

# Maternity and family leave

## Maternity

### Fully covered

During maternity absence contributing members of USS are fully covered for all the usual benefits of the scheme, based on the pensionable salary they would have been paid but for their absence.

All women, irrespective of length of service or hours of work, are entitled to 26 weeks' ordinary maternity leave and 26 weeks of additional maternity leave. Under the Maternity (Compulsory Leave) Regulations, all women are required to take two weeks' leave from the date of childbirth. Normally these two weeks fall within the 26 week ordinary maternity leave period, but where they do not you may add the additional two weeks.

These are the requirements of UK employment law. You may be entitled to more leave depending on your terms of employment. You may also be entitled to be paid part, or all, of your salary during some part of your period of absence and minimum payments are prescribed by the Statutory Maternity Pay Regulations.

Please contact your employer for current specific information.

### USS contributions

If you are not entitled to any pay under your terms of employment and you are not eligible for Statutory Maternity Pay (SMP), your employer will pay your full employee contribution (and the normal employer contribution) during the initial 26 weeks of ordinary maternity leave and this period will count as pensionable service.

If you do receive some pay (including SMP), but less than your pre-maternity salary, the contributions you then have to make to USS will be based on the income you actually receive. Your salary for USS purposes will be regarded as being that which you would have normally received if you had not been absent on maternity leave and your employer will pay contributions based on this. Your employer will also pay the shortfall in your contributions resulting from the

reduction in your earnings. Your employer is committed to continuing these payments for up to 39 weeks or up to when you stop receiving maternity pay if earlier. At the end of the 26 week statutory maternity leave period (or your period of paid maternity leave, if greater), you will stop paying contributions to USS and your membership will be suspended. You may also elect, before your leave commences, not to contribute during your maternity leave. This period of suspended membership will not count as pensionable service. When you return to work you will have the option, with the consent of your employer, to pay additional contributions to USS to make up the difference so that all or part of your period of suspended membership can count as pensionable service. If you decide to do this, your employer will also pay the appropriate normal employer contribution.

You will not be treated as having left the scheme unless you do not resume employment within the time limit agreed with your employer. If you do not return to work on the agreed date, your benefits will be calculated as though you had left USS on that date, or on the date you told your employer you would not be returning, if that was earlier. If you do leave, you can only rejoin the Final Salary section if you rejoin within 30 months of leaving. If you remain employed during your maternity leave you will remain a member of the Final Salary section.

If you retire because of incapacity or die during a period of maternity leave while your membership is suspended, any benefits payable will not be affected.

If your contract of employment ends during a period of maternity leave or you resign from your post, your employer still has the obligation to pay the full 26 weeks statutory maternity pay. However, there will be no requirement to maintain pension contributions once your contract of employment has ceased. If your contract of employment is extended to the end of the maternity leave period, USS will expect both employer and employee contributions until the expiry date of your contract.

## Salary sacrifice

Statutory Maternity Pay (SMP) must not be reduced for employees taking part in a salary sacrifice arrangement prior to embarking on maternity leave.

If an employee is entitled to contractual maternity pay, which exceeds SMP, then pension contributions may be deducted from maternity pay providing the remaining payment to the employee does not fall below the current level of SMP.

## Keeping-in-touch (KIT) days

KIT days allow a new or expectant mother (or adoptive parent) who is on maternity/adoption leave to return to work for up to 10 days during the maternity/adoption leave period, the idea being that she/he will be able to maintain contact with colleagues and remain up-to-date with developments in the working environment. These days are in addition to any general arrangements for maintaining reasonable contact during the absence period. The 10 days may be taken separately or together and must be agreed between the employee and the employer.

For the purposes of USS, where a KIT day occurs in the midst of a period for which the member is on paid leave (including whilst only SMP or SAP is payable), contributions will be deducted on the actual level of salary received by the member, with the institution making up the difference in employee and employer contributions to that which would have been payable had the member not undertaken a period of maternity/adoption absence.

Where a KIT day is taken outside of such a paid leave period, no pension contributions will be deducted from any amount paid for the day. Upon the member's return to duty, she/he will be given the opportunity to make pension contributions for the period of suspended membership, which will be based on the level of salary that otherwise would have been paid but for the absence (and incorporating the relevant KIT days, which occurred during this period).

## Paternity

### Ordinary Paternity Leave (OPL)

Contributing members of USS who are entitled to paternity leave are fully covered for all the usual benefits of the scheme, based on the pensionable salary they would have been paid but for their absence. The maximum amount of leave is a continuous period of two weeks. If you are entitled to paternity leave you will receive, as a minimum, Statutory Paternity Pay (SPP). If you do receive SPP, the contributions you then have to make to USS will be based on the income you actually receive. Your salary for USS purposes will be regarded as being that which you would have normally received if you had not been absent on paternity leave and your employer will pay contributions based on this. Your employer will also pay the shortfall in your contributions resulting from the reduction in your earnings.

### Additional Paternity Leave (APL)

This allows the father to take part of the mother's maternity leave so as to allow the mother to return to work. APL must be taken as one continuous period, must be for full weeks and for a period of between two and 26 weeks. APL may be taken at any time between 20 weeks after the date on which the child was born and the child's first birthday. Unless the employer agrees to waive the notice requirements, APL may not be taken until eight weeks after the date on which the father gives his employer the required notice. If the mother has not taken her full entitlement to statutory maternity pay when she returns to work, the outstanding amount transfers to the father/her partner who is taking APL.

For any period that a member on APL receives any statutory or other maternity pay then the member will pay contributions based on this pay and the employer will top-up to the full amount based on the level of salary that would have been paid had the member not taken the APL. If contributions cease then this is treated as a period of absence and your membership will be suspended. This period of suspended membership will not count as pensionable service. When you return to work you will have the option, with the consent of your employer, to pay additional contributions to USS to make up the difference so that all or part of your period of suspended membership can count as pensionable service. If you decide to do this, your employer will also pay the appropriate normal employer contribution.

## Adoption

During adoption leave, contributing members of USS are fully covered for all the usual benefits of the scheme in the same manner as for maternity leave.

Adopters are entitled to 26 weeks' ordinary adoption leave followed immediately by up to 26 weeks' additional adoption leave. Ordinary adoption leave is normally paid leave and additional adoption leave is normally unpaid. Leave can start either from the date of the child's placement or from a fixed date which can be up to 14 days before the expected date of placement. Only one person can take adoption leave in respect of a child at any time, and where a couple proposes to adopt a child jointly, one may take adoption leave, but the other may only take paternity leave.

These are the requirements of UK employment law. You may be entitled to more leave depending on your terms of employment. You may also be entitled to be paid part, or all, of your salary during some part of your period of absence and minimum payments are prescribed by the Statutory Adoption Pay Regulations. Please contact your finance office for current specific information.

## Other paid family leave

If your contract of employment is governed by UK law and you are absent from work for family reasons not dealt with above, then if your employer pays you some remuneration for that period, but less than your salary for USS purposes, the ordinary USS contributions you have to pay for that period will be based only on the amount of that remuneration, and your rights to benefit will be calculated as if that amount had been your salary for that period.

## Parental leave

If you are entitled to parental leave under statute, or under an agreement that lawfully replaces your statutory rights, this leave will usually be unpaid and will be treated in that case as a period of temporary absence.

*For more information, please see the 'Absence' factsheet.*



## Additional Voluntary Contributions (AVCs)

If you were paying monthly AVCs to buy added years of pensionable service before you started a period of maternity, paternity or adoption leave, you should continue to pay the same percentage of your full salary unless you want to terminate the contract. When your pay stops so will your AVCs but you may be able to make good the shortfall in contributions when you return to work subject to the limit on maximum contributions. You will not in any event be required to commence a new AVC contract if you wish to continue paying AVCs although the amount of pensionable service you can purchase may be less than the original amount.

If you were paying AVCs to the Money Purchase AVC (Prudential) you can continue these contributions, should you wish, for as long as you continue to be paid.