### STATUTORY INSTRUMENTS

## 1991 No. 506

# TERMS AND CONDITIONS OF EMPLOYMENT

The Statutory Sick Pay (Rate of Payment) Order 1991

Made - - - - Ist March 1991
Coming into force - - 6th April 1991

Whereas a draft of the following Order was laid before Parliament in accordance with the provisions of section 7(1B) of the Social Security and Housing Benefits Act 1982(1) and approved by resolution of each House of Parliament:

Now, therefore, the Secretary of State for Social Security, in exercise of the powers conferred by section 166(3) of the Social Security Act 1975(2) and sections 7(1A) and 45(1) of the Social Security and Housing Benefits Act 1982, and of all other powers enabling him in that behalf, hereby makes the following Order:

#### Citation, commencement and interpretation

- 1.—(1) This Order may be cited as the Statutory Sick Pay (Rate of Payment) Order 1991 and shall come into force on 6th April 1991, immediately after the coming into force of article 9 of the Social Security Benefits Up-Rating Order 1991(3).
  - (2) In this Order "the 1982 Act" means the Social Security and Housing Benefits Act 1982.

### Substitution of provisions in section 7(1) of the 1982 Act

- **2.** For paragraphs (a) and (b) of subsection (1) of section 7 of the 1982 Act(4), there shall be substituted the following paragraphs—
  - "(a) £52.50, in a case where the employee's normal weekly earnings under his contract of service with that employer are not less than £185; or
  - (b) £43.50, in any other case.".

<sup>(1) 1982</sup> c. 24; subsections (1A) and (1B) were inserted in section 7 by the Social Security Act 1986 (c. 50), section 67(1); subsections (1A) and (1B) were amended by the Social Security Act 1990 (c. 27), Schedule 6, paragraph 15.

<sup>(2) 1975</sup> c. 14; section 166(3) was amended by the Social Security Act 1989 (c. 24), Schedule 8, paragraph 10(1).

<sup>(3)</sup> S.I.1991/503.

<sup>(4)</sup> Subsection (1) of section 7 of the 1982 Act was amended by the Statutory Sick Pay (Rate of Payment) Regulations 1990 (S.I. 1990/257).

### **Transitional Provisions**

**3.** Where in relation to statutory sick pay a period of entitlement as between an employer and an employee is running at 6th April 1991 and the employees normal weekly earnings under the contract of service with that employer are not less than, or are treated for the purposes of section 7(1) of the 1982 Act as not less than £125.00, they shall be treated for the purposes of that section as not less than £185.00 for the remainder of that period.

### Revocation

**4.** Regulation 2 of the Statutory Sick Pay (Rate of Payment) Regulations 1990(5) is hereby revoked.

Signed by authority of the Secretary of State for Social Security.

Nicholas Scott Minister of State, Department of Social Security

1st March 1991

### **EXPLANATORY NOTE**

(This note is not part of the Order)

This Order, which comes into force on 6th April 1991 substitutes alternative provisions for the paragraphs of subsection (1) of section 7 of the Social Security and Housing Benefits Act 1982 (Rate of Payment). The new provisions increase the lower rate of Statutory Sick Pay from £39.25 to £43.50 per week. The higher rate remains unchanged at £52.50 per week. In addition the earnings band is altered so that the higher rate becomes payable where the employees earnings are normally £185 or more per week (increased from £125 or more per week) (article 2).

Article 3 contains transitional provisions for those employees who are incapable of work at the time of the change and would otherwise move from the higher to the lower rate of statutory sick pay.

Article 4 contains a revocation.