



How Corient Solved a Statutory Maternity Pay Challenge – And Handled an Unexpected Twist

Highlights

- 1 Ensured compliance with HMRC's Statutory Maternity Pay (SMP) regulations
- 2 Saved the employer £1,137.31 in payroll liability
- 3 Resolved a payroll software issue that prevented SMP payments
- 4 Ensured the employee received their rightful benefits without delays

Introduction

At **Corient Business Solutions**, we understand that payroll is full of **unexpected challenges**. One of our mid-sized business clients faced a tricky situation when an employee **resigned after 33 weeks of SMP**.

What seemed like a simple compliance check soon turned into a **multi-step payroll challenge**. When we thought the issue was resolved, **a new problem emerged**, threatening to delay payroll.

Here's how we **navigated multiple obstacles**, ensuring full compliance, financial savings, and a smooth payroll process.



The Initial Problem: What Went Wrong?

One morning, we received a call from a long-time client.

"One of our employees on maternity leave just resigned after 33 weeks of SMP. Do we still need to pay her for the remaining six weeks?"

They were concerned about:

- ❖ **Compliance risks** – Would they be penalised if they stopped payments?
- ❖ **Financial impact** – Would they lose money by paying SMP unnecessarily?
- ❖ **Employee relations** – How should they handle this situation reasonably?

Their **payroll team was unsure** about HMRC's exact rules, and with payday approaching, they needed an answer—fast.

Corient's First Solution: The Fix

Our payroll specialists immediately got to work. We reviewed **HMRC's payroll regulations** and confirmed a **key detail**:

◆ **SMP payments must continue for 39 weeks, even if the employee resigns.**

We explained to the employer that:

◆ **Stopping SMP** payments early could lead to non-compliance and HMRC penalties.

◆ **Processing the payments correctly would reduce their payroll liability by £1,137.31**, thanks to HMRC's reimbursement rules.

◆ The best way forward was to **temporarily reinstate the employee** on payroll to legally process the remaining six weeks of SMP.

After reviewing the numbers, the employer agreed. **Problem solved!**

Or so we thought.



The New Problem: A Surprise Roadblock

Just as the employer was about to process the SMP payments, a **new issue** emerged.

◆ **Their payroll software refused to process payments for a resigned employee!**

The system flagged it as an error, stopping payroll in its tracks. This created a fresh set of problems:

◆ **The employee's payments were delayed.**

◆ **The employer risked missing their payroll deadline.**

◆ **Manual payroll adjustments risked compliance issues.**

Once again, they turned to Corient. **Could we fix this before payday?**

Corient's Second Solution: Fixing the New Problem

With time running out, we quickly devised a plan:

Step 1: Manual Payroll Adjustments

- ◆ We guided the employer to **manually override system restrictions** and **temporarily re-add the employee** to payroll.
- ◆ This allowed the payroll system to recognise **SMP payments** without affecting other records.

Step 2: Ensuring HMRC Compliance

- ◆ We contacted **HMRC support** to confirm the workaround was fully compliant.
- ◆ We provided the employer with **proper documentation** for their payroll records, ensuring a smooth audit trail.

Step 3: Testing & Processing the Payroll

- ◆ A **test payroll run** was completed before final processing.
- ◆ The system accepted the adjustment, and the SMP payments were processed on time.

With **expert payroll knowledge and quick problem-solving**, we turned what could have been a payroll difficulty into a **smooth and compliant solution**.

OUTCOME



The Final Outcome: Success Story

- ◆ **The employee received her full SMP entitlement of £1,104.18**, ensuring fairness and compliance.
 - ◆ **The employer saved £1,137.31 in payroll liability**, proving that compliance doesn't have to be costly.
 - ◆ **Payroll was processed promptly**, avoiding penalties, errors, and last-minute chaos.
- The employer was **relieved and impressed** with how Corient handled not just one but **two payroll challenges in a single case**.

What the Client Said



We would have never figured this out on our own. You saved us time, money, and a major payroll headache!" they told us.

Key Takeaways: Why This Matters for Businesses

This case study proves that payroll issues **don't stop at the first problem**. One challenge often leads to **unexpected complications**, and without expert guidance, businesses risk compliance penalties, financial losses, and delayed payments. At **Corient Business Solutions**, we don't just **solve problems**—we anticipate them. Whether it's:

- ◆ **Payroll compliance**
- ◆ **SMP calculations**
- ◆ **Handling unexpected payroll software issues**

We ensure businesses stay compliant, **save money**, and **avoid payroll nightmares**.

◆ **Facing payroll challenges? Let's fix them before they become more significant problems. Contact Corient today!**