Legislation bulletin:

Statutory payment increases

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The set rates for sick pay and parental leave increase in early April 2020. Statutory Sick Pay (SSP) increases to £95.85 per week and the various payments for parental leave – Statutory Maternity Pay (SMP), Statutory Adoption Pay (SAP), Statutory Paternity Pay (SPP) and Shared Parental Leave Pay (ShPP) – increase to £151.20 per week, as shown in Table 1.

The new SSP rate applies from 6 April 2020, coinciding with the start of the new tax year. Whilst the new SMP/SAP/SPP/ShPP rates apply from 5 April 2020, in large part due to parental payments being payable for a full week's leave from Sunday to the following Saturday each week.

All employees who earn at least the weekly Lower Earnings Limit for National Insurance (which itself is going up to £120 per week) are eligible for statutory payments in the appropriate circumstances. The payments are to provide subsistence to employees if they are off work due to illness or in relation to the birth or adoption of a new child.

For sickness, SSP is payable from the fourth day of absence. The first three days are unpaid, called waiting days, though if the employee is absent again within eight weeks you have to count the waiting days from the earlier absence.

SMP and SAP are payable for 39 weeks. Paternity pay for two weeks. Shared Parental Leave Pay is more complicated as a total of 39 weeks could be shared between eligible parents in different proportions. Always discuss your employee's leave plans with them carefully.

Employers have to make the payments to eligible employees, however, depending on your total bill for national insurance

Table 1 The new rates for statutory payments

Statutory payment 2020-2021	Weekly rate
Statutory Sick Pay	£95.85
Statutory Maternity Pay	£151.20
Statutory Adoption Pay	£151.20
Statutory Paternity Pay	£151.20
Statutory Shared Parental Pay	£151.20

Table 2 National minimum wage increases

Rate for workers	NMW from 1 April 2020	NMW 1 April 2019 - 31 March 2020
Aged 25 and over	£8.72	£8.21
Aged 21-24	£8.20	£7.70
Aged 18-20	£6.45	£6.15
Aged under-18	£4.55	£4.35
Apprentices	£4.15	£3.90

contributions as a business, you may be eligible to claim the parental leave payments back from the government. Check with your accountant whether you will be able to recover the payments.

National minimum wage rate increase

You also need to be thinking about contacting your payroll regarding the increase in the national minimum wage (NMW) that will be coming in from 1 April 2020, as Table 2 shows. The hourly rates of the national living wage (which applies to workers aged 25 or over) and national minimum wage usually increase every April. The minimum a worker should be paid depends on their age and if they are an apprentice.

Please note a worker is entitled to the apprentice rate if they are on an apprenticeship and they are either:

- Aged under 19, or
- Aged 19 or over and in the first year of their apprenticeship.

It does not matter how small of an

employer you are you must pay the correct minimum wage. These rates apply to all businesses. It does not make a difference if you are a small practice who may only employ one dental nurse and one receptionist or a corporate who may employ numerous staff over many different sites. Check with payroll that you are paying the correct wage and as of April 2020 remember to take into account the changes.

All employees are entitled to the minimum wage. If this is overlooked you risk a complaint/grievance from the worker/employee and all arrears must be backdated. If you are unable to resolve this internally then the worker/employee could complain to HMRC and if they leave the practice as a result of the pay dispute you risk an unfair dismissal claim too.

Details on all of the statutory payments and employee eligibility can be found online at www.gov.uk/government/collections/statutory-pay ♦ <https://doi.org/10.1038/s41404-020-0323-x>