# Family Leave Pay Policy Handbook

## PHX243

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Incorporating Maternity Pay, Paternity Pay, Adoption Pay, Surrogacy Pay, Shared Parental Pay, & Bereavement Pay

# Family Leave Pay Policy And Procedure

Phoenix Software's policy is to comply with the law on family leave and relevant statutory pay. To this end its aim is to inform all employees of their entitlement to statutory rights relating to Maternity, Paternity, Adoption and Parental Leave and to ensure that those rights are understood by those that qualify.

Useful Phrases

**SMP:** Statutory Maternity Pay
**AWE:** Average Weekly Earnings
**EWC:** Expected Week of Childbirth
**MA:** Maternity Allowance
**SAP:** Statutory Adoption Pay
**ShPP:** Shared Parental Pay
**KIT:** Keeping In Touch Days
**SPLIT:** Shared Parental In Touch Days

# 1. Maternity Pay

Phoenix offers an enhanced Maternity Pay package, the details of which are as follows:

Pay

The Maternity Pay period is made up of four parts:

- The first 6 weeks paid at 100% of the employees Average Weekly Earnings (AWE)
- The next 20 weeks are payable at 50% of the employees Average Weekly Earnings (AWE)
- The next 13 weeks are payable at the current Statutory Maternity Pay (SMP) rate
- The final 13 weeks of Maternity Leave are unpaid

Employees are eligible to take up to 10 Keep In Touch (KIT) days at any point in their Maternity Leave, after the first 2 weeks. See KIT days section.

Eligibility

To qualify for Maternity Pay, the employee must:

- Have worked for the Company for 41 weeks prior to the EWC, with the initial 26 weeks having been continuously worked

- Earn an average of £120 per week in an 8-week period
- Give the correct notice of Maternity (see Family Leave Policy)

If the employee does not meet all the requirements shown above, Phoenix will provide them with an SMP1 form, informing them of why they are not eligible. Please note that even if the employee is not eligible for Maternity Pay, they may still be eligible for Maternity Allowance (MA). Eligibility for MA can be checked via the following link https://www.gov.uk/maternity-allowance.

*NOTE: MA is claimable through the Job Centre rather than Phoenix so the employee will need to contact them for more information.*

# 2. Paternity Pay

Phoenix offers an enhanced Paternity Pay package, the details of which are as follows:

Pay

Eligible employees will be paid 2 weeks of full pay, subject to HR and Payroll having received the completed SC3 form (see Family Leave Policy) before the baby is born. If the SC3 form is not received in time, this will be deemed as unpaid leave and the leave will be deducted from the employee's wages.

Eligibility

To be eligible to receive Paternity Pay the employee must have average weekly earnings that equal or exceed the lower earnings limit for National Insurance contributions and must have:

- A relationship with the child and mother, as father/partner or husband of the mother/child's adopter/intended parent
- Responsibility for the upbringing of the child
- The intention of caring for the child and mother at the start of the leave period
- Worked for the Company for 41 weeks prior to the EWC, with the initial 26 weeks having been continuously worked
- Remained in employment up to the date of the birth
- Given the employer at least 15 weeks' notice before the week the baby is expected, of the start of the leave
- Provided Payroll and HR with the completed SC3 form (copy available from HR)
- Stopped working for the employer for those two weeks

*NOTE: Paternity Leave and Pay must be completed within 56 days of the actual date of birth of the child or within 8 weeks of Adoption*

# 3. Adoption Pay

Phoenix offers an enhanced Adoption package, the details of which are similar to the Maternity package. These are as follows:

<u>Pay</u>

The Adoption Pay period is made up of four parts:

- The first 6 weeks are paid at 100% of the employees AWE
- The next 20 weeks are payable at 50% of the employees AWE
- The next 13 weeks are payable at the <u>current Statutory Adoption Pay (SAP) rate</u>
- The final 13 weeks of Adoption Leave are unpaid

If the employee is adopting as a couple, they are entitled to 2 days unpaid to attend adoption meetings. If he or she is adopting as a single parent, he or she is entitled to 5 days paid to attend adoption meetings. Any time off for adoption meetings must be agreed with the employee's line manager in advance.

Employees are also eligible to take up to 10 Keep In Touch (KIT) days at any point in their Adoption Leave. See KIT days section.

Employees may also be eligible to take Shared Parental Pay (see Shared Parental Pay section). If you are genetically related to the child, you can choose to get Paternity Pay instead of Adoption Pay.

If the employee is fostering for adoption, they will receive Pay from when the child comes to live with them.

<u>Eligibility</u>

All employees are entitled to receive Adoption Pay during their Adoption Leave providing they have:

- Earned more than the lower earnings limit in the eight weeks prior to the notification of placement.
- Been continuously employed by the employer for 26 weeks before the week you were matched with a child (for Adoption Pay) or;
- Given the organisation at least 28 days' notice of the date he or she wants Adoption/Surrogacy Pay to start. The employee can change his or her mind over when he or she would like to commence his or her adoption leave provided he or she gives at least 28 days' notice of the change.

If the employee does not meet the eligibility requirements shown above, the company will provide them with an SAP1 form explaining why they are not eligible. In these circumstances, they may be able to get support from their local council instead.

# 4. Surrogacy Pay

There are two types of surrogacy pay; one for employees making use of a surrogate, and one who are acting as a surrogate.

Phoenix offers an enhanced Surrogacy package, the details of which are similar to the Maternity package. These are as follows:

## Making Use of a Surrogate

The policy around Surrogacy Pay mirrors that of Adoption Pay (see Adoption Pay section). The only difference is surrounding the eligibility for Adoption Pay, where the following also apply:

- The employee must have worked for the Company for 41 weeks prior to the EWC, with the initial 26 weeks having been continuously worked and;
- Have written confirmation of your intention to apply for a parental order, and an expectation for the order to be granted

## Acting as a Surrogate

If the employee is carrying a baby for someone else under a surrogacy arrangement, they may be entitled to enhanced Maternity Pay Package (dependant on their AWE).

## Pay

Surrogacy Pay period is made up of four parts (same as enhanced Maternity Pay Package):

- The first 6 weeks are paid at 100% of the employees AWE
- The next 20 weeks are payable at 50% of the employees AWE
- The next 13 weeks are payable at the current Statutory Maternity Pay (SMP) rate
- The final 13 weeks of Adoption Leave are unpaid

## Eligibility

To qualify for maternity pay, the employee must:

- Have worked for the Company for 41 weeks prior to the EWC, with the initial 26 weeks having been continuously worked
- Earn an average of £120 per week in an 8-week period
- Give the correct notice of Maternity (see Family Leave Policy)

# 5. Shared Parental Pay

Shared Parental Pay is a type of pay which both parents can take either together or instead of the other. As with other types of pay, Phoenix offer an enhanced pay and this mirrors Maternity Pay.

Pay

The Shared Parental Pay period is made up of four parts:

- The first 6 weeks are paid at 100% of the employees AWE
- The next 20 weeks are payable at 50% of the employees AWE
- The next 13 weeks are payable at the current Shared Parental Pay (ShPP) rate
- The final 13 weeks of Shared Parental Leave are unpaid

The initial 2 weeks of Shared Parental Pay must be taken by the mother, in order to give her time to recover from the birth of the child.

Employees are also eligible to take up to 10 Shared Parental Leave In Touch (SPLIT) days at any point in their Shared Parental Leave. See SPLIT days section.

Eligibility

One parent of the two applying to take Shared Parental Pay must have worked for the same employer for at least 26 weeks by:

- The end of the 15th week before the week in which the child is due to be born (EWC); or;
- The week in which the adopter is notified of having been matched with a child; and;
- The parent must still be employed in the first week that Shared Parental Pay is to be taken

The other parent must have worked for 26 weeks in the 66 weeks leading up to the date that the baby is due/placed and must have earned above the Maternity Allowance threshold in 13 of those 66 weeks.

To be eligible for Shared Parental Pay, the parent must pass the continuity test and have earned an average of the lower earnings limit or more for the 8 weeks prior to the 15th week before the EWC/week that the adopter is notified of the placement.

Taking Blocks of Pay

Employees can book up to 3 separate blocks of Shared Parental Pay instead of taking it all in one go, but 8 weeks written notice must be provided.

# 6. Parental Bereavement Leave

The employee and their partner may be able to take time off work if their child dies before they turn 18, or if they have a stillbirth after 24 weeks of pregnancy.

Pay

Bereavement Pay is offered as 2 weeks of the current Statutory Parental Bereavement Pay rates. These can be split into 2 one-week blocks or taken both together.

Eligibility

The employee is eligible for Parental Bereavement Pay if they are, at the time of the child's death or stillbirth:

- The child's biological or adoptive parent, or the parent of a child born to a surrogate
- The partner of the child or baby's parent

The employee or their partner must also have had day to day responsibility for the child's care, and the child was living with them for 4 continuous weeks before the date of death.

If the employee was adopting the child, or the child was born of a surrogate, the adoption or parental order confirming the adoption/surrogacy must also have been received.

The employee must also have been continuously employed for at least 26 weeks up to the end of the week immediately before the week of the death and earn on average £120 a week before tax over an 8-week period.

The employee must also have given the correct notice to HR (see Family Leave Policy)

# 7. Parental Leave (Unpaid)

Parental Leave is unpaid time off which is intended to enable employees to take time off work to care for a child they have responsibility for, such as:

- spending more time with young children
- settling a child into new childcare arrangements
- accompanying a child during a stay in hospital

The company works on the basis of trust but would be entitled to take disciplinary action should the employee be found to have dishonestly taken the leave for purposes other than childcare.

# 8. Keep In Touch (KIT) Days

An employee can work during their Maternity/Adoption Leave on a Keep In Touch (KIT) day without bringing their Maternity/Adoption Leave to an end or losing Maternity/Adoption/ Surrogacy/Shared Parental Pay.

The employee can work for up to ten KIT days during Maternity/Adoption Leave which must be agreed in advance by the employee and their manager. KIT days will be paid at a pro rata amount of the employee's basic pay rate for the days completed, and a timesheet must be completed and submitted to the employee's line manager for the days worked.

# 9. Shared Parental Leave In Touch (Split) Days

SPLIT days are optional and agreed on the same basis as KIT days (see KIT days section). Partners taking Shared Parental Pay will be entitled to take up to 20 Shared Parental Leave In Touch (SPLIT) days each, in addition to the 10 KIT days available to those on Maternity or Adoption/Surrogacy Pay.

# 10. Calculation Of Average Weekly Earnings (AWE)

Average weekly earnings are calculated based on the employees pay in the 2 paydays immediately prior to the 15th week before the EWC. All gross (before tax) earnings and deductions will be included in the calculation, including (but not limited to) commission, bonuses, salary sacrifice pension payments, deductions for sickness.

# Version Control

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| Jane Singleton | 1.0 | 26/08/2022 | Original Document |
| Trevor Hutchinson | 1.0 | 01/11/2022 | Annual review – no changes |

# Document Approval

| Name | Version | Date | Position |
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| Sam Mudd | 1.0 | 26/08/2022 | Managing Director |
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Signed:  *Clare Metcalfe*  Clare Metcalfe, Operations Director

Dated: 01/11/2022

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