



Fact Sheet For Statutory Maternity Pay (SMP)

What to do if an employee becomes pregnant

If an employee becomes pregnant during her employment you are legally required to pay her SMP in accordance with the following rules, however this is funded by HMRC.

To qualify for SMP, she must have been in your employment for 40 weeks before her expected week of confinement (EWC) and her gross earnings in the qualifying period must exceed £90 per week (£390 per month).

Qualifying weeks are the 8 weeks prior to the fifteenth week before her EWC.

At 20 weeks pregnant she will be issued with a MAT B1 form by her midwife or doctor. This original form must be sent to the Nationwide Payroll Company along with the EWC of her maternity leave, and the number of weeks she expects to take. (the permitted period of maternity leave is 39 weeks paid, but they can take 52 weeks, the last 13 weeks being unpaid).

Her total SMP entitlement is 6 weeks at 90% of her gross salary during the qualifying weeks and 33 weeks at the statutory rate of £117.18 - provided that the average gross earnings in the qualifying period exceed £117.18. If this is not the case she receives only 90% of her gross earnings for the whole of her maternity leave.

When the original MAT B1 is received, her entitlement is calculated and we send a forecast of the entitlement and payment months.

Payments may be taken in equal monthly instalments or at 90% of gross for 6 weeks and then SMP rate for the remaining 33 weeks. We recommend the equal monthly payments method as research shows a preference by employees to receive a regular amount each month to assist their budgeting.

Further information is available from the Nationwide Payroll Company.

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