

# **Guide to Statutory Sick Pay – The Basics**

**IRIS Payroll**

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## Statutory Sick Pay – The Basics

**Note:** the legislation governing Statutory Sick Pay can be complex. We have provided a simplified explanation here but it is your responsibility to ensure that you comply with the official regulations.

For more information click on the **HMRC** tab, then **SSP & Leave** and select **SSP Guidance for Employers**

### Period of Incapacity for Work

Statutory Sick Pay (SSP) is only applicable if the employee's absence forms a 'Period of Incapacity for Work' (PIW), which is a period of sickness that lasts at least four calendar days in a row. It does not matter if those days are working days or not. If the employee is sick for only three days (or fewer) there is no Period of Incapacity for Work, so he is not entitled to SSP.

### Qualifying Days

Usually the days your employee regularly works each week are known as 'Qualifying Days' for SSP. For example, if an employee works full time from Tuesday to Thursday and a half day on Friday, her Qualifying Days are Tuesday, Wednesday, Thursday and Friday.

If your employees work different days each week, perhaps because of shift patterns or job sharing etc, you may need to agree with your employees which days will be their Qualifying Days for SSP. For more information click on the **HMRC** tab, click **SSP & Leave** then **SSP Guidance for Employers**.

### Waiting Days

The first three Qualifying Days in a Period of Incapacity for Work are known as Waiting Days and the employee does not receive SSP for those three days.

Example: the employee works from Tuesday to Friday each week, so these are his Qualifying Days. He sick from Monday 1st to Saturday 6th - a period of 6 days which forms a Period of Incapacity for Work. The first three Qualifying Days (Tuesday, Wednesday and Thursday) count as his Waiting Days. He is due SSP for the remaining Qualifying Day, i.e. Friday.

M	T	W	T	F	S	S
1 Non-Q	2 Waiting	3 Waiting	4 Waiting	5 SSP	6	7
8	9	10	11	12	13	14

## Linked Period of Incapacity for Work

Two Periods of Incapacity for Work are considered to be 'Linked' if the gap between them is eight weeks or less. Both periods of sickness must be for four or more consecutive days (if not, the sickness period is not a Period of Incapacity for Work).

If two periods of sickness are linked in this way they are treated as one Period of Incapacity for Work, which means that if all the Waiting Days were served in the first period of sickness there will be no Waiting Days in the second one.

### Example 1

The employee works Monday to Friday, so these are her Qualifying Days. She is sick from Saturday 6th to Thursday 11th, which is a Period of Incapacity for Work because it lasts 6 consecutive days. The first two days (Saturday and Sunday) are non-Qualifying Days: they are included when determining if a Period of Incapacity for Work is formed, but they do not count as Waiting Days. The first three Qualifying Days are Monday 8th, Tuesday 9th and Wednesday 10th so these are the Waiting Days. The employee is only paid SSP for the final day of sickness.

She is then sick again from Sunday 21st to Wednesday 24th - this forms a Period of Incapacity for Work because it lasts 4 consecutive days, and it is linked to the previous PIW because there are fewer than eight weeks between the two absences. The employee has already served all three waiting days in the first PIW, so she is paid SSP for all the Qualifying Days in the second PIW.

M	T	W	T	F	S	S
1	2	3	4	5	6 Non-Q	7 Non-Q
8 Waiting	9 Waiting	10 Waiting	11 SSP	12	13	14
15	16	17	18	19	20	21
22 SSP	23 SSP	24 SSP	25	26	27	28
29	30					

### Example 2

The employee works on Tuesdays and Thursdays, so these are his Qualifying Days. He is sick from Tuesday 2nd to Friday 5th - this forms a Period of incapacity for Work because it lasts 4 consecutive days. Both Qualifying Days count as Waiting Days, so he is not paid any SSP.

He is then sick again from Thursday 18th to Wednesday 24th. This period of sickness is linked with the previous one because there are fewer than eight weeks between them. Only two Waiting Days were served in the first PIW, so the first Qualifying Day of the second absence (i.e. Tuesday 18th) counts as the third Waiting Day. The employee is paid SSP for the remaining Qualifying Day, i.e. Tuesday 23rd.

M	T	W	T	F	S	S
1	2 Waiting	3 Non-Q	4 Waiting	5 Non-Q	6	7
8	9	10	11	12	13	14
15	16	17	18 Waiting	19 Non-Q	20 Non-Q	21 Non-Q
22 Non-Q	23 SSP	24 Non-Q	25	26	27	28
29	30					

## Additional Software and Services Available

### IRIS AE Suite™

The IRIS AE Suite™ works seamlessly with all IRIS payrolls to easily manage auto enrolment. It will assess employees as part of your payroll run, deduct the necessary contributions, produce files in the right format for your pension provider\* and generate the necessary employee communications.

### IRIS OpenPayslips

Instantly publish electronic payslips to a secure portal which employees can access from their mobile phone, tablet or PC. IRIS OpenPayslips cuts payslip distribution time to zero and is included as standard with the IRIS AE Suite™.

### IRIS Auto Enrolment Training Seminars

Choose from a range of IRIS training seminars to ensure you understand both auto enrolment legislation and how to implement it within your IRIS software.

### Useful numbers

HMRC online service helpdesk	HMRC employer helpline
Tel: 0300 200 3600	Tel: 0300 200 3200
Fax: 0844 366 7828	Tel: 0300 200 3211 (new business)
Email: <a href="mailto:helpdesk@ir-efile.gov.uk">helpdesk@ir-efile.gov.uk</a>	

### Contact Sales (including stationery sales)

For IRIS Payrolls	For Earnie Payrolls
Tel: 0844 815 5700	Tel: 0844 815 5677
Email: <a href="mailto:sales@iris.co.uk">sales@iris.co.uk</a>	Email: <a href="mailto:earniesales@iris.co.uk">earniesales@iris.co.uk</a>

### Contact support

Your Product	Phone	E-mail
IRIS PAYE-Master	0844 815 5661	<a href="mailto:payroll@iris.co.uk">payroll@iris.co.uk</a>
IRIS Payroll Business	0844 815 5661	<a href="mailto:ipsupport@iris.co.uk">ipsupport@iris.co.uk</a>
IRIS Bureau Payroll	0844 815 5661	<a href="mailto:ipsupport@iris.co.uk">ipsupport@iris.co.uk</a>
IRIS Payroll Professional	0844 815 5671	<a href="mailto:payrollpro@iris.co.uk">payrollpro@iris.co.uk</a>
IRIS GP Payroll	0844 815 5681	<a href="mailto:support@gppayroll.co.uk">support@gppayroll.co.uk</a>
IRIS GP Accounts	0844 815 5681	<a href="mailto:gpaccsupport@iris.co.uk">gpaccsupport@iris.co.uk</a>
Earnie or Earnie IQ	0844 815 5671	<a href="mailto:support@earnie.co.uk">support@earnie.co.uk</a>