

LGPS Employer Training: APP and the 50/50 section

If an employee joins the 50/50 section, the employer must report the cumulative pensionable pay in the 50/50 section separately to the main section of the LGPS.

If an employee who is paying into the 50/50 section receives **no pay** during a period of:

1. Sickness
2. Ordinary Maternity Leave (first 26 weeks)
3. Ordinary Adoption Leave (first 26 weeks)
4. Paternity Leave

they should be moved from the 50/50 section into the main section of the scheme from the beginning of the next pay period if they are still on no pay.

This means they will be building up full pension benefits.

They will remain in the 50/50 section unless they make another 50/50 election.

Short periods of sickness

Where an employer has a policy of not paying staff for the first X days of sickness, the employee will need to be moved into the main section if the period of no pay crosses two pay periods.

Example

Josh is on sick leave for a period of five days from 10 to 14 July.

He is in the 50/50 section of the LGPS.

His employer does not pay for the first three days of sick leave.

Josh remains in the 50/50 section of the LGPS because he is receiving pay at the beginning of the month following the no pay period.

APP and the 50/50 section – exercise 1

Juan is in the 50/50 section of the LGPS. He is away from work from 29 June to 2 July on sick leave. His employer does not pay sick pay for the first three days of sick leave.

What should Juan's employer do?

1. The employer should move Juan into the main section of the scheme from 1 July
2. The employer should move Juan into the main section of the scheme from 29 June
3. The employer should keep Juan in the 50/50 section

Answer: 1. As the no pay period crosses two pay periods, Juan should be moved to the main section from the start of the next pay period.

APP and the 50/50 section – exercise 2

Suzie is in the 50/50 section. She goes on adoption leave from 15 June, but she does not qualify for occupational or statutory adoption pay. She receives no pay from 15 June.

What should Suzie's employer do?

1. Move Suzie into the main section of the scheme once her period of Ordinary Adoption Leave ends
2. Move Suzie into the main section of the scheme from 1 July
3. Keep Suzie in the 50/50 section for the entire period of her adoption leave

Answer: 2. Suzie is on nil pay during a period of Ordinary Adoption Leave so should be moved to the main section of the scheme on the first day of the next pay period.

Well done! You have completed this bite-size training

You can get more information on APP and other employer responsibilities from www.lgpsregs.org.