

A6/2025 The Neonatal Care Leave and Pay (Consequential Amendments to Subordinate Legislation) Regulations 2025

Introduction

Circular is intended for all Housing Benefit staff. This circular provides details of The Social Security Neonatal Care Leave and Pay (Consequential Amendments to Subordinate Legislation) Regulations (SI 2025/201), which makes amendments to various social security legislation to enact changes made by Neonatal Care Leave and Pay.

SI 2025/201 amends the Housing Benefit Regulations 2006 (SI 2006/213) and the Housing Benefit (Persons who have reached the qualifying age for State Pension Credit) Regulations 2006 (SI 2006/214). These changes came into force from 6 April 2025.

Background

Neonatal Care Leave and Pay is a new entitlement to statutory leave and payment which will support parents whose child or children are born sick or prematurely and require neonatal care. This entitlement will be in addition to other forms of statutory parental leave and pay - such as Maternity Leave and Pay, Parental Bereavement Leave, Statutory Shared Parental Pay, Paternity Leave and Pay and Shared Parental Leave and Pay.

To qualify for Neonatal Care Leave and Pay, parents must be employed by an employer and their baby must be admitted into hospital as a neonate (4 weeks old or younger) for a continuous period of seven days or more. Neonatal Care Leave and Pay entitlement is available up to a maximum of 12 weeks of a neonate hospital admission.

To claim neonatal pay, parents will need to have worked for their employer for at least 26 weeks prior to the baby entering neonatal care and meet the other eligibility requirements. Self-employed people will not be eligible.

Amendments to Housing Benefit Regulations

The following paragraphs provide details of the amendments made by SI 2025/201 to SI2006/213 and SI 2006/214.

Regulation 2 (interpretation)

SI2025/201 amends Regulation 2 so that a reference to neonatal care leave is added to the meaning of “employed earner” and adds a definition for “neonatal care leave”.

Regulation 6 (remunerative work)

A reference to neonatal care leave is added to the meaning of remunerative work so that where a claimant or their partner is on neonatal care leave, they are treated as not being in remunerative work.

Regulation 28 (Treatment of childcare charges)

References to Neonatal Care Leave and Pay are added to Regulation 28 so that where a claimant or their partner are on neonatal care leave and receiving neonatal care pay, they continue to be eligible for childcare charges disregard.

Regulation 35 (Earnings of employed earners)

Regulation 35 is amended so that neonatal care pay is treated as earnings.

Regulation 36 (Calculation of net earnings of employed earners)

A reference to neonatal care pay is added to the list of statutory payments in Regulation 36.

Regulation 75E (Exception to the benefit cap: current or recent work)

A reference to neonatal care leave is added to regulation 75E so that an exception to the benefit cap applies when the claimant meets the other conditions for the exception to apply.

Similar amendments have been made to Regulations 2, 6, 31, 35 and 36 in SI 2006/214

Regulation 29 (meaning of income)

Neonatal care pay is added to the list of payments which are not treated as income in Regulation 29 of SI 2006/214 as it is treated as earnings in Regulation 35.