

# Authorised unpaid leave over 14 days – from 1 April 2026



**Important note:** If authorised unpaid leave commenced prior to 1 April 2026, please follow the guidelines in the employer toolkit article 'Authorised unpaid leave prior to 1 April 2026'.

Following the Governments Access and Fairness Consultation in May 2025 which looked to address fairness and equalisation in the scheme across multiple areas, the LGPS regulations have now been changed with effect from **1 April 2026**. The changes will impact both the pension fund and employing authorities. In this update, we have provided more detail on the changes that employers need to make to be compliant with the new regulations.

## Description of change

A new type of arrangement to buy back pension 'lost' in a period of authorised unpaid leave is introduced. These arrangements are known as qualifying additional pension arrangements or QAPAs. The cost of a QAPA and the pension purchased through a QAPA are different from those associated with existing Additional Pension Contribution contracts.

## Effective date of the change - 1st April 2026

Transitional arrangements set out in regulation 6(3) and 8(2) of the 2026 Amendment Regulations mean that these changes only apply to periods of authorised leave of over 14 days that started after 31 March 2026. The existing rules continue to apply to authorised breaks that started before 1 April 2026.

## Impact of the change

Qualifying Additional Pension Arrangements (QAPAs) are introduced to the regulations. A QAPA is an arrangement to buy back pension lost during an authorised absence.

An arrangement is a QAPA if:

- the continuous unpaid absence with permission lasted more than 14 days.
- the absence was not due to illness, injury, child-related leave, or reserve forces leave.
- the member elects to pay qualifying additional pension contributions to cover all or part of the unpaid absence.
- the member makes that election while they are in the same employment they were in when they were absent and within a year of returning to work after the absence.
- the employer may allow a longer period for the member to make an election.

The period of absence that a QAPA relates is known the ‘qualifying period of absence.’

The additional pension credited to a member with a QAPA is ‘qualifying additional pension.’

The 14 days are calendar days. There is no adjustment for working days or in respect of members who work part time when working out whether an unpaid break is more than 14 days.

If an authorised unpaid absence lasts longer than 14 days, no compulsory contributions should be deducted. The member can choose whether to pay contributions to cover the period. The rules that apply when an authorised absence is less than 15 days **do not apply** to the first 14 days of a longer absence.

### **Employers and members contribute to the cost of a QAPA:**

- the member pays the contributions they would have paid if they had not been absent. The member will pay the reduced rate if they were in the 50/50 section immediately before the absence and they have not moved back to the main section in accordance with regulation 10(3) or (5) of the 2013 Regulations.
- the employer pays the contributions they would have paid if the member had not been absent.

Employer contributions are based on the primary percentage increased or reduced by any secondary rate adjustment specified for that employer for the year in which the leave was taken.

Member contributions are based on their normal contribution rate. A pay reduction because of unpaid leave is ignored when allocating the member to the correct contribution band.

Employer contributions to a QAPA are compulsory if the authorised absence is less than or equal to three years. Employer contributions are compulsory for the first three years of an absence of more than three years. The employer may choose to contribute to the cost of buying back the pension lost in the unpaid period after the first three years. If the employer does not contribute to the cost of covering an unpaid break more than three years, the member may meet the cost. The arrangement is still a QAPA and the cost is the total member and employer contributions for the period.

The QAPA arrangement must specify how much pension will be credited to the active pension account. This is:

- if the member is in the 50/50 section, 1/98th of the pensionable pay they would have received if they had been at work receiving their normal pay during the qualifying period of absence.
- otherwise, 1/49th of the pensionable pay they would have received if they had been at work receiving their normal pay during the qualifying period of absence.

‘Normal pay’ is the member’s contractual pay.

If the QAPA is paid by regular contributions, the arrangement must also specify the amount of extra contribution to be paid each Scheme year and the additional pension to be credited at the end of each Scheme year.

**Some of the rules that apply to an APC arrangement will also apply to a QAPA:**

- the regulations allow the contributions to be paid as a lump sum or by regular contributions over a year or multiple years. **It cannot be a part year.**
- if the QAPA is paid by regular contributions, the contract must end before the member’s normal pension age (NPA). A member over NPA or within a year of reaching their NPA can only pay by lump sum.
- the member may make a direct payment to East Sussex Pension Fund if the QAPA is paid by lump sum.

**This may happen if:**

- they may not pay by regular contributions, and they do not earn enough for the contributions to be deducted in a single pay period, or
- the member is not returning to work after an authorised absence. In this circumstance, the member must make their election before their last day of Scheme membership.

The member may elect to start a QAPA to cover part of an authorised period absence. If they do so, they may start a further arrangement to cover the remaining portion of the absence, or part of the remaining portion of the absence. The new arrangement will also be a QAPA if the member makes their election while they are in the same employment and within a year of returning to work, or within a longer period allowed by the employer.

## Employer responsibilities and reporting requirements

There is no change to the way an authorised period of unpaid leave of more than 14 days should be treated by payroll: no pension contributions are deducted in respect of the unpaid period.

**Employers need to complete the Service Break dates and reason in the relevant i-Connect submission.** It is okay if only the commencement date is known initially.

The Local Government Association have created a specific calculator for QAPAs, which can be found on the APF Employer website [Qualifying Additional Pension Arrangements \(QAPA\) Calculator](#)

Employers will need to advise their members of their pension options when they take an authorised period of unpaid leave and should already have a process in place for such cases, however processes should be reviewed in the light of the introduction of QAPAs. Some employers supply all members who take unpaid leave with a calculation of the cost of covering the period for pension purposes. Others will only provide this information on request.

For periods of authorised unpaid leave that started after 31 March 2026, this will only be required for absences of 15 days or more. The employer should tell the member:

- dates of the unpaid break
- the member cost to cover the unpaid period
- the cost per pay period if the member chose to pay by regular contributions over a year (or two years, three years etc where the amount is large)
- the additional pension the member would be entitled to if they make the payments, and the additional pension to be credited each Scheme year if paying by regular contributions

If the member elects to enter into a QAPA, the employer will need to share this information with East Sussex Pension Fund. In addition, they will need to confirm:

- the employer contributions payable
- if paying by lump sum, when that will be paid
- if paying by regular contributions, pay frequency, member and employer contributions per pay period and the length of the contract.

Employers will need to communicate with their payroll departments about how they will exchange information and who is responsible for what part of the process.

## Member benefits

The pension a member buys through a QAPA mirrors the pension they would have built up if they had been at work receiving their normal pay instead of taking unpaid leave.

This means:

- if the arrangement is being paid by regular contributions and the member retires with a tier 1 or 2 ill health pension before all the contributions have been paid, the QAPA is deemed to have been completed (the same applies to all APC contracts)
- the qualifying additional pension is not reduced if the member retires on redundancy or efficiency grounds before Normal Pension Age
- if the arrangement is being paid by regular contributions and the member dies as an active member before all the contributions have been paid, the QAPA is deemed to have been completed

the qualifying additional pension is included when working out any survivor pension that becomes payable.

### **Additional information and ‘problem’ cases**

An arrangement to buy back pension ‘lost’ during an absence due to trade dispute (strike) is not a QAPA.

The current rules will continue to apply if a member is buying back the pension ‘lost’ during a strike break, an authorised absence that started before 1 April 2026 or an authorised absence that started after 31 March 2026 if the member does not make their election within the period allowed for a QAPA.

#### **This will be the case if the member makes their election:**

- after they have left the employment, they were in when they took the unpaid leave.
- more than a year after returning to work after the unpaid period.
- after a longer deadline allowed by the employer.

Members and employers can continue to use the ‘Buy lost pension’ calculator on the LGPS member website in these circumstances.

- East Pension Fund cannot ask for a medical report before allowing a member to start a QAPA. They may continue to require such a report before the member starts another type of Additional Pension Contributions (APC) arrangement.

There will be occasions when an authorised break is expected to last for less than 15 days but is extended.

#### **Example 2 – break extended to over 14 days**

An employer consents to an unpaid break from 9 to 21 July 2026. Payroll is informed and the member’s pay is adjusted to account for the unpaid break. As the break is less than 15 days, compulsory employer and member pension contributions are deducted from the lost pensionable pay.

Due to unforeseen circumstances, the unpaid break is extended to 25 July 2026. The extra leave is also authorised, but it was confirmed too late to make changes to the July payroll.

As the unpaid break was longer than 14 days, pension contributions are optional. In accordance with the regulations, member and employer contributions on the lost pensionable pay should be refunded. The member would have the choice about whether to start a QAPA to cover the whole unpaid period.

If the member indicates that they want to pay pension contributions to cover the unpaid period, we anticipate that some employers may take a pragmatic approach. It would be possible to take the deduct contributions in respect of the additional unpaid period, instead of reversing the contributions already deducted from the lost pay.

This would put the member in the position they would have been in had they set up in a QAPA instead. We expect such instances to be rare.

## **Absence due to authorised unpaid leave over 14 days – forms for employer to complete**

- Send form LGPS 5B to notify the Fund that the employee has started a period of authorised unpaid leave.

Standard version - [LGPS 5B - Notification of amendments form \(eastsussexpensionfund.org\)](https://eastsussexpensionfund.org/LGPS-5B-Notification-of-amendments-form)

Editable version - [LGPS 5B - Notification of amendments form \(eastsussexpensionfund.org\)](https://eastsussexpensionfund.org/LGPS-5B-Notification-of-amendments-form)

- Send form LGPS 5B again to notify the Fund when the employee returns to work.

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## **Other information**

LGPS member website – [If you are away from work](#)

LGPS bulletin 276 – Access and Fairness – [LGPS bulletin 276](#)

## **Further support**

Email: [employer.engagement@eastsussex.gov.uk](mailto:employer.engagement@eastsussex.gov.uk)

This factsheet is one of a series produced to support employers with processing key tasks.

You can view the full employer toolkit at:

[Employer Toolkit | East Sussex Pension Fund](#)