RECRUITMENT Accountants
A division of TC Group

DAY ONE SSP

Getting the calculation right for temporary workers

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THE FORMULA

1

Work out AWE

Usually the relevant earnings paid in the reference period, converted to a weekly figure.

→

2

Apply the cap

Weekly SSP = lower of
80% × AWE OR £123.25

→

3

Pay qualifying days

Daily SSP = weekly SSP ÷ qualifying days in that week. Pay from the first qualifying day of sickness.

WHAT'S CHANGED

BEFORE — up to 5 April 2026

- 3 unpaid waiting days — SSP started on day 4
- Lower Earnings Limit (~£125/wk) — earn below it and you got nothing
- Flat rate only — £118.75/week (2025/26)

NOW — from 6 April 2026

- No waiting days — SSP from the first qualifying day
- No Lower Earnings Limit — almost everyone now qualifies
- Lower of 80% AWE or £123.25/week (2026/27)

WORKED EXAMPLES WHAT ACTUALLY GETS PAID

REGULAR HIGHER EARNER

£600.00

AWE

£123.25

Weekly SSP = statutory amount

5

Qualifying days

Calculation: (£123.25 / 5) x 3

£73.95 3 sick days

LOWER / VARIABLE EARNER

£120.00

AWE

£96.00

Weekly SSP = 80% of AWE

3

Qualifying days

Calculation: (£96 / 3) x 3

£96.00 3 sick days

THREE-DAY ASSIGNMENT

£420.00

AWE

£123.25

Weekly SSP = statutory amount

2

Qualifying days

Calculation: (£123.25 / 2) x 3

£184.88 3 sick days

NEW STARTERS WHAT HAPPENS ON DAY ONE

THE RULE

If they work any part of a shift before going home unwell, that shift counts as a working day — not a sick day. No SSP is due.

EXAMPLE: WORKED 1 HOUR, THEN WENT HOME SICK

DAY 1 — first shift

Works 1 hour, then goes home unwell.

Working day — pay as normal for the hour worked. No SSP.

→

DAY 2 — next scheduled shift

Still unwell — does not attend at all.

First qualifying day of the PIW — SSP can be due from here.

WORKING OUT THEIR AWE WITH LITTLE OR NO PAY HISTORY

Some pay already received: use those earnings and the period they represent.
Example: paid £36 for that 1 hour → scale up using the period it represents.

No representative pay yet: use the pay they are contractually entitled to for a week (their agreed rate), converted to a weekly figure.

WORKED EXAMPLE NEW STARTER, PARTIAL FIRST DAY

£15.00/hour · Monday–Friday, 8-hour shifts · works 1 hour Monday, then off sick for the rest of the week

MON	TUE	WED	THU	FRI
Works 1 hour, goes home unwell	Off sick, not attending	Off sick, not attending	Off sick, not attending	Off sick, not attending
Ordinary pay — no SSP	**1st qualifying day**	**Qualifying day**	**Qualifying day**	**Qualifying day**

THE CALCULATION

£600.00

AWE (contractual entitlement)

5 × 8 hrs × £15.00

£123.25

Weekly SSP

lower of 80% × AWE or £123.25

£24.65

Daily rate (÷ 5 qualifying days)

£123.25 ÷ 5

Total for the week: **£15.00 ordinary pay (Monday) + £98.60 SSP (4 days × £24.65, Tue–Fri) = £113.60**

WHAT TO CONSIDER

CONTRACT

Be clear who absorbs the cost

Review client terms, assignment end points and whether charge rates can be reviewed when statutory costs change. In practice, clients often resist paying for a worker's sick days — agree this upfront in the contract, not after the fact.

PROCESS

Tighten payroll data

Capture accepted assignments, qualifying days, actual earnings and sickness dates in one joined-up process. This is your best protection if the Fair Work Agency ever queries a calculation.

FAQS

1

What if a temp works for more than one agency — do they get duplicate SSP?

Potentially, yes. Each employer assesses SSP independently, so a worker registered with two agencies can qualify with both. There's no shared register between agencies — government confirmed in 2026 this isn't changing. Ask about other current work at registration and when sickness is reported, and keep a record.

2

Can the client pay the sick pay instead of us?

No — SSP is a legal duty on the employer, not the hirer. A charge-rate clause can let you recharge the cost, but agencies commonly report clients resisting payment for an absent worker. Agree the position in the contract upfront rather than relying on goodwill later.

3

Is there employer's NI on SSP?

Yes. SSP counts as normal earnings for tax and National Insurance — it's subject to Income Tax, employee NI and employer's NI at 15% above the secondary threshold, the same as ordinary wages.

4

How many days could we end up paying out for?

Up to 28 weeks per period of incapacity, or per linked series of periods separated by 56 days or less. That statutory cap hasn't changed — only when payments start has.

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