

■ IMPORTANT NOTICE FOR MUMS AND EMPLOYERS ■

Had a baby in the last 5–6 years?

You may be owed pension contributions from your employer — please read on.

A widely reported payroll issue has led many employers to underpay workplace pension contributions during maternity leave — often without anyone realising. Here is what you need to know.

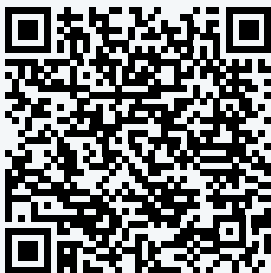
The law: During paid maternity leave, your employer must continue paying pension contributions based on your **full, pre-maternity salary** — not your reduced Statutory Maternity Pay (SMP). Many payroll software systems have been calculating it based on the lower SMP figure instead.

KEY FACTS

- 1 A survey of 379 mothers by financial community Nugget Savings found over 239 had discovered discrepancies in their pension contributions — with one woman owed as much as £20,000.
- 2 The error stems from payroll software calculating contributions as a percentage of actual (lower) maternity pay, rather than normal pre-leave earnings. This affects many major payroll platforms.
- 3 Payroll vendors named in reports include BrightPay, Deel, Employment Hero, Intuit, Rippling, Sage and Xero. Manual adjustment is possible but often overlooked by payroll teams.
- 4 The same rule applies to paternity, adoption, and shared parental leave. Salary sacrifice pension arrangements carry even stronger protections during maternity leave.
- 5 **HOW FAR BACK?** Employers can voluntarily correct underpayments with no time limit. However, if you need to make a formal legal claim, the limit is 2 years back from the date of the last underpayment. Act now — do not delay.

HOW TO CHECK

- ✓ Locate your payslips from the maternity leave period.
- ✓ Compare the employer pension contribution shown against: your normal pre-leave salary x your employer's contribution rate.
- ✓ If contributions were based on your reduced SMP rather than your full salary, you may be owed the difference — plus any investment growth since.
- ✓ Raise it with your HR or payroll team in writing and ask them to investigate with your pension provider.
- ✓ If your employer will not cooperate, you can make a formal claim — but note the 2-year legal limit for backdated claims. Act quickly.



Full technical detail

Scan the QR code or visit the link below for the AccountingWEB article by Tom Herbert (January 2026):

<https://www.accountingweb.co.uk/tech/accounting-software/payroll-software-gaps-leave-maternity-pension-contribution-pothole>

A note for payroll & finance teams

If you process payroll, please check whether employer pension contributions during any employee's maternity leave have been calculated on actual maternity pay rather than pre-leave salary. A manual correction and backdated contributions may be required. All major payroll platforms support this adjustment.

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