

# STATUTORY MATERNITY PAY (SMP)

## SUPER MUMS



Statutory Maternity Pay (SMP) is a scheme introduced in 1987 to assist women financially whilst they take time off to give birth & nurture their new born child. All employees are entitled to it, provided they have an employment contract and give the correct notice.

### REQUIREMENTS

The main requirements that your employee must adhere to are:

- Be on the payroll in the 'qualifying week' – the 15th week before the expected week of childbirth.
- Give the correct notice (see below).
- Give you proof of pregnancy (see below).
- Have been continuously employed by you for at least 26 weeks up to any day in the qualifying week.
- Earn at least £116 a week.

If an employee does not meet these minimum requirements, they may seek Maternity Allowance as an alternative source of finance. More on this can be found on the government's website [here](#).

### PAY

The amount of pay an employee is entitled varies depending on a variety of factors, regarding the statutory maternity pay, the minimum payments would be as follows to the employee:

- The first 6 weeks will be 90% of her average weekly earnings before tax.
- The remaining 33 weeks will be £145.18 per week or 90% of her avg. weekly earnings, whichever is less.

You can offer more than the statutory amounts if you have a company maternity scheme, but this is at the discretion of you, the employer.

There is a **calculator** you can use through HMRC's website which is useful to calculate the SMP which could be reclaimed and is an excellent resource for both employer and employee alike.



### TIME OFF

The employee can take up to 52 weeks' maternity leave, but only the first 39 weeks will be subject to the maternity pay.

The earliest the leave can be taken is 11 weeks before the expected week of childbirth, unless the baby is born early. If the baby is born early, you will need proof of this (see below) and you will need to write to your employee confirming the new end date for their leave.

Your Employee must take at least 2 weeks off after birth, this is a requirement of the scheme. The employee can change their return to work date if they give you 8 weeks' notice.



### NOTICE & PROOF

The employee will need to provide proof of pregnancy, which is either a doctor's letter or a maternity certificate (MATB1). They will need to supply this within 21 days of the SMP start date, and you must keep a record of this. These must be kept for 3 years after the end of the tax year to which they relate. For example, if your employee returns from leave and SMP finishes on 31/12/2018, you would have to keep records until 06/04/2022.

Finally, at least **15 weeks** before the baby is expected, they must tell you:

- The due date.
- When they want to start their maternity leave. (They can change this but must give 28 days' notice).



### RELIEF FOR PAYMENTS

It can be expensive for a business to pay an employee who isn't at work! As such, the government allows the employer to reclaim 92% of all SMP payments usually.

There is further 11% available if your business qualifies for Small Employers' Relief. You can claim this if you paid £45,000 or less in Class 1 National Insurance (ignoring any reductions) in the last complete tax year before the 'qualifying week' – This being the 15th week (Sunday to Saturday) before the week of the due date.

Claims for relief can be done through Xero and a lot of the payroll software available on the market. These reclaims must be included on the Employer Payment Summary (EPS) that you submit to HMRC.



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### SUMMARY

We understand that there is a lot of information to remember and as such below is a little summary of responsibilities for both parties as a quick reference.

#### THE EMPLOYEE'S CHECKLIST

- Provide proof of pregnancy (21 days' notice)
- Tell you the due date (15 weeks' notice)
- Tell you when they want to start the maternity leave (15 weeks prior with 28 days' notice to change)



#### THE EMPLOYER'S CHECKLIST

- Keep records (3 years) of:
  - Proof of pregnancy.
  - Date the SMP began.
  - SMP payments (including dates).
  - The SMP you've reclaimed.
  - Any weeks you didn't pay and why.
- Write to the employee confirming their SMP end date if they go on leave early.

### WHAT DO I DO NEXT?

If you're already our client and using Xero, then other than following the above responsibilities checklist, we will help calculate and assist in reclaiming the SMP. If you are not yet working with us, please do drop us a call or [email](#) to discuss how we might be able to help you!

CHADDESLEY  
SANFORD

