



Department for Business, Energy & Industrial Strategy Consultation: Neonatal leave and pay

Response from AXA UK

About AXA UK

1. AXA UK (AXA) is part of the AXA Group, a worldwide leader in financial services. AXA Group operates in 61 countries with over 170,000 employees and 105 million customers. AXA has around 11 million customers in the UK and operates through specific operating companies – AXA Insurance and AXA PPP healthcare.

Executive summary

2. As a large UK employer, AXA welcomes the opportunity to submit to this consultation. AXA believe in the benefits of having a diverse and inclusive workforce: a company where one can be both a parent and a professional and a company that understands the importance of well-being in the workplace.
3. In general, AXA welcomes the proposals set out in the consultation paper as a modern reform that will improve the fairness of statutory pay and leave entitlements. Parents who need to spend time with their child in neonatal care should have access to additional pay and leave as a measure to ensure these parents are fairly supported and not alienated from the labour market.
4. Whilst AXA is in agreement with the proposals, AXA has made some comments on the specific nature of certain measures including notice and evidence requirements, maximum caps and eligibility criteria.

Eligibility for neonatal and pay

Question 1: Do you agree with the principle that entitlement to Neonatal Leave and Pay should be restricted to the individuals who would have had the main responsibility for caring for the child following birth, had it not been admitted to neonatal care (i.e. those listed above)?

5. AXA largely agrees with the principle that entitlement to Neonatal Leave and Pay should be restricted to individuals who would have had the main responsibility for caring for the child following birth. Although we welcome the proposed eligible groups listed in the consultation document, AXA would welcome further investigation into whether it would be appropriate and plausible for leave to be offered to close relatives in the case of single parents.

Question 2: Do you agree that parents of babies who need to spend time in neonatal care should have access to additional pay and leave?

6. AXA is in agreement that parents who need to spend time with their child in neonatal care should have access to additional pay and leave. Additional pay and leave would support fathers/partners to remain with their child in hospital, support parents to have an additional period of time at home with their child to compensate for the time their child was in hospital after birth and to ensure parents are not alienated from the labour market.



Question 3: Do you agree that access to Neonatal Leave and Pay should be restricted to parents whose children have spent a minimum of two weeks in neonatal care, i.e. are seriously ill or likely to be in hospital for an extended period of time?

7. AXA agree with the proposal to restrict access to Neonatal Leave and Pay to parents whose children have spent a minimum of two weeks in neonatal care.

Question 4: If you agree that access to Neonatal Leave and Pay should be restricted to parents whose babies are most seriously ill, after what length of time in neonatal care should the parents' entitlement to Neonatal Leave and Pay crystallise?

8. AXA believe that entitlement to Neonatal Leave and Pay should crystallise after two weeks. It is reasonable to assume that a minimum of two weeks is sufficient to identify those most in need of the entitlement. Moreover, a period of two weeks ensures there is no gap between the end of a father/partner's Paternity Leave and the start of Neonatal Leave and Pay.

Question 5: Are there other circumstances that you think should be considered for inclusion within the scope of Neonatal Leave and Pay? What are they?

9. AXA would welcome further investigation into how the scope of Neonatal Leave and Pay could include circumstances where parents continue to face barriers preventing them returning to / staying in the workforce such as treatment outside of the hospital environment.

Qualifying conditions for neonatal leave and pay

Question 6: Do you agree that Neonatal Leave should be a 'day one right' in line with Maternity Leave, Adoption Leave and Parental Bereavement Leave?

10. AXA agree that Neonatal Leave should be a 'day one right' in line with other types of Leave. AXA believe that proposals must ensure all parents are treated fairly. Given there is a 'day one right' for Maternity Leave it makes sense for that approach to be mirrored, the legal basis provided would give certainty and protection for parents.

Question 7: Do you agree that the qualifying period of service for Statutory Neonatal Pay should mirror the qualifying period of Statutory Paternity and Shared Parental Pay?

11. AXA agree that the qualifying period of service for Statutory Neonatal Pay should mirror the qualifying period of Statutory Paternity and Shared Parental Pay. AXA believe this approach is necessary to ensure that all parents are treated fairly, and the proposals can be implemented quickly and effectively.

The leave and pay

Question 8: Do you agree that the entitlement to Neonatal Leave should be capped?

12. AXA is neither in agreement nor disagreement with placing a cap on Neonatal Leave. AXA would welcome further investigation into proposals that would allow Neonatal Leave to be taken up until the Expected Week of Confinement (EWC). At the EWC existing entitlements could then be used. Whilst AXA recognises that there may be cases where a baby is required to spend a particularly lengthy period in hospital, AXA believe this proposal would provide



parents with the required support in a majority of cases. For those cases where greater flexibility is required, government could provide further guidance for employers.

a) If you agree that the number of weeks of Neonatal Leave that are available to parents should be capped, what is the optimal maximum number of weeks of Leave that should be available?

13. As outlined above, AXA believe that Neonatal Leave should be granted up until the EWC. Following this date existing Parental Leave and Pay would commence.

Question 9: Do you agree that the maximum number of weeks of Neonatal Leave should be the same as the maximum number of Neonatal Pay in order to ensure eligible parents can receive pay throughout their leave period?

14. AXA does agree that the maximum number of weeks of Neonatal Leave should be the same as the maximum number of weeks of Neonatal Pay. A child spending a prolonged period in neonatal care can be expensive for new parents and as an employer AXA would want our employee to be able to prioritise their new baby and family.

Question 11: Do you agree that Neonatal Leave and Pay should be taken in a continuous period at the end of existing entitlements to family-related leave and pay, e.g. Maternity or Paternity Leave?

15. AXA is neither in agreement nor disagreement with the proposal that Neonatal Leave and Pay should be taken in a continuous period at the end of existing entitlements.
16. AXA understands that there are exceptional circumstances in life that mean employees' health and wellbeing or that of their families must come first. We would always look to encourage employees to do what is best for themselves and their family in those exceptional circumstances, such as a child requiring neonatal care.

Notice and evidence requirements

Question 12: Do you agree that a father/partner should be required to give notice in advance of the end of their other statutory leave entitlement to Paternity Leave in order to take Neonatal Leave?

17. AXA agrees that a father/partner should be required to provide notice to their employer in alignment with other forms of statutory leave and pay. This provides employers with the necessary certainty to ensure operational cover. However, AXA do recognise that parents are unlikely to have the same certainty on issues of leave and pay in the event of a child's admission to neonatal care. Nonetheless, given the proposal of an entitlement that arises after a two-week period of continuous neonatal care AXA believe it is possible for an employer to be notified.

Question 13: Do you agree that a mother should be required to give notice in advance of the end of her other statutory leave entitlement to Maternity Leave in order to take Neonatal Leave?

18. AXA agrees that a mother should be required to provide notice to their employer in alignment with other forms of statutory leave and pay. This provides employers with the necessary certainty to ensure operational cover. However, AXA do recognise that parents are unlikely to have the same certainty on issues of leave and pay in the event of a child's admission to



neonatal care. Nonetheless, given the proposal of an entitlement that arises after a two-week period of continuous neonatal care AXA believe it is possible for an employer to be notified.

Question 14: What would be a reasonable notice period for Neonatal Leave:

- a) For fathers/partners taking Neonatal Leave at the end of Paternity Leave?**
- b) For mothers taking Neonatal Leave at the end of Maternity Leave?**

- 19. AXA would welcome further consideration from government on reasonable notice periods for Neonatal Leave. In general, AXA believe that in exceptional circumstances where the situation may change quickly, such as when a child requires neonatal care, employers should ensure they remain flexible.

Question 15: What level of communication could be expected between a father/partner wishing to take Neonatal Leave at the end of Paternity Leave on a week-to-week basis while the baby is in hospital and their employer?

- 20. AXA believe that communication should be light-touch and only when new information is available.

16. Do you agree that employers should be allowed to ask for evidence of entitlement to Neonatal Leave and Pay:

- a) From fathers and partners taking Neonatal Leave and Pay at the end of Paternity Leave?**
- b) From mothers taking Neonatal Leave and Pay at the end of Maternity Leave?**
- c) If you agree or strongly agree, what evidence would it be reasonable for an employer to request?**

- 21. AXA is neither in agreement or disagreement on whether evidence of entitlement should be requested. Whilst there should be mechanisms to prevent against the entitlements system being open to abuse, more information and analysis is needed to determine best practice for employers when requesting this information.

Employment protections and the right to return to the same job

Question 17: Do you agree that parents on Neonatal Leave should have the same protections as employees on parental leave in respect of older children?

- 22. AXA agree that parents on Neonatal Leave should have the same protections as employees on parental leave in respect of older children. With regards to when the leave is taken, Neonatal Leave should be taken before the employee returns from maternity, co-parent (paternity) or shared parental leave.

Question 18: Do you agree that parents on Neonatal Leave should have the same right to return to work as employees on parental leave in respect of older children?

- 23. AXA agree that parents on Neonatal Leave should have the same right to return to work as employees on parental leave in respect of older children. Parents should be able to return to the same job, where this is not possible, they should be offered a suitable and appropriate job on no less favourable terms.

If you need to get in touch regarding the information in this submission, please get in touch with Public Affairs Executive, Jonathon Murphy, at jonathon.murphy@axa-uk.co.uk or on 07866032309.