

UNPAID LEAVE AND SICK LEAVE

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We often get asked what happens to your pension while you are off work.

Find out what happens to your pension while you are on statutory sick leave, or take unpaid leave.



PENSIONS BOARD

Unpaid leave and sick leave

Statutory Sick Pay (SSP)

If you are unable to work, you will receive SSP if you normally earn more than the Lower Earnings Limit.

Automatic enrolment requires SSP to be treated as part of your qualifying earnings, or as part of your basic pay so you will keep earning pension while you receive SSP.

Once your SSP runs out, it is up to your employer whether contributions continue.

During sick leave, any contributions you and your employer pay will be based on your actual earnings. If your SSP is less than your usual pay, your contributions will go down too.

Unless there is something in your contract of employment that sets a contribution rate, or your employer agrees to pay more, their contributions will decrease as well. This means you will build up pension at a slower rate until you come back from SSP.

You will still be covered for life cover while you receive SSP.

Serious ill health

If you are unlikely to be able to work again because of your health, you might be able to take your pension early, regardless of your age.

If your life expectancy is less than 12 months, we might be able to pay your whole pension as a lump sum.

Read our '**ill health retirement**' guide to find out more.

Unpaid leave

If you take a break from work which is unpaid, your employer may stop paying pension contributions. You need to discuss this with your employer to find out the policy that applies in your organisation.

If you take a break from work which is unpaid, your employer may stop paying pension contributions. Discuss with them what their policy is.

If contributions stop, you will stop building up pension until your pay starts again. Your life cover will continue.

This reflects our understanding of current legislation and practice. You should talk to a financial or legal adviser if you need specific guidance or advice