

## Family leave

July 2023



### **What happens to my pension when I am on maternity or paternity leave?**

If you're receiving contractual or statutory pay, your pensionable service will continue to increase. If you're not receiving any pay, you will no longer be an active member of the Scheme.

### **What level of contributions will I have to pay?**

If your pensionable earnings are reduced during sick leave, adoption leave, maternity leave, parental leave, paternity leave or additional paternity leave, the contributions you pay will be deducted from the actual reduced salary you receive but using the contribution rate that would ordinarily apply to you.

### **What happens if I adopt a child or take parental leave?**

This absence will be treated the same as maternity or paternity absence, provided you are receiving contractual or statutory pay.

### **What happens to my pension if I decide to take a longer break after my contractual and statutory pay has expired?**

There are several options you can take but there are factors to consider for each. If you take an extended break, when neither contractual nor statutory pay is in payment, then you would be deemed as being 'out of service'.

This means you will not be entitled to Death in Service (DIS) benefits should you die during the break. You will be a deferred member until you return to pensionable (active) service. If you were to return to service within five years then active member indexation will be retrospectively applied to your benefits upon your return. However, if the break is more than five years only new pension accrual will receive active member indexation.

If you opt out of the Teachers' Pension Scheme you will need to opt in upon your return to pensionable (active) service as contributions will not automatically be deducted upon your return (unless you move to a brand new eligible employment and your employer contractually enrolls you). The annual indexation applied to your benefits will be in line with Pensions Increase only, i.e. without the enhancement applied for active members.

If you leave teaching you may be able to transfer your Teachers' Pension to another Defined Benefit Scheme. Before requesting a transfer out, we recommend you seek independent financial advice. You can also ask for a refund of your contributions providing you have less than two years' qualifying service in the scheme. Please note your employers contributions will not be refunded to you.

Where there is any difference between the legislation governing the Teachers' Pension Scheme and the information in this fact sheet the legislation will apply.

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