

Contractual Maternity Pay: Potential costs to employers of various policies

ORGANISATION + its CMP Policy	Salary of c.£25,000 p.a. [£500 per week]	Salary of c.£20,000 p.a. [£400 per week]	Salary of c.£15,000 p.a. [£300 per week]
OCAB [+ many other OTSOs?] SMP only	zero	zero	zero
VAO 6 weeks @ 100% AWE 20 weeks @ 50% 13 weeks SMP	£50 x 6 = £300 £113.22 x 20 = £2264.04 Total: £2564.04	£40 x 6 = £240 £63.22 x 20 = £1264.40 Total: £1504.40	£30 x 6 = £180 £13.22 x 20 = £264.40 Total: £444.40
OIC 6 weeks @ 90% AWE 12 weeks @ 50% + SMP* 21 weeks SMP only	£250 x 12 = £3000	£200 x 12 = £2400	£150 x 12 = £1800
“Equitable” Policy [BM] 13 weeks @ 100% AWE 13 weeks @ 50% AWE 13 weeks SMP only	£50 x 6 = £300 £313.22 x 7 = £2192.54 £113.20 x 13 = £1471.60 Total: £3964.14	£40 x 6 = £240 £223.22 x 7 = £1562.54 £63.22 x 13 = £821.86 Total: £2624.44	£30 x 6 = £180 £133.22 x 7 = £932.54 £13.22 x 13 = £171.86 Total: £1284.40
OC&R [following EVH] 7 weeks @ 100% AWE 16 weeks at 50% + SMP* 16 weeks SMP only	£50 x 6 = £300 £312.22 x 1 = £312.22 £250 x 16 = £4000 Total: £4612.22	£40 x 6 = £240 £223.22 x 1 = £223.22 £200 x 16 = £3200 Total: £3663.22	£30 x 6 = £180 £133.22 x 1 = £133.22 £150 x 16 = £2400 Total: £2713.22
NHS 8 weeks @ 90% AWE 18 weeks @ 50% + SMP* 13 weeks SMP only	£313.22 x 2 = £626.44 £250 x 18 = £4500 Total: £5126.44	£223.22 x 2 = £446.44 £200 x 18 = £3600 Total: £4046.44	£133.22 x 2 = £266.44 £150 x 18 = £2700 Total: £2966.44

*or 90% AWE, if lower
[threshold £17781.40 p.a.]

NOTES

SMP = Statutory Maternity Pay [NB the lower of £136.78 or 90% AWE for; threshold £7902.84 p.a.]

OTSOs = Orkney Third Sector Organisations

AWE = Average Weekly Earnings

CMP = contractual Maternity Pay

Unless SMP is additional [shown + SMP], the employer supplements SMP up to the required total.

If the full 52 weeks entitlement is taken there is no SMP for the final 13 weeks.

Key question

What level of maternity pay is, well into the second decade of the 21st century, commensurate with how Orkney third sector organisations value their staff but is also affordable [especially in circumstances where funding is increasingly a problem]?