

Payroll - Statutory Sick Pay (SSP)

Qualification for SSP

- The employee must be sick for a minimum of four consecutive days. All days of incapacity, including weekends, holidays and any other days which the employee would not normally be expected to work, count towards these four days.
- The employee's average gross pay for the 8 weeks prior to the first day of sickness must be at least the same as the current National Insurance Lower Earnings Limit for weekly paid employees (£87.00).
- The employee must be aged between 16 and 65 years of age.
- SSP is not payable for the first three qualifying days of the period of sickness
- If there are eight weeks or less between the last day of sickness in one period and the first day of sickness in the next period, the two are linked. In such circumstances, the employee does not have to serve any waiting days before receiving SSP.
- Employees are entitled to 28 weeks SSP each time they begin a new Period of incapacity for work.

Payment of SSP

- The weekly rate of SSP from 6th April 2008 is £72.55
- The daily rate of SSP is the weekly rate divided by the number of qualifying days the employee is sick in that week.
- SSP is subject to both tax and National Insurance.

Recovery of SSP by the employer

- If the total SSP paid to all employees during the tax month exceeds 13% of the gross Class 1 National Insurance liability for that month, the difference between the two figures can be recovered.
- In practice few business recover SSP.