STATUTORY INSTRUMENTS

1996 No. 1335

TERMS AND CONDITIONS OF EMPLOYMENT

The Statutory Maternity Pay (General) Amendment Regulations 1996

Made - - - - 16th May 1996

Laid before Parliament 22nd May 1996

Coming into force - - 12th June 1996

The Secretary of State for Social Security, in exercise of powers conferred by sections 164(9)(a), 171(1) and (6) and 175(1) to (3) of the Social Security Contributions and Benefits Act 1992(1) and of all other powers enabling him in that behalf, after agreement by the Social Security Advisory Committee that proposals in respect of these Regulations should not be referred to it(2), hereby makes the following Regulations:

Citation, commencement and interpretation

- 1.—(1) These Regulations may be cited as the Statutory Maternity Pay (General) Amendment Regulations 1996 and shall come into force on 12th June 1996.
- (2) In these Regulations "the principal Regulations" means the Statutory Maternity Pay (General) Regulations 1986(3).

Amendment of regulation 21 of the principal Regulations

- **2.** In regulation 21 (normal weekly earnings) after paragraph (6) there shall be inserted the following paragraph—
 - "(7) In any case where a woman receives a back-dated pay increase which includes a sum in respect of a relevant period, normal weekly earnings shall be calculated as if such a sum was paid in that relevant period even though received after that period.."

^{(1) 1992} c. 4. Section 171(1) is cited because of the meaning ascribed to the word "prescribed".

⁽²⁾ See section 173(1)(b) of the Social Security Administration Act 1992 (c. 5).

⁽³⁾ S.I.1986/1960. Relevant amending instrument is S.I. 1994/1367.

Insertion of regulation 21B into the prinicipal Regulations

3. After regulation 21A (effect of statutory maternity pay on incapacity benefit)(**4**) there shall be inserted the following regulation—

"Effect of maternity allowance on statutory maternity pay

- (21B) Where a woman, in any week which falls within the maternity pay period, is—
 - (a) in receipt of maternity allowance pursuant to the provisions of section 35(1A)(5) of the Contributions and Benefits Act; and
 - (b) entitled to receive statutory maternity pay in consequence of receiving a backdated pay increase which includes a sum in respect of the relevant period;

the employer shall only be liable to make payments of statutory maternity pay in respect of such week of an amount equal to the amount (if any) by which the rate of statutory maternity pay(6) exceeds the rate of maternity allowance(7) received by her in that week.."

Signed by authority of the Secretary of State for Social Security.

Department of Social Security 16th May 1996

Oliver Heald Parliamentary Under-Secretary of State,

⁽⁴⁾ Regulation 21A was inserted by S.I. 1988/532.

⁽⁵⁾ Subsection (1A) was inserted by S.I. 1994/1230.

⁽⁶⁾ See section 166(2) and (3) of the Social Security Contributions and Benefits Act 1992. The relevant statutory instruments are S.I. 1994/1230 and 1996/599.

⁽⁷⁾ See section 35(1A) and paragraph 4 of Part I of Schedule 4 to the Social Security Contributions and Benefits Act 1992. The relevant statutory instruments are S.I. 1994/1230 and 1996/599.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Statutory Maternity Pay (General) Regulations 1986 ("the principal Regulations").

Regulation 2 amends regulation 21 of the principal Regulations to include in the calculation of normal weekly earnings any sum payable in respect of a relevant period by virtue of a back-dated pay increase received after that period.

Regulation 3 inserts a new regulation 21B, into the principal Regulations. This regulation provides that, where a woman is receiving maternity allowance and entitled to statutory maternity pay due to receiving a back-dated pay increase, her employer is only liable to pay statutory maternity pay of an amount by which the rate of statutory maternity pay exceeds the rate of maternity allowance received by her.

The effect of regulations 2 and 3 will be to increase costs to business. An assessment of the costs to business of applying these regulations has been placed in the Libraries of both Houses of Parliament. Copies can be obtained by post from the Department of Social Security, Deregulation Unit, 11th Floor, Adelphi, 1-11 John Adam Street, London WC2N 6HT.