



## Honest Employment Law Practice Ltd

*Help! On your terms!*

## What you need to know about:

### Statutory Sick Pay

The employee will be eligible if...	The employee will <i>not</i> be eligible if...
<ul style="list-style-type: none"><li>The employee is sick for 4 consecutive days including weekends and holidays</li></ul>	<ul style="list-style-type: none"><li>The employee is taking part in a trade union action</li></ul>
<ul style="list-style-type: none"><li>The employee is earning an average of £102.00 per week</li></ul>	<ul style="list-style-type: none"><li>The employee is in legal custody</li></ul>
<ul style="list-style-type: none"><li>The employee has complied with notification and certification procedures</li></ul>	<ul style="list-style-type: none"><li>The employee has been receiving Incapacity Benefits for 8 weeks prior to their illness</li></ul>

### Common Questions and Answers

#### Question

#### Answer

**What are the current rates of SSP?**

From the start of tax year commencing April 2011 - £81.60.

**What is a Period of Incapacity for Work (PIW)?**

A period of sick lasting four days or more.

**What are Qualifying Days (QD)**

They are the only days that you can pay SSP for, and are usually the days that your employee works. The week begins Sunday. Bank holidays have no effect.

**What are waiting days?**

The first three days of absence are known as waiting days. The employee is not entitled to payment of SSP for these three days.

**What is linking?**

PIW's are linked and treated as one PIW if the gap between them is 8 weeks or less. If the employee is ill again within 8 weeks they will not have to wait a further 3 waiting days.

**Do you need a medical certificate before paying SSP?**

If the illness is longer than 7 days the employee must supply a medical certificate on the 8<sup>th</sup> day. SSP is paid based on the dates provided on the sick note.

**How long is SSP paid for?**

A maximum of 28 weeks in PIW or a linked series.

**Can an Employer recover SSP?**

See HM Revenues and Customs Website to calculate what you can reclaim

<http://sspcalculator.inlandreve>

- You may be entitled to recover some or all of the money, which helps companies with a large workforce that may have many workers off sick. Recovery under the Percentage Threshold Scheme (PTS) is worked out for each separate tax month in which SSP is paid. If in the tax month your SSP is more than 13% of the total Class 1

[nue.gov.uk/Recovery.aspx](http://nue.gov.uk/Recovery.aspx).

Unless you qualify under the PTS, you are not entitled to recover any of the SSP you pay to your employees.

NICs you have paid you can get back the difference.

1. Add together the SSP you have paid to all your employees in the tax month
2. Add up all the Class 1 NIC you have paid in the same month and calculate 13% of this sum
3. If the amount at 1. above exceeds the amount at 2. above you can recover the difference.

### **What records should an employer keep?**

Everything, including all dates of employee sickness lasting for four or more days in a row and all payments of SSP you make during each PIW.

### **Special Cases for Statutory Sick Pay**

#### **Agency workers**

If an agency worker is considered an employee for NI, then they are also considered for SSP purposes. Agency workers usually do some work under their contract with the agency before qualifying for SSP. As long as they have worked for the agency within the preceding 8 weeks it is not necessary for them to have undertaken work on their current assignment. SSP continues until the worker is fit again, or the date that the original contract should of ended.

#### **Casual workers**

If you deduct PAYE and Class 1 NICs from the casual worker's earnings then you will have to pay them SSP if they satisfy the qualifying conditions.

#### **Infectious or contagious diseases**

If the employee has been issued with a medical advice note recommending that they should avoid work, they are entitled to SSP.

#### **New Employees**

New employees who have not done any work under their contract of employment are **not** entitled to SSP.

#### **Pregnant Women**

Are not entitled to SSP if you are receiving Statutory Maternity allowance or pay, or you will be switched to SMP 4 weeks before the baby is due. You cannot get SSP for 26 weeks after you start getting Maternity Allowance or Statutory Maternity Pay.