

STATUTORY SICK PAY – CHANGES FOR EMPLOYERS FROM APRIL 2026

The Department for Business and Trade (DBT) has announced that major reforms to Statutory Sick Pay (SSP) will take effect from April 2026. The reforms will enhance employee rights but potentially raise costs for employers. The key changes are:

- / SSP will be payable from the first day of sickness absence (currently SSP is payable after the third day)
- / Employees will no longer be required to meet the £125 per week earnings threshold to qualify for SSP
- / For those earning less than £125 per week, their SSP entitlement will be the lower of:
 - 80% of their normal weekly earnings; and
 - The set rate of SSP (currently £118.75 per week)

The SSP reforms will present an additional cost to many employers already dealing with the recent increases to National Minimum Wage and Employers' National Insurance.

It should be remembered that, unlike statutory maternity and paternity pay, SSP cannot be recovered from HMRC. Forecasting for potential increases in payroll costs will be essential, particularly for businesses that experience high levels of staff absence.

Employers are responsible for ensuring employees are paid the right amount of SSP at the right time. It is important to ensure payroll systems are updated in time for April 2026.