

## STATUTORY PAYMENTS 2011-12

There are two types of statutory payments - one when an employee is sick (SSP), and the other when the employee is to become a parent (SMP, SPP, SAP)

### Statutory Sick Pay (SSP)

SSP is paid to employees who are unable to work due to illness. An employer is responsible for making SSP payments to employees if they meet the qualifying criteria

Minimum earnings to qualify for SSP £102 per week £442 per month

Weekly Rate of SSP £81.60 per week (£16.32 per day)

SSP is not payable for the first 3 days of sickness, but is payable thereafter, for up to a maximum of 28 weeks.

### Statutory Maternity Pay (SMP)

SMP is paid to a female employee who is about to have a baby, who has been employed for approximately 9 months before the date the baby is due, and whose average earnings are above the current Lower Earnings Limit for NI.

Minimum earnings to qualify for SMP  
(if baby due between 18th July 2010 and 16th July 2011) £97 per week £421 per month

Minimum earnings to qualify for SMP  
(if baby due between 17th July 2011 and 14th July 2012) £102 per week £442 per month

SMP can be paid for up to 39 weeks. The first 6 weeks are paid at 90% of the woman's average earnings, the remaining 33 weeks are paid at whichever is the lesser of the lower rate or 90% of average earnings.

Lower rate for 33 weeks £128.73

### Ordinary Statutory Paternity Pay (OSPP)

OSPP is paid for either one full week or two consecutive full weeks when the employee's wife, partner or civil partner gives birth to or adopts a child and the employee takes time off work to look after the baby or help support the mother in the first eight weeks.

The employee needs to have been employed by the same employer for approximately 9 months before the date the baby is due, and their average earnings need to exceed the current Lower Earnings Limit for NI.

Minimum earnings to qualify for OSPP  
(if baby due between 18th July 2010 and 16th July 2011) £97 per week £421 per month

Minimum earnings to qualify for OSPP  
(if baby due between 17th July 2011 and 14th July 2012) £102 per week £442 per month

The weekly rate of OSPP from 3rd April 2011 is the **lesser of** £128.73 or 90% of the employee's average earnings.

### **Additional Statutory Paternity Pay (ASPP) (New - from April 2011)**

ASPP is given to eligible fathers, partners, civil partners of mothers and adopters where there is entitlement to Statutory Maternity Pay (SMP), Maternity Allowance (MA) or Statutory Adoption Pay (SAP) and that payment has been brought to an end by the mother or adopter returning to work. The employee must be taking time off work to care for their child.

ASPP can be paid for a minimum of two weeks and a maximum of 19 weeks, the earliest start date is 20 weeks after the child's birth and it must end when the mother's SMP was due to end.

The weekly rate of ASPP from 3rd April 2011 is the **lesser of** £128.73 or 90% of the employee's average earnings.

### **Statutory Adoption Pay (SAP)**

Employees who are adopting a child and are notified that they have been matched with a child or received official notification that they are eligible to adopt a child from abroad and who satisfy the qualifying conditions are entitled to a maximum of 39 weeks SAP.

If you think one of your employees may be entitled to SAP, please contact us with the details so we can assess their eligibility.

### **Reclaiming Statutory Payments**

The amount of SSP which can be reclaimed by the employer is the amount by which the SSP paid to employees exceeds 13% of the gross National Insurance liability for that month (Employee's + Employer's).

All employers can currently reclaim 92% of all SMP, SPP and SAP payments made to employees.

If the employer is classed as a 'small employer' they can reclaim 100% of all SMP, SPP and SAP payments made to employees, plus 3% compensation. Small employers are those whose Gross NIC bill is less than £45,000 per annum.