

Policy recommendations overview

For UK Government

Review and reform Statutory Sick Pay (SSP)

Extend protection to those on the lowest incomes and act now to:

- expand eligibility for SSP by abolishing the lower earnings limit (LEL)
- raise the level of SSP to be closer to the equivalent of someone earning the National Minimum Wage/National Living Wage.

Carry out a further consultation on wider reform of SSP, including issues such as:

- whether or not SSP should be linked to earnings level
- amending SSP rules to allow for phased returns to work
- permanent removal of the three qualifying days for payment of SSP
- if/how SMEs can be better supported, in particular very small employers
- whether or not there should be a new payment structure whereby financial responsibility is shared between the state and employers. Explore (via consultation) various cost-sharing options.

Strengthen employer compliance with, and state enforcement of, SSP

Expedite the introduction of a well-resourced single enforcement body (SEB) to carry out proactive inspections in high-risk sectors to boost employer compliance with SSP. This should include an increase in the number of inspectors to one per 10,000 workers. Further, increase Acas's budget to boost its ability to advise small employers and individuals on people management and employment rights, including on SSP statutory obligations.

Explore the potential for the insurance sector to play a stronger role in protecting incomes

Carry out a further review to explore if the insurance industry could develop group income protection schemes that overcome some of the perceived barriers such as cost, particularly for smaller employers.

Explore ways to improve income protection for the self-employed when unable to work through ill health or injury

- Investigate opportunities to improve income protection for the self-employed during ill health or injury.
- Work with stakeholders to take forward the recommendations set out in the Taylor Review, including the potential for portable benefits platforms to provide a safety net.

For employers

Develop an effective occupational sick pay scheme as part of your health and wellbeing strategy and sickness absence framework

If they don't already have one, employers should consider the benefits of introducing an occupational sick pay scheme to provide income protection beyond the statutory minimum for employees who can't work when sick. Employers should ensure the design of their scheme, including the qualifying criteria and duration of payments, supports the effective return to work and rehabilitation of individuals.

Implement a financial wellbeing strategy aligned to your health and wellbeing framework, and tailor it to reflect the diversity and needs of your workforce

- Cover elements such as paying a living wage, providing benefits that treat the causes and symptoms of financial distress, and offering financial communication and education. See [CIPD resources](#) for guidance on how to get started.
 - Train and guide line managers to ensure they have the knowledge and skills to effectively manage sickness absence and the return-to-work process. See [CIPD guide](#) for more information.
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