

# MATERNITY LEAVE

WHAT IT COULD COST YOUR SCHOOL, COLLEGE OR ACADEMY

(CURRENT AS AT JAN 2017)

# USEFUL GUIDANCE AND SUPPORT FROM THE EDUCATION BROKER. HELPING YOU UNDERSTAND THE POTENTIAL COST OF MATERNITY COVER AND HOW TO PROTECT YOUR BUDGET.

## What staff are entitled to receive for Maternity Leave (time and money)

- a) Amount of leave** – a statutory minimum of 52 weeks, regardless of length of service or hours worked. The last 13 are unpaid.
- b) Amount of money** – depends on terms and conditions of employment and eligibility for maternity pay. Entitlement is normally through Occupational Maternity Pay (OMP) and Statutory Maternity Pay (SMP).

**Table 1 – If an employee has full entitlement for the 39 weeks of paid leave they could receive...**

a) if entitled to OMP ('Burgundy Book):

Weeks	Pay
1-4	Full
5-6	90% of full
7-18	Half pay, plus Full SMP
19-39	Full SMP

or; b) SMP (if not entitled to OMP):

Weeks	Pay
1-6	90% of full weekly wage
7-39	90% of the full weekly wage OR £140.98*

\* Whichever is lower

**Table 2 – The table\* below shows the weekly salary deficit between weeks 1-39.**

Week of maternity leave	Total weekly pay (OMP)	SMP entitlement	The amount school reclaim (92% SMP)	Weekly deficit to school	Total deficit
1 to 4	£585.19	£526.67	£484.54	£100.65	£402.60
5 & 6	£526.67	£526.67	£484.54	£42.13	£84.26
7 to 18	£433.58	£140.98	£129.70	£303.87	£3,646.44
19 to 39	£140.98	£140.98	£129.70	£11.28	£236.88
<b>Total</b>	<b>£11,557.61</b>	<b>£7,812.38</b>	<b>£7,187.39</b>		<b>£4,370.18</b>

\* All figures relate to gross salary

<sup>(1)</sup> Pay scale for teachers in England and Wales from 1st September 2016 to 31st August 2017

## What staff may be entitled to receive for Shared Parental Leave (SPL) and Pay (ShPP)

As of the 5th April 2015, if a teacher is due to have a baby (or adopt a child), they (and their partner) are entitled to receive SPL. This must be taken between the birth of the baby and first birthday (or within 1 year of the adoption) and the employee (or partner) must have ended their maternity or adoption leave and pay early. The statutory ShPP weekly pay is £140.98 per week or 90% of the teacher's average weekly earnings, whichever is lower.

If your employees are entitled to the enhanced Occupational Maternity Pay when taking Shared Parental Leave then the shortfall shown below may differ.

## How much money your establishment can claim back

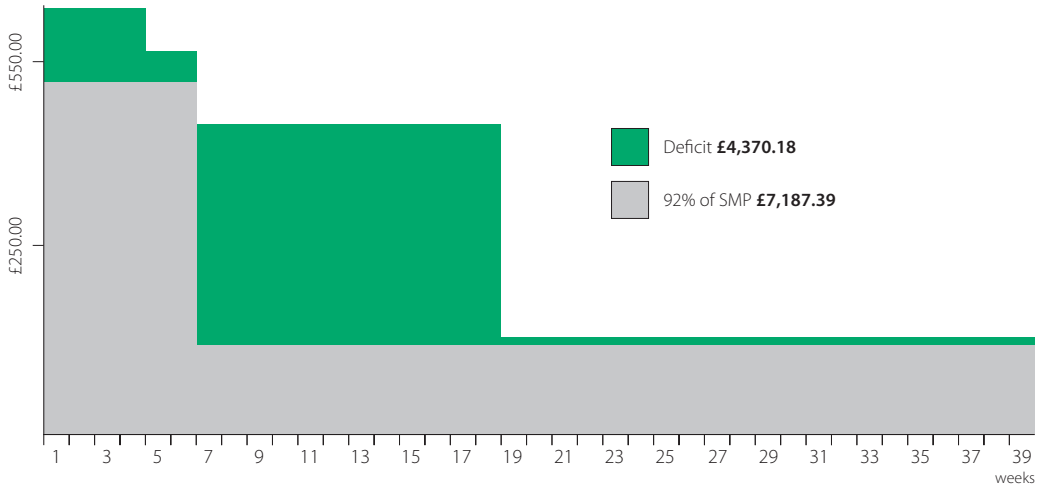
The 'employer' can claim back SMP through reduced NI payments. The proportion varies, dependent on the amount of NI paid. It is currently 103% SMP if your NI payments are £45k or less per year, or 92% of SMP if they are more than £45k.

## An illustration of the cost to your establishment

The illustration below is for a full time teacher in 2016/17<sup>(1)</sup> based outside London (Band 0) on a pay scale of 5 with an annual salary of £30,430.00\*. It assumes SMP is claimed back by the school at 92%.

The weekly salary payable for this teacher is £585.19\*

**Table 3 – The graph below shows the shortfall between OMP and the amount of SMP you can claim back.**



We can provide a **Maternity Leave calculator** to help you calculate the shortfall on individual salaries. If you would like to receive a copy of our maternity calculator please email us at [info@theeducationbroker.co.uk](mailto:info@theeducationbroker.co.uk)

## What your establishment can do in advance to protect against potential costs

Some specialist insurance brokers, like The Education Broker, have insurance policies specifically designed to help schools, colleges and academies bridge the potential gap between Statutory Maternity Pay and Occupational Maternity Pay. They can also help with Paternity Leave and Adoption Leave.

## Useful sources

The above information is a generalised summary only. **More details are available at sites such as:**

[NASUWT's Maternity, Paternity and Adoption Leave Advice](#)

[www.nasuwat.org.uk/TrainingEventsandPublications/NASUWTPublications/Publications/Maternitypaternityadoptionandparentalleave/index.htm](http://www.nasuwat.org.uk/TrainingEventsandPublications/NASUWTPublications/Publications/Maternitypaternityadoptionandparentalleave/index.htm)

[HMRC's Statutory Maternity Pay: An Overview](#)

[www.gov.uk/employers-maternity-pay-leave](http://www.gov.uk/employers-maternity-pay-leave)

[GOV.UK Shared Parental Leave and Pay](#)

[www.gov.uk/shared-parental-leave-and-pay/overview](http://www.gov.uk/shared-parental-leave-and-pay/overview)

## Questions to ask providers of Maternity Leave insurance

1. How does the moratorium work? (Effectively a large excess)
2. Will maternity claims be paid if the staff member does not return to work?
3. Will maternity claims be paid if the person does not return to work on the same hours?
4. If a claim is occurring at the policy's next renewal date (which is likely if there is a claim) and you decide not to renew the policy will you receive a pro-rata pay-out for the period of maternity leave which has occurred?
5. To claim, what evidence and documentation do you need to provide and by when?
6. How much is paid out?
7. When will my claim(s) be paid?
8. To what extent is Paternity leave and Adoption leave covered within the policy?
9. To what extent is pregnancy-related sickness covered? – Note this is the Sickness Insurance element of a policy rather than the maternity leave element but they go hand-in-hand so please ensure you check this.

To find out more about The Education Broker

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