



Statutory Sick Pay Transitional Guidance

From 6 April 2026, the Employment Rights Act 2025 will:

- Remove the Lower Earnings Limit (LEL) as an entitlement criterion to make Statutory Sick Pay (SSP) available to all employees regardless of their weekly earnings. The rate of SSP will be 80% of an employee's average weekly earnings (AWE) or the flat rate, whichever is lower. This guidance refers to AWE - which has the same meaning as normal weekly earnings in the SSP legislation.
- Remove waiting days from the SSP system and amending the Period of Incapacity for Work, so that eligible employees are entitled to SSP from their first full day of sickness absence, rather than the fourth.

This document provides guidance for employers and payroll professionals on the technical aspects of the SSP transition. This has been based on close cooperation with representatives of these professional bodies.

This guidance is based on the making of relevant commencement regulations. The government has recently made [Consequential Regulations](#) and the [Social Security Up-rating Order 2026](#).

This guidance has been produced by the Department for Work and Pensions for employers in Great Britain. However, the changes to SSP will be replicated in Northern Ireland.

This guidance was updated on 9 March to provide further clarity on edge cases involving employees who earned below the LEL (Part II) and employees restarting a linked period (Part III).

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I - Calculating 80% average weekly earnings

Overview

- Those earning below the SSP weekly flat rate will be entitled to SSP at the rate of 80% of their AWE, which are defined in regulation 19 of the Statutory Sick Pay (General) Regulations 1982¹. An employee's normal weekly earnings are usually based on the employee's average earnings in the relevant period. For full guidance on how to work out average weekly earnings, please follow the GOV.UK instructions².
- When calculating SSP due, if the payment includes a fraction of a penny, the payment should be rounded up to the next whole number of pence. (See example scenario of **Christopher** below.).
- Where a PIW is linked to another PIW, the first PIW should be used for the purposes of calculating AWE – except where otherwise specified. Linked PIWs (i.e. within 8 weeks of the first) are treated as one. (See example scenarios of **Amina** and **Ellis** below)
- As currently, the amount of SSP payable in respect of any day of sickness is the weekly rate divided by the number of days which are the employee's qualifying days. This means that if, for example, an employee's SSP rate is £100.00 (based on 80% earnings) and they have 2 qualifying days per week they will be entitled to £50.00 if they are sick and unable to work on one of their qualifying days (and £100.00 if they are sick and unable to work on both their qualifying days) in that week.

Examples

Christopher works 5 days a week but his earnings vary depending on the hours he works. He went off sick on 11 May 2026 for 4 days. His AWE in the relevant period and SSP rate is calculated as follows:

- o AWE in relevant period = £1,090.62 / 8 = £136.3275
- o 80% of £136.3275 = £109.062
- o Qualifying days per week = 5 days
- o £109.062 / 5 = £21.8124
- o Sickness days to be paid = 4
- o 4 x £21.8124 = £87.2496
- o SSP payable rounded up = £87.25

Amina earns **£140** per week and goes off sick on 13 April 2026. Her AWE is £140pw in the 8-week relevant period and her SSP rate will be £112 per week (80% of her AWE). She returns to work on 4 May 2026 for two weeks then goes off sick again on 18 May for a further two weeks. Because the gap between the two sickness periods is less than 56 days, the two spells of sickness link and are treated as one continuous PIW.

During her second spell of illness, rather than being paid 80% of her average earnings for the 8-week period before 18 May, her entitlement remains the same as that calculated for

¹ [The Statutory Sick Pay \(General\) Regulations 1982](#)

² [Gov.uk - Work out your employee's Statutory Sick Pay manually](#)

her initial period of sickness (i.e. £112 per week). This is because where PIWs are linked, the first PIW should be used for the purposes of calculating AWE.

First day of PIW (including linked)	Relevant Period	AWE	SSP Entitlement
13 April 2026	26 January – 27 March 2026	£140	£112 (i.e. 80% of earnings)
18 May 2026	26 January – 27 March 2026	£140	£112 (i.e. 80% of earnings at first PIW)

Ellis went off sick on 4 May 26 for four days. His AWE over the 8-week relevant period are £135pw, so his rate of SSP is £108 per week (80% of his AWE £135pw). He is paid on the last working day of every month, so his relevant period is 5 March 2026 until 30 April 2026. Later that month Ellis receives a pay increase, raising his AWE to £165 per week. He then goes off sick again on 8 June for five days. Because the gap between the two sickness periods is less than 56 days, the two spells of sickness link and are treated as one continuous PIW.

During his second spell of illness, rather than being paid 80% of his average earnings for the 8-week period before 8 June, his entitlement remains the same as that calculated for his initial period of sickness (i.e. £108 per week), even though his earnings have since increased.

Ellis returns to work on 15 June. On 20 November he goes off sick again. This time he has broken the 8-week linking period. As his average earnings in the relevant period prior to 20 November are £165 per week, his SSP rate during his November sickness absence is the SSP flat rate of £123.25. (This is because £123.25 is the lower of 80% of £165)

First day of PIW (including linked)	Relevant Period	AWE	Sickness taken 4 May onwards during a linked period	Any sickness taken after the first linked period has been broken
4 May 2026	5 March 2026 – 30 April 2026	£135	£108 (i.e. 80% of earnings) N.B. This amount will remain the same for any illness taken throughout the linked periods)	N/A
20 November 2026	4 September – 30 October 2026	£165	N/A	£123.25 (i.e. the flat rate as this is lower than 80% of earnings)

II - 'Below the LEL' Employees who are newly eligible on 6 April 2026

Overview

- An employee who started their sickness absence before 6 April but was not entitled to SSP due to earning below the LEL will be entitled to SSP from 6 April for that absence. Their rate should be based on their AWE at the start of their sickness absence, using the relevant period before their first day of sickness. See the example of **Daniel** below.
- Where an employee goes off sick within 8 weeks of another sickness absence and, for that previous absence they were calculated as earning below the LEL (so were ineligible for SSP before 6 April), their AWE should still be calculated based on their first PIW. See the example of **Maria** below. If an employee returned to work for more than 8 weeks, their SSP would reset and you should treat this as a new PIW.
- Employees who become eligible for SSP on 6 April can receive SSP up to their maximum entitlement, which should be calculated as 28 times their weekly rate.

Exemptions

- First – if an employee has had a sickness absence starting **on or before** 21 September 2025 that was continuous until 5 April, a period of entitlement will not arise if that sickness absence continues on or after 6 April. See the example of **Lewis** below.
 - This does not apply if the employee first started their sickness absence on or before 21 September 2025 but returned to work at any point between 22 September 2025 and 5 April 2026. In these cases, the employee is entitled to SSP. If they resumed their sickness absence as part of a linked PIW within 8 weeks, their AWE should be calculated from the start of the first PIW within a linked period. See the example of **Priya** below.
- Second – if, either at the start of their sickness absence *or* on the 6 April, they were not eligible for SSP for another reason (such as being in custody), a period of entitlement will not arise. A likely circumstance is if your employee started receiving Employment and Support Allowance (ESA) during their sickness absence. The legislation³ sets out that an employee entitled to ESA in the previous 85 days before 6 April is not eligible for SSP.
- It is possible to include in systems that anyone who is exempt from this transitional provision has an AWE of £0 from 6 April.

Examples

Daniel earns £90 per week and goes off sick on 20 March 2026. Because he earns below the LEL, he is not entitled to SSP before 6 April 2026. From 6 April, he becomes eligible for SSP for the first time.

To work out Daniel's SSP rate, use his AWE from before he went off sick, which reflect his actual average weekly earnings. His relevant period is the 8 weeks leading up to his last normal payday, as Daniel is paid on the last day of each month, this is between 3 January 2026 and 28 February 2026. His AWE for that period were £90, so from 6 April he is entitled to £72 per week (80% of £90).

First Day of PIW	Relevant Period	AWE	Entitlement Before 6 April 2026	Entitlement from 6 April 2026
20 March 2026	3 January– 28 February 2026	£90	No SSP	£72 (80% of earnings)

³ Paragraph 2(dd), [Sch. 11 to Social Security Contributions and Benefits Act 1992](#)

Maria earns £110 per week and is off sick from 10 March to 20 March 2026. Because she earned below the LEL, she was not entitled to SSP during that spell. She returns to work briefly, then goes off sick again on 10 April 2026. Because this second absence starts within 56 days, it links to the first period of sickness, so both are treated as one continuous spell for SSP purposes. From 6 April 2026, Maria becomes eligible for SSP for the first time.

Because the periods are linked, we base Maria's SSP rate on her average weekly earnings before the first absence began (before 10 March 2026). Her relevant period is therefore the eight weeks leading up to her last normal payday before 10 March. As she is paid on the last day of each month, her relevant period is from 3 January 2026 to 28 February 2026. Her AWE for that period were £110, so for her second spell of sickness from 10 April she is entitled to £88 per week (80% of £110).

First Day of PIW	Relevant Period	AWE	Entitlement Before 6 April 2026	Entitlement from 6 April 2026
10 March 2026	3 January 2026 – 28 February 2026	£110	No SSP	£88 (80% of earnings)

Lewis earns £100 per week and goes off sick on 15 September 2025. He is paid on the last Friday of the month, so his relevant period was 4 July 2025 until 29 August 2025. Because he earned below the LEL, he has not been entitled to SSP before 6 April. He remains off sick when the rules change. However, as he has had a continuous sickness for more than 28 weeks before 6 April, a period of entitlement does not arise and he is not eligible for SSP.

First day of PIW	Relevant Period	AWE	Entitlement Before 6 April 2026	Entitlement from 6 April 2026
15 September 2025	4 July – 29 August 2025	£100	No SSP	N/A
Rule change: 6 April	4 July – 29 August 2025	£100	No SSP	N/A

Priya earns £120 per week and is off sick from 1 September to 1 December 2025. Because she earned below the LEL, she was not entitled to SSP during that spell. She returns to work briefly, then goes off sick again on 5 January 2026 until 1 February 2026, and again receives no SSP. After returning to work once more, she becomes sick again on 9 March 2026 and remains off sick past 6 April 2026.

Because each later absence starts within 56 days of the previous one ending, all three periods of sickness link and are treated as one continuous spell for SSP purposes. From 6 April 2026, Priya becomes eligible for SSP for the first time.

Because the periods are linked, we base Priya's SSP rate on her AWE before the first absence began (before 1 September 2025). Her relevant period is therefore the eight weeks leading up to her last normal payday before 1 September. As she is paid on the last day of each month, her relevant period is from 6 July 2025 to 31 August 2025. Her AWE for that period were £120, so from 6 April 2026 she is entitled to £96 per week (80% of £120).

First Day of PIW	Relevant Period	AWE	Before 6 April	Entitlement from 6 April 2026
1 September 2025	6 July 2025 – 31 August 2025	£120	No SSP	£92 (80% of earnings)

III - Employees who are serving waiting days or restarting a linked period on 6 April 2026

Overview

- An employee whose sickness absence starts before 6 April 2026 and who would have to have served waiting days on or after 6 April under the old rules will not have to serve these waiting days and they will be entitled to SSP from the first qualifying day on or after 6 April. They will not be entitled to SSP for waiting days before 6 April.
- You should calculate their AWE using the first day of their PIW as the critical date. See the example of **Samira** below.

Linked periods

- An employee who has previously been off sick returned to work and is restarting a sickness absence within a linked period on the 4 or 5 April 2026, they will be entitled to SSP from 6 April. See the example of **George** below.
- If their restarted sickness absence reaches 4 consecutive days, then a PIW forms under the old rules and they are eligible for SSP for any qualifying days before 6 April 2026 (other than waiting days). For any qualifying days paid prior to 6 April 2026, these should be at the 2025-26 rate (£118.75). See the example of **Elizabeth** below.

Examples

Samira earns £135 per week and goes off sick on 5 April 2026. She serves a waiting day (under the old system) on that day. She will be entitled to 80% of her AWE (because this is lower than the flat rate) from 6 April 2026 as waiting days no longer apply. SSP is therefore payable from Day 2 of her sickness absence.

First Day of PIW	AWE	Before 6 April	Entitlement from 6 April 2026
5 April 2025	£135	No SSP (waiting days)	£108 (80% of earnings)

George earns £160 each week and goes off sick on 1 March 2026. He returns to work on 7 March. He goes off sick for a second time on 4 April 2026 and returns to work on 7 April. Because George's second sickness starts within 8 weeks of the first, the two absences link and are treated as one continuous PIW.

Under the old rules, he would not need to serve waiting days for this linked period but would need to be off work for four consecutive days for a PIW to form. When the law changes, George will be entitled to SSP from 6 April 2026 and he should be paid if this is a qualifying day.

George normally works 5 days a week. From 6 April 2026 onwards, George is paid his daily rate of £24.65 (weekly rate £123.25 ÷ 5) before he returns to work.

First Day of (resumed) PIW	AWE	Before 6 April	Entitlement from 6 April 2026
4 April 2025	£160	N/A	£24.65 (flat rate for 1 day)

Elizabeth earns £200 each week and goes off sick on 1 March 2026. She returns to work on 7 March. She goes off sick for a second time on 4 April 2026 and returns to work on 8 April.

Because Elizabeth's second sickness starts within 8 weeks of the first, the two absences link and are treated as one continuous PIW. She does not need to serve waiting days.

As her restarted sickness absence started before 6 April 2026 and continued for more than 3 days, the old rules apply and her PIW is considered to resume on 4 April. Elizabeth will be entitled to SSP from 4 April and she should be paid if this is a qualifying day.

Elizabeth normally works 5 days a week. The 4 and 5 April are qualifying days and SSP is paid at the rate that applied before 6 April. This is worked out as $\text{£}118.75 \div 5 = \text{£}23.75$ per day, so Elizabeth is paid $\text{£}23.75 \times 2 = \text{£}47.50$ for 4 and 5 April. From 6 April onwards, SSP is paid at the new rate. As Elizabeth is sick for two days, she is paid $\text{£}24.65$ per day (weekly rate $\text{£}123.25 \div 5$) $\times 2 = \text{£}49.30$ before she returns to work. In total, Elizabeth is paid $\text{£}47.50 + \text{£}49.30 = \text{£}96.80$ in SSP for this second period of sickness.

First Day of (resumed) PIW	AWE	Before 6 April	Entitlement from 6 April 2026
4 April 2025	£200	£47.50 (flat rate for 2 days)	£49.30 (flat rate for 2 day)

IX - Employees in receipt of SSP prior to 6 April 2026 who could see a reduced entitlement

Overview

- Without further intervention, some of those already in receipt of SSP prior to 6 April 2026 and continuing to receive SSP on 6 April 2026 would see a direct reduction in their rate of SSP. This is because they would go from receiving the flat rate to receiving the 'lower of' 80% percentage rate. The Government is therefore transitionally protecting this group, so they are not negatively affected in this way.
- This means an employee who:
 - earns between £125 and £154.05 per week;
 - was off sick and **in receipt of SSP** before 6 April 2026; **and**
 - continues to be off sick on 6 April 2026

will continue to be entitled to the flat rate of SSP at the uprated amount of £123.25 for the duration of their **continuous** sickness absence. See the example of **Joan** below.

- The transitional protection ends when the employee either returns to work or their entitlement to SSP ends. Should an employee return to work after 6 April and then go off sick again after (i.e. in a linked PIW), the **new** rate would then apply to the second (linked) period of absence. This means transitional protection does **not** apply to linked PIWs. See the example of **Mary** below.
- It is possible to include in systems that anyone off sick and receiving SSP before the 6 April 2026 will continue to receive the SSP flat rate of £123.25 until they return to work or their period of entitlement ends. This would protect the intended cohort of employees (i.e. those earning between £125 and £154.05pw) in practice. This is because anyone earning over £154.05 will get the flat rate of £123.25.

Examples

Joan earns **£125** per week. She is off work sick before 6 April 2026 and is in receipt of SSP and she returns to work on 20 April. Her SSP rate would be:

	SSP Rate from 6 April 2026
Before 6 April 2026	Transitional protection at new 26/27 SSP rate)
£118.75	£123.25 until 19 April

Mary earns **£148** per week. She is off work sick before 6 April 2026 and returns to work on 8 May 2026. However, her sickness absence resumes on 1 June. Her SSP rate would be:

	SSP Rate from 6 April 2026	
Before 6 April 2026	Transitional protection at new 26/27 SSP rate)	From 1 June
£118.75	£123.25 until 7 May	£118.40 (i.e. 80% of earnings)

X - Additional Q&A

Q: My employee earns below the LEL and was not entitled to SSP before 6 April. However, I/the employer have paid them occupational/contractual sick pay. Can I subtract that amount in SSP?

No. Any amount paid in occupational or contractual sick pay is paid against that day's entitlement to SSP – it does not contribute towards the employee's maximum entitlement.⁴

The period of entitlement for those previously ineligible due to earning below the LEL will start on 6 April 2026, and therefore that day these employees will be entitled to their relevant amount of SSP for up to 28 weeks. If a period of occupational or contractual sick pay continues beyond 6 April, then that will contribute towards their daily entitlement for SSP.

Q: What happens if I give my employee a backdated pay rise which would change their SSP entitlement?

If there are over or underpaid earnings affecting the AWE which disadvantages either the employer or the employee, check if there is documentary evidence of an agreement as to the amount that should have been paid during that period. If there is, use the agreed earnings to calculate the AWE and if not, use the actual earnings.

If an employee is already in receipt of SSP and, due to the above, their AWE changes in such a way as to increase (or decrease) their weekly rate of SSP, these changes should be backdated. However, their relevant period should not change.

Q: Is the rate of SSP changing at the same time?

Yes. The flat rate of SSP is £118.75 for tax year 2025/26. On 6 April, at 00:01 (immediately following the Employment Rights Act 2025 taking effect), the rate will change to £123.25.

This will mean that from 6 April 2026 the weekly rate of SSP will be the lower of:

- o 80% of an employee's average weekly earnings; and
- o £123.25.

Q: Will these transitional arrangements apply to different employment types, including zero hour contract and agency workers?

A: Yes, the arrangements, rules for payment and eligibility in this guidance will apply to those eligible for SSP regardless of if they are directly employed, on a zero-hour contract or an agency worker.

Guidance on how different employment types (including zero-hour contracts) affect what sick pay is payable can be found on [gov.uk](https://www.gov.uk).

Further information can also be found in the Statutory Payments Manual by HMRC, specifically [SPM190200](#).

The guidance on these pages will be updated from 6th April to reflect the removal of both the Lower Earnings Limit and waiting period.

⁴ [Sch. 12 to Social Security Contributions and Benefits Act 1992](#)