STATUTORY INSTRUMENTS

1986 No. 67

TERMS AND CONDITIONS OF EMPLOYMENT

The Statutory Sick Pay Up-rating Order 1986

Laid before Parliament in draft

Made - - - - -	20*th January* 1986
Coming into Operation	6*th April* 1986

Whereas, the Secretary of State for Social Services having made a review under section 7 of the Social Security and Housing Benefits Act 1982**(a)**, a draft of the following Order was laid before Parliament in accordance with the provisions of section 7(5) of that Act and approved by resolution of each House of Parliament:

Now, therefore, the Secretary of State for Social Services, in exercise of the powers conferred upon him by section 7(5), (6) and (10) of the above-mentioned Act, and of all other powers enabling him in that behalf, hereby makes the following Order:—

Citation and commencement

1. This Order may be cited as the Statutory Sick Pay Up-rating Order 1986 and shall come into operation on 6th April 1986.

Increase of specified sums

2.—(1) The sums specified in section 7(1) of the Social Security and Housing Benefits Act 1982**(b)** (relationship between rates of payment of statutory sick pay and employees' normal weekly earnings) shall be increased in accordance with the provisions of this article with effect from 6th April 1986.

(2) The sums specified in section 7(1)(*a*) shall be increased from £44.35 and £71 to £46.75 and £74.50 respectively.

(3) The sums specified in section 7(1)(*b*) shall be increased from £37.20, £71 and £53 to £39.20, £74.50 and £55.50 respectively.

(4) The sum specified in section 7(1)(*c*) shall be increased from £30 to £31.60.

(a) 1982 c.24.

(b) The sums specified in section 7(1), as enacted, were increased by the Statutory Sick Pay Up-rating Order 1983 (S.I. 1983/123), the Statutory Sick Pay Up-rating (No. 2) Order 1983 (S.I. 1983/1947) and the Statutory Sick Pay Up-rating Order 1984 (S.I. 1984/2037).

Transitional provision

3. Where a period of entitlement as between an employer and an employee is running at 6th April 1986—

(*a*) in a case where the employee's normal weekly earnings under his contract of service with that employer are not less than £71 they shall be treated as not less than £74.50 for the remainder of that period;

(*b*) in a case where the employee's normal weekly earnings under his contract of service with that employer are less than £71 but not less than £53 they shall be treated as less than £74.50 but not less than £55.50 for the remainder of that period.

Revocation

4. The Statutory Sick Pay Up-rating Order 1984**(a)** is hereby revoked.

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

John Major,
Parliamentary Under Secretary of State,
Department of Health and Social Security.

20th January 1986.

EXPLANATORY NOTE

(*This Note is not part of the Order.*)

A draft of this Order has been laid before Parliament and approved by resolution of each House. The Order is made in consequence of a review carried out by the Secretary of State under section 7 of the Social Security and Housing Benefits Act 1982 ("the 1982 Act") for the purpose of determining whether the sums payable in respect of statutory sick pay and the weekly earnings limits have retained their value in relation to the general level of prices obtaining in Great Britain. For the purposes of the review the Secretary of State estimated the general level of prices by reference to the movement in the Retail Price Index in the year to the end of October 1985, during which the index rose by 5.4 per cent.

The Order increases further the sums specified in section 7(1) of the 1982 Act so that with effect from 6th April 1986 statutory sick pay payable by an employer will be at the weekly rate of £46.75 where the employee's normal weekly earnings under his contract of service with that employer are not less than £74.50, at the weekly rate of £39.20, where those earnings are less than £74.50 but not less than £55.50, or at the weekly rate of £31.60 in any other case. The Order contains a transitional provision for cases where a period of entitlement is running at 6th April 1986.

(a) S.I. 1984/2037.

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