

## Direct Payments Factsheet

### Employee Sickness and Statutory Sick Pay

As an employer, there may be occasions when you have to pay statutory sick pay (SSP) to your employees if they are unable to work due to illness.

Employees may be entitled to SSP if they meet these qualifying conditions:

- Must earn at least the lower earnings limit for National Insurance Contributions, and
- Have been incapable of working due to illness, for at least 4 consecutive days, including weekends and public holidays. (The first 3 days of illness are considered 'waiting days')

Here are the answers to some common questions which you may find helpful

#### **What is Statutory Sick Pay (SSP)?**

SSP is the amount you must pay, by law to an employee who has been absent due to illness and as a result has had their wages reduced.

#### **How much is SSP?**

The current rate of SSP is £109.40 per week. SSP is paid for days that are 'qualifying days'. These are normally those days required to work under contract.



### **For how long can SSP be paid?**

The maximum liability to pay SSP is 28 weeks in one spell of sickness or 'linked periods' of illness.

### **What do I need to do when my PA goes off sick?**

Contact KDC in the first instance and we will advise you about what you need to do.

### **What should I ask my PA to provide when they go off sick?**

For the first 7 days of illness, your employee can provide a self-certificate. This is a standard form that you can get from KDC or your payroll service provider. After that period, they must provide an official doctor's sick-note. You should send these into KDC or your payroll service provider.

### **How does my PA get their SSP?**

Contact your payroll service provider and inform them of the dates your employee has been off sick. They will make the necessary deductions for hours not worked and add the SSP they are due. If KDC provides your payroll service, simply ring us, email us or complete a Pay Variation Form and we will process the adjustments.

### **What if I am paying SSP to one PA and also paying wages to another PA for cover and I don't have enough money in my direct payment account?**

There should always be sufficient funds in your direct payments account to cover all the wages unless there is a prolonged period of

sickness where SSP is paid. KDC will advise you in these circumstances.

### **Are payments of SSP subject to tax and NIC deductions?**

Yes, generally, these payments are tax and NIC-deductible; however, if SSP is the only payment received during a period of sickness then no NIC will be due.

Remember, if you are unsure, have any queries or need additional support, please contact the Direct Payments Team here at KDC.

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