

## Current financial support for new parents

- **Grant:** Natural and adoptive parents can claim a Maternity Grant - The Grant is a one off payment of £667.59. This will continue and is not affected by the other changes.
- **Paid leave:** Current employment law gives the following paid parental leave rights (paid by the employer):
  - Birth Mother – 6 weeks paid leave
  - Second Parent (e.g. Dad) – up to 2 weeks paid leave
- **Maternity allowance – birth mother:** Currently a birth Mother can claim £222.53 per week for up to 18 weeks. This always includes the first 6 weeks after birth. The value of the allowance can be offset against wages by employers for the 6 week paid period that the allowance is claimed for by the birth mother.
- **Maternity allowance – second parent:** There is currently nothing available for the second parent in terms of financial support from Government i.e. employers have to give 2 weeks paid leave.

This table is an example of what the wage and benefit provided to a working parent on the living wage of £10.55 ph, working a 40 hour week. Normal weekly wage is £422.

Parent	Weeks of leave	Total to parent	Paid by employer	Paid by government
<b>Mother (paid leave and maternity allowance)</b>	First 6 weeks	£422	£200	£222
<b>Mother (Just maternity allowance)</b>	Weeks 7 to 18	£222	-	£222
<b>Father (paid leave)</b>	2 weeks	£422	£422	-

## Financial support under the proposed interim scheme

The interim is designed to support employers when a **second** parent takes paid parental leave. The aim is to support both families and businesses in the fairest way possible.

- **Maternity allowance – birth mother:** Birth Mums will still claim the maternity allowance – no change here i.e. £222.53 per week for up to 18 weeks, including the first 6 weeks of paid leave.
- **Maternity allowance – second parent:** If a second parent (e.g. Dad) applies for paid parental leave (this will be increasing from the current 2 weeks, **to up to 6 weeks** under the changes in the Employment Law), their employer will be able to apply to the interim scheme for up to £222.53 per week for up to 6 weeks paid leave. The employer will be paid the money.

### Example:

Worker (Dad) on living wage (£10.55 p/h) at 40 hours.

Normal wage is £422 a week.

6 weeks paid leave - will cost the employer £2532 in total.

Government will support with £1332.

Employer will only pay £1200 for those 6 weeks - £200 a week, rather than £422 a week.

Parent	weeks	Total to parent per week	Paid by employer	Paid by government
<b>Mother (paid leave and maternity allowance)</b>	First 6 weeks	£422	£200	£222
<b>Mother (just Maternity allowance)</b>	Weeks 7 to 18	£222	-	£222
<b>Father (paid leave and interim subsidy scheme)</b>	6 weeks	£422	£200	£222

## Proposed permanent scheme

We are aiming for 32 weeks of parental allowance (this would replace the maternity allowance) in total. So 32 weeks at £222.53 split between both parents (see below):

This is made up of:

- At least 6 weeks for parent 1
- 6 weeks for parent 2

plus

- An extra 20 weeks that they can split up as they choose.

### Example:

- Birth mother takes 26 weeks (she takes all of the flexible weeks)
- Second parent takes 6 weeks (covers all of the paid leave weeks from work)

It is hoped that the parental benefit regulations will be lodged later this year with a view to starting from early 2021. The details may change but this is the current plan:

Parent	weeks	Total to parent per week	Paid by employer	Paid by government
<b>Mother (paid leave and parental allowance)</b>	First 6 weeks	£422	£200	£222
<b>Father (paid leave and parental allowance)</b>	6 weeks	£422	£200	£222
<b>Mother or father (Parental allowance)</b>	A further 20 weeks – can be shared	£222	-	£222

