

**REPORT TO:** Finance and Staffing Portfolio Holder  
**LEAD OFFICER:** HR Manager/HR Officer

21 April 2015

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## **Shared Parental Leave Policy**

### **Purpose**

1. The Finance and Staffing Portfolio Holder is asked to approve the new Shared Parental Leave Policy.
2. This is not a key decision as it does not result in the authority incurring expenditure nor is it significant in terms of its effects on communities.

### **Recommendations**

3. It is recommended that the Finance and Staffing Portfolio Holder approves the Shared Parental Leave Policy as attached in Appendix 1.

### **Background**

4. In late 2014 the government announced forthcoming legislative changes to the way the maternity and paternity leave would work. The proposal was to introduce new type of leave called Shared Parental Leave which would give both parents more flexibility in terms of taking time off to care for their child. Mothers will continue to be eligible to take maternity leave (both ordinary and additional) and fathers will continue to be eligible to take ordinary paternity leave only. Additional paternity leave has been revoked, however fathers will be able to apply for additional time off under the Shared Parental Leave Policy; SCDC's policy has been amended accordingly.
5. The new legislation provides statutory right to request Shared Parental Leave, subject to meeting eligibility criteria.
6. The new legislation applies to babies born or placed for adoption on or after 5<sup>th</sup> April 2015.

### **Considerations**

7. The portfolio holder needs to consider whether the potential costs savings outweigh any negative employee relations consequences.

### **Options**

8. The new legislation provides new parents with a statutory right to request Shared Parental Leave, subject to meeting the eligibility criteria. It is therefore important that this policy is approved as it will provide employees with guidance on how to exercise their statutory rights.
9. When drafting the policy I have consulted with Cambridge City Council and Huntingdonshire District Council regarding the proposed Shared Parental Pay to

ensure that all three council's offer comparable rates which would decrease the chance of employees leaving to seek more favourable pay arrangements for Shared Parental Leave. Both CCC and HDC offer statutory rates only and therefore it is proposed that SCDC replicates this. The portfolio holder, however, can decide to offer enhanced pay and mirror the maternity pay arrangements.

Currently the enhanced maternity is paid as following:

- First 6 weeks paid at 90% of weekly earnings
- Week 7 – week 18 – half of monthly salary plus flat rate SMP
- Week 19 – week 39 – SMP flat rate only

It is worth noting that there is no established statutory requirement to mirror occupational maternity scheme when establishing the level of pay for Shared Parental Leave. The important thing is that within a Shared Parental Leave scheme, men and women are treated equally and paid at the same rate in the same circumstances.

It is difficult to estimate the financial costs of offering enhanced pay as it is unclear what the likely take-up of the new right will be.

Current research suggests that only one in every five employers proposes to enhance the Shared Parental Pay.

## **Implications**

### ***Financial***

10. The proposal is to offer Shared Parental Pay at a statutory rate which is either the weekly rate set by HMRC (currently £139.58), or 90 per cent of the employee's earnings if this is less.

### ***Legal***

11. This policy is a result of a legislative change which provides employees with a statutory right to request time off to care for their baby.

### ***Risk Management***

12. Employees will continue to have a statutory right to request shared parental leave regardless whether SCDC supports it with a policy or not. The risk of not having this policy approved is that employees and managers will lack guidance on how to make statutory requests.

### ***Equality and Diversity***

13. This policy will apply equally to all SCDC employees, subject to them meeting specific eligibility criteria.

## **Effect on Strategic Aims**

### **Engagement**

14. The Shared Parental Leave is intended to help women return to the workplace and allow men to be more involved in caring for their babies. It provides both parents with greater flexibility and choice over how they want to split the time off between them. This supports a healthy work-life balance and promotes engagement.
15. The ability to request Shared Parental Leave can also be perceived as a benefit and contribute to employee engagement.

**Background Papers**

- The Shared Parental Leave Regulations 2014  
(<http://www.legislation.gov.uk/ukdsi/2014/9780111118856>)

**Appendices:**

Appendix 1 – Shared Parental Leave Policy

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