



New Rates for Statutory Payments

Her Majesty's Revenue and Customs have announced an increase to the statutory sick pay and statutory maternity, paternity and adoption pay rates. The changes are subject to Parliamentary approval in the New Year, however this is only a formality.

For statutory sick pay (SSP) the changes apply to any sickness absence commencing on or after 6 April 2009 and the weekly amount payable increases by £3.75. Previously the standard weekly rate for SSP was £75.40 and this amount will increase to £79.15. It should be noted that an employee only becomes entitled to SSP if they have been sick for four or more consecutive days and their average weekly earnings are not less than £90 per week. This earnings threshold will increase on 6 April 2009 to £95 per week. If the employee does not satisfy these requirements they will not be paid SSP, however they may qualify for social security benefits.

The standard amount of statutory maternity, paternity and adoption pay paid to an employee will increase for any 'payment week' starting on or after 5 April 2009. The amount will increase by £5.88, from £117.18 to £123.06.

Please note that, during maternity leave, an employee is initially entitled to six weeks of pay at 90% of their average weekly earnings. From week 7 until week 39 an employee should receive the standard amount of £123.06 or if lower, 90% of their normal weekly earnings. During paternity and adoption leave, an employee should receive the standard amount of weekly pay (£123.06) or 90% of their normal weekly earnings, if that amount is lower.

In summary from April 2009:

- Standard Maternity, Paternity and Adoption weekly pay: £117.18 to £123.06
- Standard Statutory Sick weekly pay: £75.40 to £79.15

It is important to note these changes and ensure your internal pay roll systems are prepared for the increases in April 2009.

NEED SOME GUIDANCE? PLEASE CONTACT US ...

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