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BRIEFING PAPER

Number CBP 8864, 20 March 2020

Coronavirus Bill: Statutory Sick Pay & National Insurance Contributions

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This briefing paper is one of a collection of Commons Library briefings on the Coronavirus Bill (the Bill). It deals with clauses 7-8, 37-42, 68-70 and Schedule 6.

The other briefing papers, dealing with other parts of the Bill and general background, are available on the Commons Library website (Coronavirus Bill: Overview).

1. Statutory sick pay

1.1 Background

Statutory sick pay (SSP) is a minimum statutory payment to which employees are entitled for periods where they are incapable for work because of an illness. The right is set out in the *Social Security Contributions and Benefits Act 1992* and the *Statutory Sick Pay (General) Regulations 1982*.

A detailed overview of SSP can be found in the Library Debate Pack, Opposition day debate: Statutory Sick Pay, 17 March 2020.

Who is eligible for SSP?

SSP is paid to 'employees'. All those who pay Class 1 National Insurance Contributions (NICs) are employees under social security legislation.[1] This can include agency workers and those on zero-hours contracts.

In order to qualify for SSP, an employees' average weekly earnings must be above the lower earnings limit (LEL).[2] The LEL is currently £118 per week (set to rise to £120 on 6 April 2020).[3]

Self-employed workers who do not pay Class 1 NICs are not entitled to SSP. This includes many workers in the 'gig economy'.

1 Section 163, *Social Security Contributions and Benefits Act 1992* (SSCBA); regulation 16, *Statutory Sick Pay (General) Regulations 1982/894* (SSP Regulations).
2 Para 2(c), Schedule 11, SSCBA.
3 Regulation 10, *Social Security (Contributions) Regulations 2001/1004*.

When is SSP payable?

SSP is payable for 'periods of incapacity for work' (PIW). This is a period of four of more consecutive days where an employee is incapable, or deemed to be incapable, of doing work because of an illness. Any day can count towards establishing a PIW.[4]

SSP is paid for each 'qualifying day' that falls within a PIW. Qualifying days can be agreed between the employer and the employee. They will usually be the days the employee is contracted to work.[5]

At present, SSP is not paid for the first three qualifying days. These are called 'waiting days'.[6] As such, employees will typically be paid SSP from their fourth day of absence from work.

Where two PIWs are separated by no more than eight calendar weeks, they can be linked. In such a case, SSP will be payable from the first qualifying day in the second PIW.

If an employee is sick for more than seven consecutive days their employer can request evidence that they are sick.[7] This normally takes the form of a fit note issued by a GP.

What rate is SSP paid at?

SSP is paid at a weekly rate of £94.25 (set to rise to £95.85 from 6 April 2020).[8]

Employees who have more than one job can claim SSP from each employer with whom they earn above the LEL. It is also possible for an employee to claim SSP from one employer while continuing to work for another, although this may only apply in limited circumstances.[9]

Who pays SSP?

SSP is paid by employers.

When SSP was first introduced in 1983, employers were able to reclaim the cost of the payments from the Government. This was subsequently replaced by a more limited 'Percentage Threshold Scheme' where employers could reclaim SSP costs which exceeded 13% of their monthly National Insurance liability. This scheme was abolished in 2014.[10]

1.2 Coronavirus and SSP

The spread of coronavirus in the UK has given rise to a number of concerns about the current SSP system, in particular, about workers who are not eligible for SSP.

A Government consultation in July 2019 suggested that up to two million employees are not eligible for SSP as they earn below £118 per week.[11]

During an opposition debate on SSP on 18 March 2020, Margaret Greenwood, Shadow Work and Pensions Secretary, drew attention to this issue. She said:

4 Section 152, SSCBA.
5 Section 154, SSCBA. See also Regulation 5, SSP Regulations.
6 Section 155, SSCBA.
7 *Statutory Sick Pay (Medical Evidence) Regulations 1985/1604*.
8 Section 157, SSCBA.
9 *Brito-Babapulle v Ealing Hospital NHS Trust* 2013 IRLR 854.
10 *Statutory Sick Pay Percentage Threshold (Revocations, Transitional and Saving Provisions) (Great Britain and Northern Ireland) Order 2014/897*.
11 HM Government, Health is everyone's business: proposals to reduce ill health-related job loss, CP134, July 2019, para. 97.

> Along with the just under 2 million people whose earnings are too low to qualify, others on low income in the gig economy are not eligible because they are classified as self-employed. They include care workers, cleaners and delivery drivers, the very people on whom we will be depending to an even greater degree than usual in the coming weeks and months as people have to self-isolate in greater numbers. […] We should not need to emphasise how important it is that people in occupations where they are going from one house to another should not go on working when unwell. We depend on people such as carers and drivers, and the Government have a responsibility to protect them if they are unable to work because of the outbreak.[12]

During the same debate, Justin Tomlinson, the Minister for Work and Pensions, reiterated the Government's position that those who do not qualify for SSP should claim benefits:

> Of course, not everyone is eligible for statutory sick pay, which is paid by employers. Gig workers and those on zero-hours contracts may be entitled to sick pay, and should check with their employer, but millions of hard-working people who are self-employed or in the gig economy will need our help, too. That is why we are making it easier to access benefits during this period.[13]

The TUC has launched a campaign calling for 'sick pay for all'. Its proposals include:

- Pay SSP to all qualifying employees, regardless of earnings;
- Increase the rate of sick pay to the rate of a week's pay at the National Living Wage (currently £8.21 per hour);
- Extend the time when evidence can be required from 7 days to 14 days; and
- Provide funds to employers to help them pay sick pay.

In light of the coronavirus outbreak, the Confederation of British Industry (CBI) also called for all workers to be made eligible for SSP, for SSP to be paid for periods of self-isolation and for the requirement to obtain a fit note to be removed.[14]

1.3 Coronavirus and other employment matters

There have also been a range of concerns expressed about employment rights more broadly.

Concerns have been raised around employers who are no longer able to provide work or pay to their workers. As a general rule, workers who are ready, willing and able to work are entitled to be paid by their employer, regardless of whether work is provided. This is unless the employer has a contractual right to lay off workers. Workers on zero-hours contracts may also have their hours reduced.[15]

On 19 March 2020, Greg Clark MP asked an Urgent Question calling on the Government to provide support to employers to help cover wages.[16] The Labour Party has also published proposals to protect wages and support workers who are out of a job.[17]

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12 HC Deb 18 March 2020 vol. 673 c1010.
13 Ibid, c1016.
14 CBI, Extension of sick pay rights now required – CBI, 5 March 2020.
15 Karen Baxter and Bethan Carney, FAQs for employers, Lewis Silkin LLP, 18 March 2020, Q21.
16 HC Deb 19 March 2020 vol. 673 c1137.
17 Labour Party, Wages, Welfare and Wellbeing: Labour's Economic Plan for Individuals Affected by Coronavirus, 19 March 2020.

The Chancellor is expected to announce an employment and wage subsidy package in the near future.[18]

With the announcement of school closures, concerns have also been raised about parents who are unable to undertake work due to caring responsibilities. Certain employees may be entitled to time off for dependents, although this is a limited right and is unpaid.[19]

These issues are discussed in the Library Insight, Coronavirus: Employment rights and sick pay.

1.4 Government actions to date

The Government has taken a number of measures to date to address concerns about SSP and coronavirus.

SSP paid for periods of self-isolation

On 12 March 2020, the Government made the *Statutory Sick Pay (General) (Coronavirus Amendment) Regulations 2020*.

The regulations make clear in law that where an employee is unable to work because they are isolating in accordance with guidance published by Public Health England (or devolved health authorities) they will be deemed to be incapable for work and entitled to SSP.

The regulations came into force on 13 March 2020. They will cease to have effect eight months from that date.

Alternatives to the fit note

In the Budget on 11 March 2020, the Chancellor announced that the Government would introduce an alternative to the fit note that employees can use as evidence that they have been incapable for work.[20]

The Government launched online isolation notes on 20 March 2020. Where evidence of self-isolation is required, the Government states that employers should accept a notification obtained by a worker through NHS 111 online.

Expanding eligibility

As noted above, the Government has maintained a line that those who are not eligible for SSP should claim benefits instead. The Government has taken steps to ease and speed up claims for access to certain benefits.

This is discussed in the Library Insight, Coronavirus: Claiming welfare and benefits.

Expanding SSP to those who earn below the LEL would likely require primary legislation to amend Schedule 11 to the 1992 Act.

By contrast, the Secretary of State already has the power to deem people to be employees who would not otherwise qualify as employees.[21]

The weekly rate of SSP can also be changed by secondary legislation.[22]

18 "Coronavirus: Chancellor prepares wage package rescue plan", *BBC* [online], 20 March 2020 (accessed 20 March 2020).
19 Section 57A, *Employment Rights Act 1996*.
20 HM Treasury, Budget 2020, 11 March 2020, para. 1.31.
21 Section 163, SSCBA.
22 Section 157, SSCBA.

1.5 The Bill

Funding for statutory sick pay (clause 37)

Clause 37 relates to funding for SSP.

Background

In the Budget on 11 March 2020, the Chancellor announced that the Government would legislate so that employers with fewer than 250 employees will be able to reclaim two weeks' worth of SSP paid to employees as a result of COVID-19.[23]

The power to do this will be contained in the *Social Security Contributions and Benefits Act 1992* ('the 1992 Act').

Currently, section 159A of the 1992 Act gives the Secretary of State the power to make orders specifying circumstances in which employers can reclaim SSP from the government. Until 2014, employers could reclaim SSP payments that exceeded 13% of their total monthly National Insurance bill (called the Percentage Threshold Scheme).

Clause 37: Funding of employer's liabilities

Clause 37 of the Bill provides that the 1992 Act should be read as if it contains a new section 159B. This will give the Commissioner for HMRC the power to make regulations to provide funding for employers for SSP payments made to employees for incapacity for work relating to coronavirus.

The regulations can provide for qualifying employers who have made SSP payments to reclaim some or all of the cost of the payment as well as "an additional amount". It is not clear precisely what additional amounts this will cover. The Explanatory Notes state:

> Qualifying employers would therefore receive a specified rebate for SSP payments made for a specified period. It will allow the Secretary of State to make regulations regarding the recovery from HMRC of additional payments of SSP by qualifying employers for absences related to covid-19.[24]

The regulations can specify when an employee's incapacity for work can be considered to be related to coronavirus. Employees are currently deemed to be incapable for work if they are unable to work because they are isolating in accordance with advice published by Public Health England (or devolved health authorities).[25]

The regulations can specify how the funding will be provided. Funding can be provided in advance and in arrears. It can also be provided as a deduction from an employer's existing liabilities to HMRC, such as its National Insurance Contributions.

The regulations can take retrospective effect from 13 March 2020.

Despite the statements in the budget, clause 37 does not state that funding must be restricted to smaller companies or to only two weeks' worth of payments. The Explanatory Notes suggest that, if necessary, the funding could be increased or extended to larger employers:

> The regulations may in particular control the levels of rebate, to whom the rebate is paid, and the period for which the rebate will be available. As the situation changes with regard to the virus, it might be considered appropriate to extend the rebate to larger businesses. Also, it might become necessary to increase, or decrease, the

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23 HM Treasury, Budget 2020, 11 March 2020, para. 1.32.
24 Bill 122-EN 2019-21, para. 349.
25 *Statutory Sick Pay (General) (Coronavirus Amendment) Regulations 2020/287.*

> amount of the rebate payable. This will be achievable using the new regulation making power.[26]

Disapplication of waiting days (clause 38)

Clause 38 relates to the disapplication of waiting days.

Background

Currently, section 155 of the 1992 Act provides that SSP is not paid for the first three 'qualifying days' within a PIW. This can have a significant impact for employees, especially those who work part time.

> **Example: Waiting days (current rule)**
>
> An employee works two days a week, Tuesday and Thursday. Their contract states that Tuesday and Thursday are 'qualifying days' for SSP. They fall sick on Sunday, 1 March, and are sick for two weeks until Sunday, 15 March. There is a PIW. The first three qualifying days are discounted (Tuesday, Thursday and the following Tuesday). SSP is paid for the remaining qualifying day (the second Thursday). The employee is entitled to SSP of £47.13 (94.25 × ½ = 47.13).

On 4 March 2020, the Prime Minister announced during Prime Minister's Questions that the Government will legislate to make SSP payable "from the very first day you are sick."[27]

Clause 38: Disapplying waiting period limitation

Clause 38 provides the Secretary of State with a power to make regulations to disapply section 155 of the 1992 Act for employees who are incapable for work because of coronavirus. Again, the regulations can specify when an employee's incapacity for work can be considered to be related to coronavirus.

The regulations can have retrospective effect, back to 13 March 2020.

> **Example: No waiting days (hypothetical)**
>
> An employee works two days a week, Tuesday and Thursday. Their contract states that Tuesday and Thursday are 'qualifying days' for SSP. They fall ill with coronavirus disease (COVID-19) on Sunday, 15 March, and are sick for two weeks until Sunday, 29 March. There is a PIW. Presuming regulations have been made and they are considered incapable for work because of coronavirus, SSP will be paid for all four qualifying days. The employee will be entitled to SSP of £188.50 (94.25 × 2 = 118.5).

Modification of regulation making power (clause 39)

Clause 39 relates to the power under section 151 of the 1992 Act to deem people 'incapable for work'.

Background

SSP is paid for qualifying days that fall within a 'period of incapacity for work'. The definition of 'incapacity for work' is contained in section 151(4) of the 1992 Act. It is defined as (emphasis added):

> […] a day on which the employee concerned is, **or is deemed in accordance with regulations to be**, incapable by reason of some specific disease or bodily or mental

26 Bill 122-EN 2019-21, para. 349.
27 HC Deb 4 March 2020 vol. 672 c827.

> disablement of doing work which he can reasonably be expected to do under that contract.

There are already regulations which specify a number of circumstances where a person is deemed to be incapable for work.[28]

The *Statutory Sick Pay (General) (Coronavirus Amendment) Regulations 2020* were made under the section 151(4) powers.

Modification of regulation making power

Clause 39 provides that the 1992 Act should be read as containing a new section 151(4A). This will provide that regulations made under section 151(4) can specify when a person is deemed to be incapable for work in relation to coronavirus and that regulations can do so by reference to guidance published by Public Health England (PHE) and other devolved health authorities.

As noted above, the regulations on funding SSP payments and the regulations on disapplying the waiting days rule will both only apply to cases involving workers who are incapable for work because of coronavirus.

It is unclear precisely why a new section 151(4A) is necessary, given that the 2020 Regulations were made under the existing power and deem those who are isolating in accordance with PHE advice to be incapable for work.

Emergency volunteering leave (clauses 7-8 and Schedule 6)

Clauses 7 and 8, and Schedule 6, relate to emergency volunteering leave (EVL). A worker is entitled to take EVL for a period of two, three or four consecutive weeks if they have obtained an "emergency volunteering certificate" issued by a relevant authority, which certifies that they are undertaking emergency volunteering in health or social care. The clauses provide certain employment protections to those on EVL. In addition, the Secretary of State is required to make arrangements for compensating emergency volunteers for loss of earnings, transport and subsistence costs.

These provisions are covered in detail in the Library Briefing Paper, Coronavirus Bill: health and social care measures.

Northern Ireland (clauses 40-42)

Employment law is devolved in Northern Ireland. Employment laws are normally made by the Northern Irish Assembly. By contrast, employment law is not devolved in Scotland and Wales.

The Sewel Convention provides that the Westminster Parliament will *not normally* legislate in an area of devolved competence unless the devolved institution has passed a legislative consent motion.

Clauses 7 and 8 and Schedule 6 apply to the whole of the UK, with Part 4 of Schedule 6 amending provisions of Northern Irish law. Clauses 40 to 42 make the same changes to the relevant Northern Irish legislation that clauses 37 to 39 make to the relevant GB legislation.

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[28] Regulation 2, *Statutory Sick Pay (General) Regulations 1982/894*.

2. National Insurance Contributions

2.1 The operation of National Insurance

National Insurance contributions – NICs, for short – are paid by employees, employers and the self-employed, and are used to fund contributory benefits: the state pension, contributions-based jobseeker's allowance, contributory employment and support allowance, maternity allowance, and bereavement benefits. In turn entitlement to contributory benefits is based on someone's National Insurance payment record.[29]

The majority of receipts from NICs are paid into the National Insurance Fund, which is separate from all other revenue raised by taxation. The Fund operates on a 'pay as you go' basis; broadly speaking, this year's contributions pay for this year's benefits. Retirement pensions account for over 90% of benefit expenditure from the Fund.[30] The Government has no powers to use NICs to fund anything else.[31]

A fixed proportion of NI receipts are not paid into the Fund but go to the National Health Service. In January 2020 the Government Actuary's Department (GAD) estimated that NICs would raise just over £139 billion in 2019/20, of which £112.9 billion would go into the NI Fund and £26.5 billion would go to the NHS.[32]

Because monies coming into the Fund are used that same year, the annual balance on the Fund is a measure of these two flows of money – rather than representing a fixed amount of capital. From one year to the next, annual receipts and annual payments are liable to fluctuate considerably. A working balance is necessary to deal with these short term fluctuations as the Fund has no borrowing powers.[33] For many years the GAD has recommended a balance for the Fund of at least 16.6% (two months or one sixth) of projected benefit expenditure, as "the minimum level recommended with a view to ensuring that a reasonable working balance is maintained."[34]

Historically this working balance or surplus has been held in gilts, but more recently these funds have been held in the Debt Management Account Deposit Facility.[35] In effect, these arrangements reduce the overall amounts that the Government needs to borrow for the year in managing the public finances. These funds are being held in this account on loan – much as with the purchase of gilts – so governments are not in the position to use this facility to extract money from the Fund as an extra source of revenue.[36]

The *Social Security Act 1993* permits, in certain circumstances, for the Treasury to make a 'Treasury Grant', a payment up to a specified percentage (at most 17%) of estimated benefit expenditure, to maintain the Fund's working balance for the year.

Each year the GAD produces an assessment of the projected balance of the Fund relative to benefit expenditure for the coming year, to help inform decisions relating to the size of

[29] For details see, HMRC, *What National Insurance is for*, retrieved March 2020
[30] GAD, *Report by the Government Actuary on: The draft Social Security Benefits Up-rating Order 2020*, January 2020 (Table 2.2)
[31] Part XII of the *Social Security Administration Act 1992* contains the statutory authority for the Fund; section 163 specifies that payments out of the Fund may only be made to finance a list of specified benefits.
[32] GAD, *Report by the Government Actuary on: The draft Social Security Benefits Up-rating Order 2020*, January 2020 (Appendix F)
[33] HMRC, *Great Britain National Insurance Fund Account - 2018 to 2019*, HC 14, October 2019 p6
[34] Dept of Social Security, *Social Security Bill 1992 - Report by the Government Actuary on the financial provisions of the Bill*, Cm 2097 26 November 1992 para 9
[35] see, Debt Management Office, *National Insurance Fund Investment Account*, retrieved March 2020
[36] On this issue see, *What happens to the money from NICs?*, Full Fact, 1 March 2019

any Treasury Grant. In its most recent annual report on the Fund, published in January 2020 the GAD concluded that it was not anticipated that the Treasury would need to make a payment for 2019/20.[37]

2.2 Current NICs rates and thresholds

Employees are liable to Class 1 (primary) National Insurance contributions (NICs) on their earnings if they exceed the lower earnings limit (LEL). The LEL is set at £120 per week for 2020/21.

However, a zero rate of NICs is charged on earnings between the LEL and the primary threshold (PT), which is set at £183 per week. A notional primary Class 1 NIC is deemed to have been paid in respect of earnings between LEL and PT to protect benefit entitlement. Earnings above the PT are charged NICs at a rate of 12%, subject to a cap at the upper earnings limit (UEL), which is set at £962 per week. Earnings *above* the UEL are charged NICs at a rate of 2%.

Employers pay Class 1 (secondary) NICs on employee earnings at a rate of 13.8% on earnings above the secondary threshold (ST). The ST is set at £169 a week for 2020/21.

Employers may be entitled to one of three tax reliefs on their payment of employer NICs.

First, in the 2013 Budget the Government announced the introduction of a new **Employment Allowance** – a flat rate deduction for businesses and charities against their annual employer NICs bill, to apply from April 2014.[38] Initially the Allowance was set at £2,000, but was increased to £3,000 from April 2016, and is set to rise to £4,000 from April 2020.[39] From April 2020 the Allowance may only be claimed by employers with an employer NICs below £100,000 in their previous tax year, a change announced in the 2018 Budget.[40] Further details on the operation of the Allowance are published by HMRC.[41]

Second, in the 2013 Autumn Statement the Government announced an **Upper Secondary Threshold (UST) for under 21s** from April 2015.[42] From this date a zero rate has applied to earnings on this category of employee up to the UST set in line with the UEL.

In the 2014 Autumn Statement the Government announced an **Apprentice Upper Secondary Threshold (AUST)** from April 2016.[43] From this date a zero rate has also applied to earnings on this second category of employees up to the AUST, also aligned with the UEL.

The UST and AUST are set at £962 per week for 2020/21.

37 GAD, *Report by the Government Actuary on: The draft Social Security Benefits Up-rating Order 2019*, January 2020 pp8-9. For more details on the operation of NICs see, *National Insurance contributions: an introduction*, Commons Briefing paper CBP4517, 16 December 2019.
38 *Budget 2013*, HC 1033, March 2013 para 2.41. Statutory provision for the new allowance was made by ss1-8 of the *National Insurance Contributions Act 2014*.
39 These increases in the Allowance were made by Order: SI 2016/63, and, SI 2020/273
40 *Budget 2018*, HC 1629, October 2018 para 3.11. This change was made by Order : SI 2020/218; see also, HMRC, *Employment Allowance: excluded persons regulations 2020*, 24 January 2020
41 HMRC, *Employment Allowance*, retrieved March 2020
42 *Autumn Statement*, Cm 8747, December 2013 para 1.195. Statutory provision for the UST by s9 of the *National Insurance Contributions Act 2014*.
43 *Autumn Statement*, Cm 8961, December 2014 para 2.53. Statutory provision for the AUST was made by s1 of the *National Insurance Contributions Act 2015*.

Class 1 NICs rates for employees and employers for 2020/21

Earnings[a] £ per week	**Employee NIC rate (per cent)**	**Earnings £ per week**	**Employer NIC rate (per cent)**
Below £120 (LEL)	0%	Below £120 (LEL)	0%
£120 to £183 (PT)	0%	£120 to £169 (ST)	0%
£183 to £962 (UEL)	12%	Above £169	13.8%
Above £962	2%		

[a] *The limits are defined as LEL - lower earnings limit; PT - primary threshold; ST - secondary threshold; and UEL - upper earnings limit.* [44]

Self-employed people pay a weekly flat rate Class 2 NIC (set at £3.05). They may apply for exemption from paying Class 2 contributions if their annual profits are less than the level of the 'small profits threshold' (SPT), set at £6,475. In addition they may be liable to pay a separate Class 4 profits related contribution. Class 4 NICs are charged at a rate of 9% on profits between a lower annual profits limit (£9,500) and an annual upper profits limit (£50,000 – all figures for 2020/21). Profits above the upper limit are charged NICs at a rate of 2%.

Further to these categories, individuals may be entitled to make voluntary Class 3 contributions to ensure that they qualify for the state pension and bereavement benefits. Class 3 NICs are charged at a weekly flat rate, set at £15.30 for 2020/21.

2.3 The Bill (Clauses 68-70)

The *Social Security Administration Act 1992* provides the statutory underpinnings of the National Insurance system. Part IX of the Act sets out the procedure for revising NI rates and thresholds. The general practice is that the Treasury should do this on an annual basis, and present secondary legislation to this effect accompanied by an assessment by the Government Actuary's Department on the impact of any changes on the National Insurance Fund (ss141-2). Further to this under s143 & s145 of the Act the Treasury has the power to introduce secondary legislation to amend the rates of NICs, but it cannot use these provisions to increase either the main primary or secondary rate "to a percentage rate more than 0.25 per cent higher than that applicable at the end of the preceding tax year."

As noted, the Employment Allowance was introduced under the *National Insurance Act 2014*; section 5 provides for the Treasury to amend the level of the Allowance or modify its eligibility criteria by means of introducing secondary legislation.

Clauses 68-70 would amend these three provisions to, as the explanatory notes explain, "allow Government to temporarily modify the existing procedures around introducing NIC changes, in order to respond quickly to the covid-19 outbreak if required":

> The clauses will remove the statutory requirement that a report from the Government Actuary Department accompany secondary legislation implementing rate changes. The Bill also provides for the secondary legislation to be subject to the negative

[44] HM Treasury, *Budget 2020: overview of tax legislation and rates*, March 2020 (Annex A: Rates and Allowances). These thresholds are set by Order (SI 2020/299).

> procedure in Parliament rather than the affirmative procedure. The temporary modifications will last for two years from the day the Act receives Royal Assent.[45]

It is worth noting that under this revised procedure, the Government could not set NICs rates higher than those in place in April 2020. That said the Bill allows for rate rises above the current 0.25% limit, to enable rates to return to their 6 April 2020 baseline once any reduction is no longer needed.[46]

[45] Bill 122-EN 2019-21, para 106
[46] Bill 122-EN 2019-21, paras 497 and 503