

Absence due to sickness or injury



If an employee who is a member of the LGPS goes into a period of reduced or no pay due to sickness or injury, the employer needs to calculate an Assumed Pensionable Pay (APP) figure for the period when the member is on reduced or no pay.

The APP figure (rather than the amount of pay normally received by the employee) must be included in the cumulative pensionable pay figure for the member that is provided in returns submitted to East Sussex Pension Fund. This is so that the member's pension benefits are not affected by periods of absence due to sickness or injury.

The member only pays pension contributions on the pay that they receive. If they go into a period of no pay then they do not pay pension contributions. The employer pays pension contributions on the APP figure they have calculated, so, even though the member may be paying reduced or no contributions, the employer should continue 'full' pension Contributions, based on the APP figure.

This continues for as long as the member is on reduced or no pay. It is important that employers pay the correct amount of employer contributions to the fund.

If the employee is in the 50/50 section of the scheme and goes into a period of no pay due to sickness, the employee must be moved back into the main scheme from the beginning of the next pay period if they are still on nil pay at that time.

Absence due to sickness or injury – Actions for the employer

- Ensure correct pension employee contributions (based on actual pay received) and Employer contributions (based on APP) are being paid to East Sussex Pension Fund.
- Ensure that the correct APP amount for the member's period of reduced or no pay due to sickness or injury is included in the cumulative pensionable pay figure reported to East Sussex Pension Fund.
- Notify East Sussex Pension Fund if an employee who is a member of the scheme goes on to reduced or no pay by completing form LGPS 5B

[LGPS 5B - Notification of amendments form \(eastsussexpensionfund.org\)](https://eastsussexpensionfund.org)

Editable version - [LGPS 5B - Notification of amendments form \(eastsussexpensionfund.org\)](https://eastsussexpensionfund.org)

- Notify East Sussex Pension Fund when the employee returns to work by completing form LGPS 5B

Other information

Payroll guide (page 32) - [Payroll guide for employers - LGPS \(eastsussexpensionfund.org\)](https://eastsussexpensionfund.org)

HR guide - Assumed pensionable pay (page 33) - [LGPS HR guide \(eastsussexpensionfund.org\)](https://eastsussexpensionfund.org)

LGPS member website – [If you are away from work](https://eastsussexpensionfund.org)

LGPS full scheme guide (page 54) – [Leave of absence and the LGPS](https://eastsussexpensionfund.org)

Further support

Email: employer.engagement@eastsussex.gov.uk

This factsheet is one of a series produced to support employers with processing key tasks.

You can view the full employer toolkit at:

[Employer Toolkit | East Sussex Pension Fund](https://eastsussexpensionfund.org)