



## **Trade dispute Absence – A note for LPFA Employers**

“Trade dispute absence” means absence from duty, otherwise than with leave, for a period of one or more days during and because of a trade dispute.

If an active member’s absence results from his participation in a Trade Dispute and the absence is for at least one day, special provisions apply. A Trade Dispute is defined in the Trade Union and Labour Relations (Consolidation) Act 1992, to be an industrial dispute between an employer and his employees in connection with the employee’s conditions of employment.

He may make a contribution for the relevant contribution period at the rate of 16% on his lost pensionable pay for that period. His lost pensionable pay is the difference between his actual pensionable pay (if any), and the pensionable pay he would have received but for any trade dispute absence, (disregarding any guarantee payments under Part III of the Employment Rights Act 1996).

Where a person pays contributions under the provisions regarding trade disputes for any period, that period counts as a period of membership, even if his contract of employment did not subsist throughout that period. The termination of a person’s contract of employment because of a trade dispute does not prevent this provision from applying to him if he again becomes an employee of the same Scheme Employer and a member no later than the day after the dispute ends.

To make contributions under these provisions a person must apply to the employing authority in writing before the expiry of the period of 30 days beginning with the day on which he returns to work or such longer period as the authority may allow. However, if he ceases to be employed by that authority without returning to work, he may apply to make contributions before the expiry of 30 days beginning with the day he ceases employment or such longer period as the authority may allow.

**Online forms “Notification of Absence” and “Return from Absence” must be completed whenever a Trade Dispute absence occurs.**

Provided the employee elects to do so within 30 days of the end of the period of Trade Dispute, the period of membership that would otherwise have been forfeited for pension purposes can be "bought back". If the member was paying Additional Contributions these must be repaid in any event. If the employee elects to repay his standard contributions, he must make payment of 16% of the pensionable pay lost during the dispute. Payments can be spread over a suitable period.

The payment of 16% is common to all employees, regardless of the normal contribution rate that they pay, and represents an average of employee's and employer's contributions otherwise due. Consequently, no separate employer's contribution is required upon that payment. Once payment is complete, the period counts in full for all pension purposes. The employee cannot choose to repay contributions for only part of a period; he must buy all or none of the period of a particular dispute.