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STATUTORY INSTRUMENTS

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**1994 No. 730**

**TERMS AND CONDITIONS OF EMPLOYMENT**

**The Statutory Sick Pay Act 1994  
(Consequential) Regulations 1994**

<i>Made</i>	- - - -	<i>14th March 1994</i>
<i>Laid before Parliament</i>		<i>15th March 1994</i>
<i>Coming into Force</i>	- -	<i>6th April 1994</i>

The Secretary of State for Social Security, in exercise of the powers conferred by sections 158(1) and 163(1) of the Social Security Contributions and Benefits Act 1992<sup>(1)</sup>, sections 81(1) and 191 of the Social Security Administration Act 1992<sup>(2)</sup> and section 2 of the Statutory Sick Pay Act 1994<sup>(3)</sup> and of all other powers enabling him in that behalf, by this instrument, which contains only regulations made consequent upon the Statutory Sick Pay Act 1994, hereby makes the following Regulations:

**Citation, commencement and interpretation**

1.—(1) These Regulations may be cited as the Statutory Sick Pay Act 1994 (Consequential) Regulations 1994 and shall come into force on 6th April 1994.

(2) In these Regulations—

“the Act” means the Statutory Sick Pay Act 1994;

“the Compensation of Employers Regulations” means the Statutory Sick Pay (Compensation of Employers) and Miscellaneous Provisions Regulations 1983<sup>(4)</sup>;

“the Contributions and Benefits Act” means the Social Security Contributions and Benefits Act 1992; and

“the Recoupment Regulations” means the Social Security (Recoupment) Regulations 1990<sup>(5)</sup>.

**Amendment of the Compensation of Employers Regulations**

2. In regulation 2(1) of the Compensation of Employers Regulations (deductions from contributions payments) the words “, and an amount equal to 80 per cent. of the aggregate of such of those payments as do not so qualify,” shall be omitted.

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(1) 1992 c. 4; section 163(1) is cited because of the meaning it ascribes to the word “prescribed”.

(2) 1992 c. 5; section 191 is cited because of the meaning it ascribes to the word “prescribed”.

(3) 1994 c. 2.

(4) S.I.1983/376 amended by S.I. 1985/1411 and S.I. 1991/694.

(5) S.I. 1990/322, the relevant amending instrument is S.I. 1991/694.

### **Amendment of the Recoupment Regulations**

3. In regulation 2 of the Recoupment Regulations (relevant benefits) sub-paragraph (1) of paragraph (1) and paragraph (3) shall be omitted.

### **Transitional Provisions**

4. The Compensation of Employers Regulations shall continue to have effect for the purpose of entitling an employer to recover an amount equal to 80 per cent. of the aggregate of any payments of statutory sick pay paid (whether before or after 6th April 1994) in respect of any day of incapacity for work before 6th April 1994 as if section 1 of the Act had not been enacted and regulation 2 of these Regulations had not come into force.

5.—(1) The Recoupment Regulations shall continue to have effect for the purpose of entitling the Secretary of State to recover —

- (a) an amount equal to any statutory sick pay paid between 1st January 1989 and 5th April 1991; and
- (b) an amount equal to 80 per cent. of any statutory sick pay paid between 6th April 1991 and 5th April 1994,

from compensation payments as if section 1(2) of the Act had not been enacted and regulation 3 of these Regulations had not come into force.

(2) In this regulation “compensation payments” shall have the same meaning as in section 81(1) of the Social Security Administration Act 1992.

6.—(1) Subject to paragraph (2) below, where a woman over the age of 60 has a period of incapacity for work in relation to her contract of service and that period of incapacity for work began before 6th April 1994 and had not come to an end before that date, a period of entitlement to statutory sick pay shall be deemed to arise subject to the provisions of section 153(3) of, and Schedule 11 to the Contributions and Benefits Act, on the first day of incapacity arising on or after 6th April 1994.

(2) Where a woman over the age of 60 receives remuneration under a contract of service and such remuneration is equal to, or more than the appropriate rate of statutory sick pay as specified in section 157(1) of the Contributions and Benefits Act, no period of entitlement to statutory sick pay will arise.

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

14th March 1994

*Astor*  
Parliamentary Under-Secretary of State,  
Department of Social Security

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

This instrument contains only Regulations made consequential upon the Statutory Sick Pay Act 1994 (“the Act”). As it is made before the end of the period of 6 months beginning with the coming into force of that enactment it is exempted by section 173(5) of the Social Security Administration Act 1992 from reference to the Social Security Advisory Committee and has not been so referred.

The Act removes the right of employers, except where small employers' relief applies, to recover 80 per cent. of sums paid by them by way of statutory sick pay.

Regulation 2 amends regulation 2(1) of the Statutory Sick Pay (Compensation of Employers) and Miscellaneous Provisions Regulations 1983 by removing the reference to the recovery of 80 per cent. of statutory sick pay.

Regulation 3 amends regulation 2 of the Social Security (Recoupment) Regulations 1990 so that the Secretary of State can no longer recover from compensation payments the sum equivalent to 80 per cent. of statutory sick pay which the employer was liable to make.

Regulation 4 enables an employer to recover or to be repaid (as the case may be) any payments of statutory sick pay paid in respect of any day of incapacity for work before 6th April 1994.

Regulation 5 enables the Secretary of State to recover from compensation payments any statutory sick pay paid by the employer which is recoverable for days of incapacity for work before 6th April 1994.

Regulation 6 enables women over the age of 60 who have a period of incapacity for work running at 6th April 1994 to qualify for statutory sick pay, except where remuneration under their contract of service is payable at a rate equal to, or more than statutory sick pay.

An assessment of the cost to business of the removal of the right of employers to recover 80 per cent. of the sums paid by them by way of statutory sick pay and the extension of entitlement to statutory sick pay to women over the age of 60 was contained in the explanatory and financial memorandum to the Statutory Sick Pay Bill. Copies of the compliance cost assessment (CCA) can be obtained by post from DSS, Room 903, Adelphi, 1-11 John Adam Street, London WC2N 6HT.