

# A guide for members on family leave

Saving for your pension is a long-term investment and many things can happen throughout this time. The arrival of a child has a big impact on your life both in and outside work. You may be entitled to take time off work to prepare for this or help with the adjustment over this time.

Here we answer some of the questions that you might have in relation to your pension at this time, such as:

- Will my fund membership continue?
- Will my contributions change while I am off?
- Will my contributions to BRASS or AVC Extra continue?
- Will my BRASS matching continue?
- Will my benefits be affected?
- What happens when I am no longer receiving any pay?
- How will any arrears of contributions be repaid?
- What happens if I choose not to repay contribution arrears?
- Do I need to tell Railpen Limited (Railpen) about my leave?
- What happens if I don't return to work?
- Where can I get more information?

## **Will my fund membership continue?**

Yes. Your fund membership will be continuous, unless you have an agreement with your employer for this to be treated differently.

## **Will my contributions change while I am off?**

Yes they might, as your contributions are calculated using a percentage of your earnings. The same percentage will be used to calculate your contributions, so, if your earnings change while you are off then your contributions will too.

Your earnings could reflect higher rate statutory maternity pay, lower rate statutory maternity pay, statutory adoption pay or statutory paternity pay.

However, if you receive full pay or take unpaid leave your contributions will not change.

## **Will my contributions to BRASS or AVC Extra continue?**

Yes. All the time you are earning enough to cover your BRASS or AVC contributions they will continue, however, you can decide to change or stop your contributions during the time you are receiving lower pay.

## **Will my BRASS matching continue?**

Yes. If you normally receive BRASS matching from your employer this will continue while you are making BRASS contributions.

If your BRASS contributions were stopped because your pay reduced, your employer should notify Railpen when you return to work to reinstate your BRASS matching.

## **Will my benefits be affected?**

No. Your membership will normally be continuous and all your benefits are based on your final average pay, unless you have an agreement with your employer to be treated differently.

## What happens when I am no longer receiving any pay?

If your pay reduces to nil you will no longer pay any contributions, however, your employer may choose to pay these on your behalf until you return to work.

When you return to work you will owe arrears of contributions as your employer had continued to pay these on your behalf. You will need to pay these back to your employer, in addition to your normal fund contributions.

Any AVC contributions will also stop when your pay has either reduced to nil or is too low to deduct contributions. When you return to work you can choose if you would like to pay any missed AVC contributions.

If your employer chooses not to pay over contributions on your behalf, when you return to work you and your employer will need to decide whether or not you will repay contribution arrears.

## How will any arrears of contributions be repaid?

You and your employer should discuss and agree a payment plan to repay missed contributions. These will be deducted from your salary each pay period until they are paid off, in addition to your normal fund contributions.

## What happens if I choose not to repay contribution arrears?

Your employer will normally give you the option to repay contribution arrears when you return to work. If you choose not to repay these arrears then a break in service will be applied to your record and you will not receive any benefits for this period.

## Do I need to tell Railpen about my leave?

No. This will be done for you by your employer, they will also tell Railpen of any changes to the pension contributions you will make while you are off.

## What happens if I don't return to work?

If you do not return to work you will be treated as though you have left the Fund, and you will have to repay any arrears of contributions to your employer. If you do not, or are unable to do this, your employer can request that the arrears are deducted from your pension benefits.

## Where can I get more information?

You can find more information by:

- Visiting [btppensions.co.uk](http://btppensions.co.uk)
- Phoning the Helpline on 0800 012 1117
- Contacting your employer
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You may also be able to find some generic information from tax credits and child benefit to parenting issues at [gov.uk](http://gov.uk)

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### Disclaimer

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Although every effort has been made to ensure that the information given in this leaflet is accurate, none of the information given can give you legal rights to benefits that differ from those provided in the pension trust and rules.

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Helpline: **0800 012 1117**  
Website address: **[btppensions.co.uk](http://btppensions.co.uk)**  
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We recommend that you get independent financial advice before making any important decisions about your pensions arrangements.