choose to pay your normal tiered contributions plus the additional contributions during the pensionable period of up to two years; or you can choose to only pay your normal tiered contributions.

What happens to the Added Years, Additional Pension and ERRBO contract if you choose not to pay or has a break after the authorised leave of absence ends?

- If you decide not to pay contributions, or
- remain on a career break for longer than two years having paid contributions

and want to restart your contract you must return to the Scheme within 12 months of the last day of contributing membership to enable the original Added Years, Additional Pension or ERRBO purchase to continue.

If you do not return to the Scheme within 12 months the contract will end and an appropriate credit based on the contributions paid will usually be given.

You cannot pay any 'missing' contributions where you have chosen not to pay additional pension contributions or for a period where you were on authorised leave for a period of more than two years.

When you return to the NHS Pension Scheme you should reconsider your position and if there will be any shortfall in the intended purchase.