



Umbrella Employment Statutory Sick Pay



Statutory Sick – *What you need to know*

If you are an umbrella contractor or are considering taking this route, it's important to understand exactly what benefits you are entitled to when it comes to your statutory rights such as sick pay. After all, nobody can predict the future, so knowing what rights you have can help ease your mind should the unexpected happen.

In this guide, we explain what your statutory rights are as an umbrella contractor and whether you qualify for sick pay.

Umbrella Company Sick Pay

As an umbrella company we make the contractor our employee. This means you are entitled to a range of employee benefits. And being taxed through the PAYE system with us means no complex tax returns, you are paid a regular salary and given employed statutory rights.

Among these statutory rights is the entitlement to sick pay.

So, if you should unexpectedly fall ill and cannot work, you will receive paid sick leave from us – the umbrella company.

This is in contrast to the likes of limited company contractors, for example, who are self-employed and therefore do not receive paid sick leave. In the instance if they were to fall ill, they would have to take unpaid time off from their contract work.

How much sick pay are contractors entitled to?

You can get up to **£109.40** per week Statutory Sick Pay (SSP) if you're too ill to work. It's paid by your employer for up to 28 weeks.

Are all umbrella contractors eligible for sick pay?

Umbrella contractors will only receive sick pay if they meet certain criteria.

Eligibility

To qualify for Statutory Sick Pay (SSP) you must:

- be [classed as an employee](#) and have done some work for your employer
- earn an average of at least £123 per week
- have been ill for at least 4 days in a row (including non-working days)

That means if a contractor is ill from Friday through to Monday, they **are** eligible for sick pay.

However, the first 3 days of illness do not qualify for payment and you will only ever be paid for the days they would have been in work, in this case, Monday and Friday. These are known as 'qualifying days.'

To be eligible for sick pay the contractor must earn an average of £123 per week before tax and National Insurance. This is worked out over 8 weeks ending with the last date you were paid before your illness began.

You will still qualify if you have recently started your job and haven't yet received 8 weeks' pay.

Contractors are required to notify us (the umbrella company) that they are ill within 7 days.

If you are ill for longer than 7 days you will need a sick note from your doctor.

There are a few exceptions which will mean you won't qualify for statutory sick pay:

- If you have received the maximum amount of statutory sick pay for 28 weeks
- You are receiving statutory maternity pay

If you have any questions about Sick Pay or any other statutory element of your employment, please do get in touch!

If you're not eligible or your SSP ends

You may be able to apply for Universal Credit or Employment and Support Allowance (ESA). You can use form SSP1 to support your application.

If your SSP is ending your employer must send you form SSP1 either:

- within 7 days of your SSP ending, if it ends unexpectedly while you're still sick
- on or before the beginning of the 23rd week, if your SSP is expected to end before your sickness does

If you do not qualify for SSP your employer must send you form SSP1 within 7 days of you going off sick.

Further information maybe found by visiting :

<https://www.gov.uk/statutory-sick-pay/eligibility>