Lowest paid set to receive sick pay for the first time

The government has started a consultation to transform support for sick and disabled staff and remove barriers for employers.

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Today (Monday 15 July) Work and Pensions Secretary Amber Rudd and Health Secretary Matt Hancock are setting out new measures to transform how employers support and retain disabled staff and those with a health condition.

Under the new measures the lowest paid employees would be eligible for Statutory Sick Pay for the first time, while small businesses may be offered a sick pay rebate to reward those who effectively manage employees on sick leave and help them get back to work.

Each year more than 100,000 people leave their job following a period of sickness absence lasting at least 4 weeks, new figures show.

The longer somebody is on sickness absence the more likely they are to fall out of work, with 44% of people who had been off sick for a year then leaving employment altogether.

Work and Pensions Secretary Amber Rudd said:

I want Britain to be an environment where disabled people and those with health conditions can thrive, not just survive — not only in work but every area of their lives.

With 3 in 5 employers facing challenges when supporting employees to return to work, it's time that we took a closer look at how businesses can retain staff.

Good work is good for our mental and physical health, and by working closely with employers we can help prevent the loss of talent when people unnecessarily leave the workplace.

Businesses and health providers will be asked for their views on how to remove the barriers in the current system which stop employers from taking action, with small employers expected to need the most support.

The majority of small employers reported a lack of time and capital to invest in support as the key issues.

The government will also consider whether to change legal guidance to encourage employers to intervene early during a period of sickness absence.

Health Secretary Matt Hancock said:

Too many still face challenges returning to work after sick leave. We need to remove the barriers that stop people with disabilities or health conditions from reaching their full potential — these steps will help us achieve that.

Businesses will also benefit from being able to retain talent, and build workplaces that support the physical and mental health needs of their employees.

While government can help create the right conditions, employers are best placed to take the small actions that help disabled people and those with health conditions to remain in work.

Evidence shows that early intervention by an employer is important in reducing the number of people leaving the workforce for health reasons. Employers can use simple, low-cost measures such as making flexible adjustments to someone's working pattern or keeping in touch with people while they are on sick leave.

CBI Chief UK Policy Director Matthew Fell said:

Managing sickness absence effectively and reducing it through proactive health and wellbeing initiatives and policies makes good business sense. Where this helps disabled people to contribute their best at work it can also be an important part of employers' diversity and inclusion efforts.

With the UK's productivity performance under the spotlight, many employers know that a well-thought-out health and wellbeing

strategy can help boost performance and make their company a better place to work.

Adding greater flexibility to statutory sick pay so it supports mental as well as physical health makes sense and reflects the reality that 1 in 4 people will experience such an illness each year.

Firms look forward to working with government to develop health and wellbeing approaches that work for business and for employees.

Prerana Issar, Chief People Officer, NHS England said:

Helping people manage their health while at work through common sense measures like sickness absence management and occupational health services, is good for employees, better for employers and ultimately supports both the NHS and the economy.

Today's consultation is an important step in helping businesses to support their workers' health and wellbeing, and while the NHS will continue to help people when they need it through our Long Term Plan, we will be able to do even more with strong backing from employers.

The consultation will also look at how to improve the capacity, value and quality of occupational health services and consider how to reduce the high costs, particularly for smaller employers.

The government wants to ensure all employers can access good advice and support so they understand and are able to act on their responsibilities to employees.

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