



Guidance for Processing Coronavirus SSP - Guide for SMEs Using Sage Payroll

The [Government's latest guidance states](#):

"Statutory Sick Pay (SSP) will now be available for eligible individuals diagnosed with COVID-19 or those who are unable to work because they are self-isolating in line with Government advice. This is in addition to the change announced by the Prime Minister that SSP will be payable from day 1 instead of day 4 for affected individuals."

This change is effective for SSP beginning from **Friday 13 March 2020**.

The Government will work with employers over the coming months to set up the repayment mechanism for employers as soon as possible. We'll let you know as soon as we have more information on the reclaim process.

As Sage 50cloud Payroll calculates SSP to start on the fourth day, after serving the first three waiting days, for any employees affected by COVID-19 that you want to pay SSP from day one, you need to set up and assign a pay element called **Coronavirus SSP** to your employees. You can then record the amount of SSP that you want to pay the employee in Enter Payments. To record the absence in the employee record, you can set up a custom absence type called **Coronavirus**.

Set up a new Coronavirus SSP pay element

1. Click **Company**, then click **Pay Elements**.
2. Click the **Payments** tab, then click **New**.
3. In the **Status** drop-down list, select **Variable**.
4. In Description, enter **Coronavirus SSP**.
5. In the **This payment is subject to** section, select the following check boxes:
 - ☐ PAYE
 - ☐ National Insurance
 - ☐ Community Charge
 - ☐ Council Tax
 - ☐ Other Attachments

The Qualifying Earnings, Pension (Main) and Pension (AVC) check boxes should only be selected if advised by your pension provider. Salary sacrifice should not be selected when processing SSP.

6. Leave the **Include Value in Minimum/Living Wage calculation** selected.
7. Leave the **Include Hours/No in Minimum/Living Wage calculation** selected.
8. Select the following check boxes:
 - Include for Holiday Accrual
 - Include for Weekly Averages
 - Include in Timesheet Entry
9. Click OK

Add the pay element to an employee record

1. Double-click the relevant employee, then click the **Employment** tab.
2. Click **Pay Elements**, then click the **Payments** tab.
3. On the drop-down list, click the **Coronavirus SSP** payment and click **OK**.
4. Click **Save**, then click **Close**.

You can now record the amount of SSP in the payments tab within Enter Payments.

Add the pay element to multiple employees

1. On the Employee List, click the relevant employee.
2. On the menu bar, click **Tasks** then click **Global Changes**.
3. Click **Payments**, then **Add Payment**.
4. Select the **Coronavirus SSP** payment, then click **OK**.
5. Click **Yes**, then click **OK**.

You can now record the amount of SSP in the payments tab within Enter Payments.

Daily rates of SSP

To calculate the correct daily rate of SSP, you need to divide the weekly rate of SSP (currently £94.25) by the amount of days the employee normally works (qualifying days).

For example, an employee that works Monday to Friday, would be £94.25 divide by 5 = £18.85. You can then pay the employee the required amount of SSP for the amount of working days they are absent. You don't need to pay any SSP for non-qualifying days.

Unrounded daily rates	Number of working days in week	1 day to pay	2 days to pay	3 days to pay	4 days to pay	5 days to pay	6 days to pay	7 days to pay

£13.4642	7	£13.47	£26.93	£40.40	£53.86	£67.33	£80.79	£94.25
£15.7083	6	£15.71	£31.42	£47.13	£62.84	£78.55	£94.25	
£18.8500	5	£18.85	£37.70	£56.55	£75.40	£94.25		
£23.5625	4	£23.57	£47.13	£70.69	£94.25			
£31.4166	3	£31.42	£62.84	£94.25				
£47.1250	2	£47.13	£94.25					
£94.25	1	£94.25						

Set up a custom absence type

1. Click **Company**, then click **Settings**.
2. Click the **Absence** tab then, under Customer Absence Reasons, click one of the Description boxes.
3. Enter a description, **Coronavirus** then click **OK**.

Enter a custom absence type in the employee record

1. Double-click the required employee, then click the **Absence** tab.
2. Click and drag to select the required dates, then right-click the selected dates.
3. Select **Custom Absence Types**, then click the **Coronavirus** absence type.
4. Choose the absence length then, if required, enter absence details in the **Comments** box.
5. Click **OK**, then click **Save**.
6. Click **Close**.

Processing non-coronavirus related SSP

As processing SSP isn't something you do all of the time, you can use Sage 50cloud Payroll to automatically calculate it. If the sickness isn't coronavirus related, the employee does need to have their SSP processed as normal. For these types of sickness, we recommend using the automatic SSP option.