



EMPLOYMENTGUIDE

GUIDE TO STATUTORY SICK PAY

Many employers have their own sick pay schemes and procedures, but the Statutory Sick Pay Scheme (SSP) provides employees with a minimum entitlement during periods of illness.

Who is entitled to SSP?

SSP is payable to anyone who:

- works for you (but is not a freelancer or subcontractor);
- is unwell for more than four days (whether or not those days are working days);
- has earnings which attract Class 1 National Insurance contributions ("NICs"), or would but for their age or level of earnings; and
- earns at least the Lower Earnings Limit for NICs (for 2008/09, this is a gross weekly average of £90 calculated over the eight week period before the first day of sick leave).

From 27 October 2008 agency workers employed under a fixed-term contract will also be entitled to SSP.

Informing you

An employee should inform you as soon as

possible if he is unwell. An employee can self certify for the first seven days of any illness, but after seven days of illness (including weekends and bank holidays) he should provide you with a sick note from his doctor or hospital.

You can make your own rules about how and when employees should notify you of sickness absence, provided that they are informed of these rules in advance.

How much SSP should you pay?

An employee is not entitled to any SSP during the first three days of any period of illness.

From the fourth day of any period of illness SSP is payable for every day the employee would usually be working. For 2008/09, SSP is £75.40 per week, with income tax and NI contributions to be deducted where appropriate.

You are required to pay SSP for a maximum of 28 weeks.

Any contractual sick pay paid over and above SSP can be offset against SSP.

Reclaiming SSP

If the total amount of SSP paid to all employees is more than 13% of the total

gross Class 1 National Insurance liability for your whole company in the same tax month, you can reclaim any amount exceeding 13% from HM Revenue and Customs.

This Guide is intended to be a general guide to statutory sick pay. If you have any specific questions about your own circumstances, please contact a member of Martineau's Employment & Pensions Group for definitive advice on:
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E: jane.byford@martineau-uk.com

