



FINANCE  
**Lagom.**

The Lagom Finance  
Guide to Maternity for  
Self Employed  
Women



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# INTRODUCTION

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# Introduction

## TO MATERNITY FOR SELF EMPLOYED WOMEN

Having a baby! It's miraculous and exhausting; wonderful and terrifying. Yes — the next few months are going to be an emotional and physical adventure. With more and more of your time spent preparing for your little one to come into the world, it's normal to feel a little overwhelmed or uncomfortable with your attention shifting away from other important aspects of your life.

But you're not embarking on this journey alone. Here at Lagom Finance, we want you to feel certain of the support that's available to you and keep you informed of the full range of benefits and payments you can claim to help financially assist your baby and your business.

So treat this resource as a guide — a quick tour of the essential must-haves for maternity, and some additional extras that could give your adventure a free financial boost. This way, you can be sure of what to expect ahead and aware of any surprises on your way.

Different variations of maternity pay are possible depending on what path you're on — self-employed women and company directors are each entitled to different benefits and apply for them in different ways. So that's how I've organised this guide! Just scroll down to the right page for you. There, you'll find details of everything available to you and a timeline of when to apply.

So congratulations! Let's get excited, and set out on the first steps of your adventure.

*Becki*

FOUNDER AND DIRECTOR, LAGOM FINANCE

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## I'M SELF EMPLOYED

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- Maternity Allowance
- Employment and Support Allowance
- Sure Start Maternity Grant
- Child Benefit
- Keeping Work Going

# I'M SELF EMPLOYED

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When you run your own business, the approach to maternity can feel daunting. We're taught that our careers aren't compatible with caring for a newborn baby — that work needs to go on hold for motherhood.

Well that's certainly not the case if you don't want it to be. There's a wide range of financial support available for you, and options to keep your business running while you're away.

## MATERNITY ALLOWANCE

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Maternity Allowance (sometimes shortened to MA) is the main benefit offered to self-employed women. It can range from roughly £150 a week or just under £30 a week, depending on how much National Insurance your company has paid over the past 66 weeks.

The criteria that the government set out to claim Maternity Allowance are:

- ✓ That you must have been registered as self-employed for at least 26 weeks.
- ✓ That you must have earned more than £30 in at least 13 of the last 66 weeks.

Don't worry — no arithmetic needed! Take a look at [this calculator on the government's website](#). It only takes a few minutes to complete and should give you an accurate idea of how much you can expect to receive depending on your situation.

You can claim Maternity Allowance from your 26th week of pregnancy by filling in a [Maternity Allowance Claim form](#). You'll receive the allowance for up to 39 weeks.



## EMPLOYMENT AND SUPPORT ALLOWANCE

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If you don't fulfil the criteria to qualify for Maternity Allowance, don't worry. Complete the Maternity Allowance Claim form anyway. The Department for Work and Pensions will check to see whether you're eligible. If not you may be able to apply for Universal Credit.

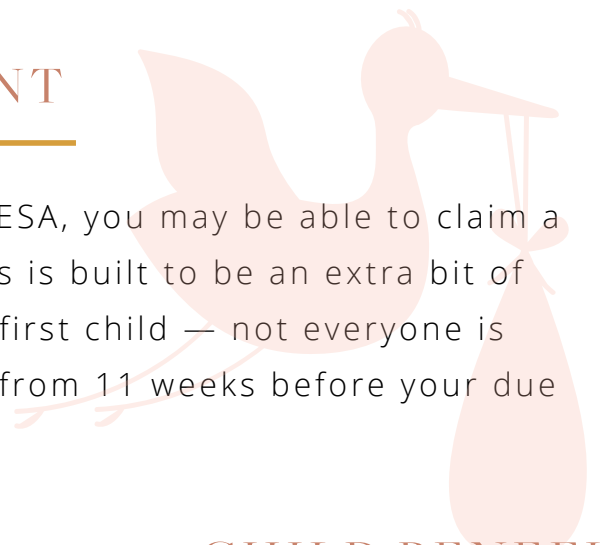


The amount you receive with Employment and Support Allowance/Universal credit will vary depending on your circumstances, but will typically total to around £70 a week. You'll be paid for 8 weeks — the last 6 weeks of your pregnancy and the first 2 after your baby is born.

## SURE START MATERNITY GRANT

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In addition to your weekly payments for MA or ESA, you may be able to claim a one-off Sure Start Maternity Grant of £500. This is built to be an extra bit of support for lower-income families having their first child — not everyone is eligible for this grant. You can apply anywhere from 11 weeks before your due date to 6 months after your baby is born.



## CHILD BENEFIT

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After your child is born you should start claiming Child Benefit. This is a payment of £21 a week (for your first child) or just under £14 a week (for any more children). It's available to all parents raising a child and continues well into their teenage years.



## KEEPING WORK GOING

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It might be the case that you're looking forward to taking some time away from work while you introduce your child to the world. But saying "goodbye" to your business is not the only option open to you. It can be easy to keep your business running while you're away, either by occasionally checking in, or by hiring someone to fill in for you.

Unfortunately, you can't keep claiming Maternity Allowance if you go back to work for a substantial amount of time. You're limited to 10 Keeping In Touch days (sometimes known as KIT days) while you're still receiving money from your Maternity Allowance. A KIT day is any day in which you perform work-related tasks — no matter if it's the same hours that you'd normally do, or if you're just picking up the phone for your business.

But that doesn't mean that your business has to stop operating — or even slow down! You've got the option of employing someone to help run things while you're away. Hiring someone new can come with its own challenges, so I'd recommend getting in touch if it's an option that interests you.







# I'M THE DIRECTOR OF A COMPANY

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- Statutory Maternity Pay
- Maternity Allowance
- Sure Start Maternity Grant
- Child Benefit
- Keeping Work Going

# I'M THE DIRECTOR OF A COMPANY

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If you're the Director of a limited company, the maternity pay you're entitled to can depend on your employment status.

## STATUTORY MATERNITY PAY

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If you have a contract of employment with your limited company, you can claim Statutory Maternity Pay (or SMP). You'll continue being paid as normal by your company, and your company will claim that money back from HMRC.

In the case that your company can't afford to cover your SMP payments, you can apply to receive the money in advance from your HMRC accounts office.

You'll be paid for 39 weeks starting from the first date of your maternity leave, and you can expect to receive:

- ✓ 90% of your salary for the first 6 weeks.
- ✓ £151.20 a week for the remaining 33 weeks (or 90% of your salary if that amount is lower than £151.20)



And you'll be paid for the full 39 weeks, no matter how much Maternity Leave you're planning to take or what happens to your company while you're on away.

There are a few additional requirements you need to meet in order to be eligible for SMP. Luckily, there's a super simple calculator on the Government's website that lets you know exactly how much maternity leave and pay you should expect.

To apply for SMP, you'll be given a [Maternity Certificate \(MAT B1\)](#) by your doctor or midwife around 20 weeks before your baby is due. You'll need to submit this as an employer to apply for your maternity pay.

If you're not a contracted employee of your company or don't meet the criteria for receiving SMP, you'll typically be paid Maternity Allowance instead. There's more information in this directly below.

## MATERNITY ALLOWANCE

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Maternity Allowance (shortened to MA) is typically what's paid to you if you don't qualify for Statutory Maternity Pay. This won't be paid by your company and recouped from HMRC — instead you'll get money directly from the government.

There are a few variations of maternity pay possible depending on your circumstances. Again, the [calculator on the government's website](#) will be the fastest and most accurate way to check what you're entitled to.

You can claim Maternity Allowance starting from your 26th week of pregnancy by filling in a [Maternity Allowance Claim form](#). You'll receive the allowance for 39 weeks, or whenever you go back to work on a regular basis.



## SURE START MATERNITY GRANT

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In addition to your weekly payments for MA or ESA, you may be able to claim a one-off Sure Start Maternity Grant of £500. This is built to be an extra bit of support for lower-income families having their first child, so not everyone is eligible for this grant. You can apply for the grant anywhere from 11 weeks before your due date to 6 months after your baby is born.



## CHILD BENEFIT

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After your child is born you should start claiming Child Benefit. This is a payment of £21 a week (for your first child) or just under £14 a week (for any more children). It's available to all parents raising a child and continues well into their teenage years.

## KEEPING WORK GOING

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As a director of a limited company, you've got plenty of options to keep work running while you're away.

You should be aware that you'll stop receiving SMP or MA payments if you choose to go back to work for a substantial amount of time. You're permitted 10 Keeping In Touch days (often called KIT days) while you're still receiving support, but any more will cancel your SMP or MA support. A KIT day is any day in which you perform work-related tasks — no matter if it's the same hours that you'd normally do, or if you're just picking up the phone for your business.

If you're interested in hiring maternity cover for while you're away, i'd recommend getting in touch — hiring a temporary worker can come with its own challenges that we can support you with.