
Report To:	Policy & Resources Committee	Date:	3 June 2025
Report By:	Head of OD, Policy & Communications	Report No:	HR/09/25
Contact Officer:	Barbara McQuarrie	Contact No:	01475 712845
Subject:	Neonatal Care (Leave and Pay)		

1.0 PURPOSE AND SUMMARY

- 1.1 ☒ For Decision ☐ For Information/Noting
- 1.2 The purpose of this report is to inform Policy & Resources Committee of the implications of the new Neonatal Care (Leave and Pay) Act which came into force on Sunday, 6th April 2025 and seek endorsement of an enhancement to its provisions by approving the removal of the qualifying service/ minimum pay requirement for the Statutory Pay element.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that Policy & Resources:
- a) note the content of the new Neonatal Care (Leave and Pay) Act which came into force on Sunday, 6th April 2025 and;
 - b) agree to enhance the provision by removing the eligibility criteria in respect of the qualifying pay/minimum pay elements.

Morna Rae
Head of OD, Policy & Communications

3.0 BACKGROUND AND CONTEXT

- 3.1 Neonatal Care (Leave and Pay) Act which came into force on Sunday, 6th April 2025, and means eligible parents will be able to receive neonatal care leave and pay, for children born on, or after, 6 April 2025. This is designed to help parents spend more time with their baby and bond with them, be better involved in their care, and to reduce the financial pressures that often force parents to return to work sooner than they are ready. A long stay in neonatal care can mean that statutory parental leave is used up before the baby has come home from the hospital or before a parent is ready to return to work.
- 3.2 Neonatal Care Leave is an entitlement to time away from work in addition to other parental leave (Maternity, Paternity, Adoption and Shared Parental Leave). Neonatal Care Pay refers to pay that parents/carers who fulfil certain employment requirements will receive from their employer during their Neonatal Care Leave.
- 3.3 Parents qualify for Neonatal Care Leave and Pay if all of the following apply:
1. the baby was born on or after 6 April 2025
 2. live in England, Wales or Scotland
 3. the baby spends at least 7 continuous days receiving neonatal care that starts within 28 days from their birth
 4. parent is an employee
 5. parent has been working for the same employer for at least 26 weeks
 6. parent earns an average of at least £125 per week
- 3.4 If points 1, 2, 3 and 4 above apply, but the parent does not meet either point 5 or 6 they are still entitled to take Neonatal Care Leave but will not qualify for Neonatal Care Pay under the statutory scheme.
- 3.5 Neonatal Care Pay is paid at the same statutory flat rate as other Statutory Parental Pay, including Maternity and Paternity pay (£187.18 per week from 6 April 2025) or 90% of average weekly earnings, whichever is lower.
- 3.6 For every 7 continuous days the baby is receiving neonatal care, which starts within 28 days from their birth, the parent can take a week of Neonatal Care Leave from work. The maximum amount of leave available is 12 weeks and it must be taken within 68 weeks of the baby's birth.
- 3.7 For this entitlement, parents are the mother or birthing parent, and father, or non-birthing parent(s). This includes adopters, the intended parents in a surrogacy arrangement, the partner who lives with and is in a committed family relationship with the mother/birthing parent or adopter, who will take responsibility for the upbringing of the baby and surrogate birth mother (if they retain or regain responsibility for the child).
- 3.8 Definition of Neonatal care is as detailed in the regulations and includes:
- a) medical care received in a hospital ("hospital" means -any institution for the reception and treatment of persons suffering from illness, and any maternity home, including clinics and out-patient departments maintained in connection with any such institution or home.
 - b) medical care received in any other place that meets the following criteria—
 - (i) the child was an inpatient in hospital and the care is received upon that child leaving hospital;
 - (ii) the care is under the direction of a consultant; and
 - (iii) the care includes ongoing monitoring by, and visits to the child from, healthcare professionals arranged by the hospital referred to in paragraph (i); and

c) palliative or end-of-life care.

3.9 In line with these statutory requirements related procedures have been put in place for Inverclyde Council employees and employee communications issued.

3.10 In addition to minimum statutory requirements Inverclyde Council frequently offers more generous provisions in relation to employment rights in order to best support our employees and be an employer of choice. It is therefore proposed that the eligibility criteria relating to the qualifying service and pay are removed (i.e. parent has been working for the same employer for at least 26 weeks and parent earns an average of at least £125 per week). This means that subject to the other criteria outlined in this report then the pay and leave would be available from day 1 of employment and whatever the level of employee earnings.

4.0 PROPOSALS

4.1 It is proposed that Policy & Resources Committee:

a) note the content of the new Neonatal Care (Leave and Pay) Act which came into force on Sunday, 6th April 2025 and;

b) agree to enhance the provision by removing the eligibility criteria in respect of the qualifying pay/minimum pay elements.

5.0 IMPLICATIONS

5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO
Financial		x
Legal/Risk		x
Human Resources		x
Strategic (Partnership Plan/Council Plan)	x	
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing		x
Environmental & Sustainability		x
Data Protection		x

5.2 Finance

We note that any costs associated with the enhancement and implementation are contained within the services.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments

5.3 Legal/Risk

This report helps fulfil our statutory obligations as an employer.

5.4 Human Resources

There are no direct human resources implications arising from this report.

5.5 Strategic

This report supports delivery of the Council Plan outcome *Our employees are supported and developed.*

6.0 CONSULTATION

6.1 None.

7.0 BACKGROUND PAPERS

7.1 None.