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Gender Pensions Gap - The Employer Role

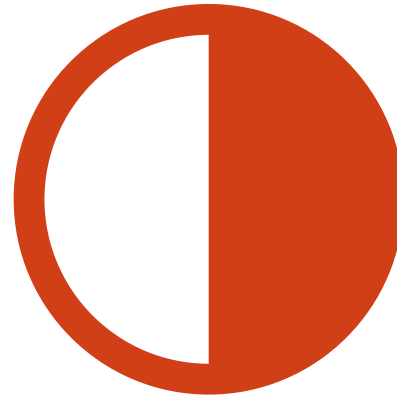
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Should I stay or should I go?



**Opt out of
the LGPS**



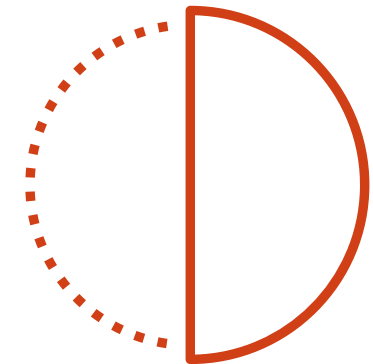
50/50



**Remain in the
LGPS**

50/50 section

- The member's contributions are halved
- The member's pension accrual is halved
- Death benefits and ill health enhancements unaffected
- The employer's contribution rate does not change
- The member can choose to move back to the main section of the scheme at any point



50/50 section

	Main Section	50/50 Section
Annual salary	£30,000	£30,000
Contribution rate	6.5%	3.25%
Employee contributions	£1,950	£975
Pension accrual rate	49th	98th
Member pension accrual	£612.24	£306.12
Survivor pension accrual	£187.50	£187.50
Lump sum death grant	£90,000	£90,000

Absences

- During:
 - Ordinary maternity or adoption leave
 - Paid additional maternity or adoption leave
 - Paternity leave
 - Paid shared parental leave
 - Paid parental bereavement leave
- The member accrues pension as though they are still at work and receiving full pay

Absences

- For any other type of authorised unpaid leave such as:
 - Unpaid additional maternity or adoption leave
 - Unpaid shared parental leave
 - Unpaid carers leave
 - Unpaid parental bereavement leave
 - Unpaid career break
- The member will not accrue any pension during the absence

Additional Pension Contributions (APCs)



- The member can choose to buy 'lost' pension
- If elects within 30 days of return to work the employer must pay two thirds of the cost
- Employer can still choose to contribute if the election is made after 30 days
- The member can choose to pay by a lump sum, or by regular deductions
- No attaching survivor pension benefits
- Online calculator to find out the cost and to apply lgpsmember.org
- APCs can also be used to buy 'extra' pension

Personal details

* Denotes a required field

Gender*

Date of birth*



Lost Pensionable Pay (from employer) (£)*



Reason for absence*



Section of scheme*



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Continue

Current practices?

You have a member of staff taking maternity leave. They plan to take their full maternity leave entitlement, including a period of additional unpaid maternity leave.

What information (if any) do you currently provide in relation to their pension? When is it provided?

Is there any room for improvement?



Provision of information

- All authorised unpaid leave – not just maternity
- Best practice:
 - Relevant section on intranet/internal website
 - Ensure member is aware they can buy back lost pension
 - Ensure member knows about 30-day limit for shared cost
 - Provide information at the start of the authorised absence, and again on returning to work
 - Automatically supply ‘lost pay’ figure to member
 - Produce an APC quotation for the member
 - lgpsmember.org
 - Link to your administering authority’s pensions portal

Resources

LGPS training course – The Employer Role

www.local.gov.uk/events

Filter by topic 'pensions'

Employer resources and bitesize training

www.lgpsregs.org/employer-resources

LGPS calculator to buy lost/extra pension

www.lgpsmember.org/help-and-support/tools-and-calculators/

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