

UK Statutory Sick Pay Reform: A More Balanced Framework for Modern Workplaces

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By **Edita Rendall**, 28th April 2026

At the start of April 2026, Statutory Sick Pay (SSP) entered a new phase. With day one entitlement, the removal of the Lower Earnings Limit and earnings-related payments, the reforms introduced from 6 April, are intended to align statutory provision more closely with how people actually work today.

While much of the early commentary focused on cost and compliance, the recently published HMRC guidance on absences that span the change date provides something more useful for employers: certainty. For organisations prepared to engage with the detail, the new framework offers a clearer, more consistent approach to managing sickness absence, particularly for lower-paid and part-time employees who were previously excluded.

Transitional rules that reward good record-keeping

The challenge with any reform of this scale is transition. HMRC's guidance confirms that entitlement under the new SSP regime depends not just on whether an employee is absent on 6 April 2026, but on when their absence began and whether it has been broken by a return to work.

Two reference points matter:

- **22 September 2025**, which determines whether longer absences can move into the new regime
- **6 April 2026**, when the reformed SSP rules formally apply

Employees whose sickness began after 22 September 2025, or who returned to work at any point after that date, may become newly entitled to SSP from April 2026, even if they were previously excluded due to low earnings. Those on genuinely continuous, long-term absence from before that date remain outside the new entitlement until they have re-established a link to work.

Importantly, the guidance rewards employers who already maintain accurate absence records. Where start dates, breaks and linked periods are clearly documented, applying the new rules should be straightforward.

Day one SSP: End of waiting days

The removal of waiting days is one of the most welcome changes. From April 2026, SSP is payable from the first full day of sickness, reinforcing the principle that employees should not be financially penalised for short-term illness.

For absences that straddle the change date, the position is pragmatic. Waiting days that occurred before 6 April 2026 are not retrospectively paid, but from that point onward the new entitlement applies cleanly.

Similarly, employees already receiving SSP transition onto the new rate from 6 April. Where the earnings-related calculation would reduce pay, the flat rate is preserved – a sensible safeguard that ensures reform does not create unintended hardship.

A broader shift in how absence is managed

Beyond payroll mechanics, the reforms signal a wider change in expectations around sickness and work. SSP is no longer narrowly targeted at those who happen to earn above a threshold; it is a baseline protection that reflects modern working patterns.

For employers, this creates an opportunity to strengthen absence management in a constructive way:

- Clearer alignment between statutory pay and internal sickness policies
- More consistent treatment across roles and working patterns
- Better conversations between line managers and employees about recovery and return to work

While some increase in short-term absence is likely, organisations with well-defined policies, good management capability and clear communication are well placed to absorb this without disruption.

Post-implementation check: payroll, policies, and people

Employers that have approached the April 2026 changes positively are treating them as a chance to refresh systems rather than merely amend them.

That means:

- Reviewing current sickness cases against the transitional rules
- Ensuring payroll processes can support earnings-related SSP accurately
- Updating policies so they remain clear, fair and defensible
- Equipping HR teams and managers to explain the changes with confidence

if handled well, the SSP reforms should make decisions easier, as well as cut down on edge-case disputes and build confidence in how sickness absence is managed.

Looking ahead

Statutory frameworks rarely get simpler overnight, but this reform moves SSP closer to being a coherent, modern workplace protection. With the transitional guidance now in place, employers have the clarity needed to apply the rules consistently and move forward with confidence.

Dixcart's UK advisers are supporting employers through the practical application of the new SSP regime, from payroll readiness to policy review, ensuring the changes work as intended, both administratively and culturally. If you would like support with payroll process or policies, or how to communicate the new changes, please contact us:

advice.uk@dixcart.com.