

## Strike action

### Frequently asked questions for LGPS employers

**These FAQs cover the common pension questions that arise when an LGPS member takes strike action.**

#### **What effect does strike action have on a member's pension?**

The member's pension will be affected by strike action. Any period of absence due to strike will not count for pension purposes unless the member elects to pay Additional Pension Contributions to buy back the 'lost' pension.

Each day that a member is absent due to strike action without buying back the 'lost' pension:

- Will slightly reduce the amount of pension in their CARE pension account compared with the pension they would have built up if they had not been absent.
- May have a slight impact on the final pay figure used in the calculation of benefits for a member who was in the scheme before 1 April 2014. This will be the case if the strike action falls in the final year (or in some cases, final three years) of scheme membership.
- May extend by a day the date that the member satisfies the 85-year rule. Members may be protected by the 85-year rule if they joined the scheme before 1 October 2006.

#### **How much pension will a member lose?**

For a member in the main section of the LGPS, the amount of 'lost' pension is the amount of pay the member would have received had they not taken strike action, divided by 49.

For a member in the 50/50 section of the LGPS, the amount of 'lost' pension is the amount of pay the member would have received had they not taken strike action, divided by 98.

#### **How does a member buy 'lost' pension?**

The member will need to take out an Additional Pension Contribution (APC) to buy the 'lost' pension. The member must use the [buy lost pension calculator](#) on [lgpsmember.org](#) if they wish to buy 'lost' pension.

Before the member can use the calculator, they will need you to tell them the amount of pensionable pay they have 'lost' due to the strike action. The cost of buying 'lost' pension is calculated based on the age of the member, the amount of pension 'lost', and the length of time the member wishes to take to pay for the 'lost' pension.

The calculator will show the member the cost of buying 'lost' pension and take them to the application form if they would like to go ahead with the purchase.

### **Does the employer have to contribute to the cost of a member purchasing 'lost' pension due to strike action?**

No, the cost of the 'lost' pension would be met fully by the member unless the employer voluntarily chooses to contribute.

### **How does strike action affect the final pay calculation?**

Strike action may affect the final pay calculation for members who have pre 1 April 2014 (final salary) membership. If the strike action does not fall into the member's final pay period, the final pay figure will not be affected. If the strike action does fall within the final pay period, the effect of this will depend on whether the member has bought the pension 'lost' due to the strike action.

For members who have bought 'lost' pension, the final pay is the final pay the member would have received but for the absence.

For members who have not bought the 'lost' pension, the final pay is the final pay received during that final pay period divided by the number of paid days in that period multiplied by 365.

### **What effect does strike action have on any pre-existing contracts to pay extra contributions?**

The member must continue to pay contributions under any pre-existing Additional Regular Contributions (ARCs), Additional Pension Contributions (APCs), Additional Survivor Benefit Contributions (ASBCs), added years or part-time buy-back contracts.

If it is not possible to collect these contributions while the member is on strike, you will need to collect arrears of contributions when the member returns to work. The member can continue to make any Additional Voluntary Contribution (AVC) payments during strike action.

### **Do we need to notify East Sussex Pension Fund when a member takes strike action?**

Yes, you should inform us of any strike breaks, as these are then added to the members record as a service break.

### **Is there any information I can provide for my employee regarding strike action?**

Yes – there are a set of questions and answers on the LGPS member website to support members who require information about strike action.

[Strike FAQs for members](#)

## Contact us

**Write:** Pension Services. East Sussex County Council, County Hall, St Anne's Crescent, Lewes, East Sussex, BN7 1UE

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