DECEMBER 2016

PAYROLLWORLD

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# Rewarding you this Christmas



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FROM THE EDITOR

# Time of the season

**The word 'reward' seems more apt than ever for this issue.** In case the cover didn't make it obvious enough, we're really getting into the festive spirit here at Payroll World. We have 12 special gifts to hand out – one for each day of Christmas – and you could win one. See what's on offer and find out how to enter by turning to page 20.

This issue, we also celebrate payroll at its best. In November, we recognised and rewarded excellence in the industry at the Payroll World Awards 2016. You can see all the highlights and winners from the evening on page 12.

Remember last month I told you there were some changes on the way for Payroll World in the spring? This includes a revamped website, with a new structure and content, a fresh new look, feel and focus for the magazine, and a new brand for all of our events. Stay informed by visiting www.payrollworld.com/changing.

Enjoy the issue. And have a great Christmas!

JEROME SMAIL

CONTENTS






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A BRIEF LOOK AT THE LATEST PAYROLL COMPLIANCE NEWS

PAYROLLWORLD PW COMPLIANCE ROUNDUP

## 1 Huge increase in TPR fines for AE non-compliance

There has been a massive rise in the number of notices and penalties issued for non-compliance with auto-enrolment, according to The Pensions Regulator's latest quarterly figures.

Between 1 July and 30 September 2016, TPR issued 15,073 compliance notices, compared with just 3,392 in the previous quarter, and 3,728 fixed penalty notices carrying fines of £400, up from only 861 between April and June.

TPR also issued 576 escalating penalty notices between July and September, up from 38 in the previous quarter. These carry a daily fine of between £50 and £10,000 per day, depending on the size of the employer.

The Pensions Regulator (TPR) says the rise is in line with the sharp increase in employers reaching their deadline to comply with auto-enrolment duties. (Read more on this on page 18.)

## 2 OTS calls for simpler and fairer National Insurance

In its latest report, the Office of Tax Simplification (OTS) has reaffirmed its call for National Insurance contributions and income tax to be brought closer together to create a simpler and fairer system for businesses and taxpayers.

Angela Knight, OTS chair, said: "As patterns of employment continually change, many more people are combining employment and self-employment: these different ways of working are with us, and so the current National Insurance system is not just complicated but is simply out of date. It's time to address this problem.

"Our independent review has demonstrated, though, that some will gain and others will lose from any change. The OTS intends this review to trigger a full and informed debate about how to create a system that is fit for the future."

## 3 Digital tax timescales 'unrealistic'

Tax experts have expressed fears that the current timetable for the digitalisation of tax and the lack of information underpinning its implementation could undermine compliance and trust in the system.

The concerns have been raised by the Chartered Institute of Taxation (CIOT) in its response to the government's Making Tax Digital (MTD) consultation. HMRC expects the radical MTD plan to go live from April 2018.

The Institute said that while it understood and recognised the benefits to HMRC of the move to a digitalised tax system, the likely impact on most businesses and taxpayers will be an increased workload and increased costs, without the commercial benefits to offset such costs.

Adrian Rudd, chair of the CIOT's digitalisation and agent strategy working group, said: "HMRC needs to recognise the significant challenges that businesses and individuals will face in making the transition to digital record keeping, as well as the potential costs."

## 4 New voluntary Living Wage rates announced

The Living Wage Foundation has announced that the voluntary Living Wage rate will increase by 20p to £8.45 per hour, while the rate for workers in London will rise by 35p to £9.75.

The Living Wage Foundation campaigns for businesses to pay its voluntary rate, calculated independently based on the cost of living.

The announcements of the new rates come after research published by KPMG showed that one in five people are still paid less than the voluntary Living Wage.

Katherine Chapman, director of the Living Wage Foundation, said: "The new Living Wage rates bring a welcome pay rise to thousands of workers across the UK. One in five people earn less than the wage they need to get by.

"That's why it's more important than ever for leading employers to join the growing movement of businesses and organisations that are going further than the government minimum and making sure their employees earn enough to cover the cost of living."

*The new Living Wage rates bring a welcome pay rise to thousands of workers across the UK*

**Katherine Chapman,** director, Living Wage Foundation

## 5 ONS figures show rise in jobs paying below minimum wage

The number of people paid below the minimum wage has risen year-on-year, according to the Office for National Statistics (ONS).

There were an estimated 362,000 jobs with pay less than the National Minimum Wage (NMW) or National Living Wage (NLW) held by employees aged 16 and over in April 2016, which constituted 1.3% of UK employee jobs. The figure represents a 73% increase from the previous year.

There were 178,000 jobs held by full-time employees (0.9% of jobs) with pay less than the minimum wage. For part-time employees, there were 184,000 jobs (2.4%) with pay less than the minimum wage.

Frances O'Grady, TUC general secretary, said: "These figures are very worrying. There should be no hiding place for bosses who try to cheat their workers out of a fair day's pay. Failing to pay the minimum wage squeezes those who have the least."

# National Living Wage increase announced in Autumn Statement

NATIONAL INSURANCE THRESHOLDS ALIGNED AND SALARY SACRIFICE CHANGES CONFIRMED

**The National Living Wage (NLW) will rise to £7.50 in April 2017, chancellor Philip Hammond announced in his Autumn Statement.**

The rise, recommended by the Low Pay Commission (LPC), represents a 30p (4.2%) increase on the current NLW rate. The NLW is the minimum wage for workers aged 25 or over.

The government has also accepted all of the LPC recommendations for National Minimum Wage hourly rates (which were last increased in October 2016) to apply from April 2017, including:

- a rise in the rate for 21 to 24 year olds from £6.95 to £7.05;
- a rise in the rate for 18 to 20 year olds from £5.55 to £5.60;
- a rise in the rate for 16 to 17 year olds from £4.00 to £4.05;
- a rise in the rate for apprentices from £3.40 to £3.50.

The National Insurance secondary (employer) threshold and the National Insurance primary (employee) threshold will be aligned from April 2017, meaning both employees and employers will start paying National Insurance on weekly earnings above £157.

The Autumn Statement confirmed that the income tax and employer National Insurance advantages of salary sacrifice schemes will be removed from April 2017. As expected, arrangements relating to pensions (including advice), childcare and Cycle to Work are excluded from these changes, along with sacrifice involving ultra-low emission vehicles. Arrangements in place before April 2017 will be protected until April 2018, and longer term arrangements for cars, accommodation and school fees will be protected until April 2021.

The government confirmed off-payroll working rules in the public sector will change from April 2017, with responsibility for operating them and paying the correct tax moving to the body paying the worker's company. The 5% tax-free allowance will be removed for those working in the public sector, reflecting that workers no longer bear the burden of deciding whether the rules apply.

The tax advantages of shares awarded under employee shareholder status (ESS) will be abolished for arrangements entered into on or after 1 December. The status will be closed to new arrangements at the next legislative opportunity.

This was the last Autumn Statement – from next year there will be a Spring Statement, and the Budget will move to autumn.

READ MORE FROM IAN HOLLOWAY AT WWW.PAYROLLWORLD.COM/BLOG

# Some sunshine for KC


**In July 2016, HMRC made us aware of an issue affecting National Insurance numbers (NINOs) with the prefix KC.**

A number of these were issued by the Jobcentre Plus (on behalf of the Department for Work and Pensions) in the summer of this year. The problem was that the KC prefix was not on HMRC's list of valid prefixes issued to software developers with the result that:

- the NINO was probably not recognised by your payroll software and, even if entry was allowed,
- it was not recognised by HMRC's system so would cause the Full Payment Submission (FPS) to reject.

While HMRC assured us that the prefix was valid and employers should use them as normal, this was easier said than done. What do employers do if they are presented with a KC prefix that they could not use or caused the FPS for the whole payroll to reject? A 'workaround' was presented by HMRC:

- leave the NINO blank in the payroll and
- enter the first two lines of the employee's address.

In August 2016, HMRC advised software developers: "In July we told you that a small number of our customers were experiencing problems when submitting Real Time Information (RTI) data for employees with National Insurance numbers with prefix 'KC'. From 15 November 2016 customers will be able to submit Real Time Information data for employees using this National Insurance number prefix.

"However, we are aware that some software products, including HMRC's Basic PAYE Tools, will not be updated before April 2017."

On 15 November 2016, HMRC advised software developers that their systems had been updated and "the live (production) environment for internet users has been updated to accept the wider range of NINO prefixes, including KC, for all RTI messages". Indeed, their service issues page has been updated to reflect this.

So, sunshine for KC at last. However, not all software will have been updated to take into account HMRC's system changes. Indeed, their own Basic PAYE Tools product will not be updated until April 2017.

### Action checklist

The NINO is a widely used identifier, not only for HMRC but for many purposes such as submissions to pension providers and by the DWP for determining entitlement to UK state benefits. We must be aware that the KC problem, therefore, was broader than just the submission of the FPS.

So, here is a quick list of actions that employers will want to consider. However, the overriding consideration is to check that your payroll software has been updated to allow entry of KC. HMRC's systems may be able to accept KC but

Ian Holloway, head of legislation and compliance at Cintra HR & Payroll Services

if your payroll product cannot then you will have to continue to operate the workaround for the remainder of 2016-17.

Assuming that the software has been updated:

- search out all employees with a KC NINO prefix that you may have had on the back burner;
- enter KC into the payroll / HR / pensions system;
- check that the KC NINO does appear correctly on the employee's record, their next payslip and the next FPS;
- update any pension returns with KC information that you may have been withholding or may have been incomplete. Or, contact your pensions provider.

# Paul Morton replaces John Whiting at OTS

**On 7 November 2016, the government announced that Paul Morton will replace John Whiting at the Office of Tax Simplification (OTS).**

The OTS was established as a non-statutory body in 2010 but placed on a statutory footing courtesy of Finance Act 2016. It has been very influential in our profession, acting all in the name of simplification – think of its reviews into expenses and benefits, the current alignment of the tax and National Insurance system and employment status reviews as examples. In fact, to date, the government has implemented almost 200 OTS tax simplification recommendations. Paul Morton joins the OTS as tax director with a wide range of experience, including:

- Retiring head of group tax at RELX Group plc, a multinational information and analytics company based in London.
- Current vice chairman of the International Chamber of Commerce Tax Commission and deputy chairman of the British Branch of the International Fiscal Association, having previously held the position of chairman.
- Positions at Royal Dutch Shell, KPMG, Chartered Institute of Taxation (CIOT) and Inland Revenue.

Jane Ellison, financial secretary to the Treasury (FST), made comment on the role of the OTS and the success of John Whiting – while not saying it specifically, essentially, she said that John has left big shoes to fill at an important body:

"The OTS has a vital role to play in advising the government on ways to simplify the tax system for the businesses and individuals who use it, and Paul's appointment will help the OTS make real progress in achieving that. I would like to thank John Whiting for his outstanding contribution to the OTS over the past six years and for kindly agreeing to extend his time at the OTS."

OTS chair, Angela Knight (who recently delivered the keynote address at the Payroll World Autumn Update), welcomed Mr Morton to the OTS, who will receive a handover from John and start attending the OTS Board from 1 January 2017:

"I am delighted to welcome Paul to the OTS. He will bring valuable skills, expertise and experience which will increase the ability of the OTS to build on its achievements in simplifying the tax system and make the most of its new status as a permanent, statutory body."

BLAKE MORGAN

# Not their own gig

## What does the case concerning the employment status of Uber drivers mean for payroll, HR and reward? **Sarah Peacock** looks at the legal points in the ruling and the implications

In October a London Employment Tribunal (ET) ruled that drivers for Uber were not self-employed, but were 'workers' entitled to, for example, holiday pay, the National Minimum Wage (NMW), working time limits (rest breaks etc), protection from suffering a detriment for whistleblowing, and, by implication, pensions auto-enrolment. What does payroll need to understand about the decision and what does it mean for the so-called gig economy?

The first point to clarify – which the press sometimes got wrong – is that the ET was not asked, and did not decide, that the Uber drivers were employees of Uber. Employees have greater legal rights, such as unfair dismissal and redundancy pay. 'Workers' have a different legal status with fewer rights.

Secondly, remember that ETs can and often do come to different conclusions to HMRC about employment status. ETs are considering employment rights; HMRC is considering tax liability, and the rules on self-employment differ slightly between the two. 'Workers' under employment legislation can still be 'self-employed' for tax purposes. Nevertheless, HMRC is already targeting companies like Uber and Hermes, and this ruling will fan the flame, especially as HMRC enforces the NMW.

### Why are Uber drivers 'workers'?

A 'worker' is an individual with either:

- a contract of employment, or
- any other contract where the individual undertakes to do work or services personally for the other party, and the other party does not have the status of client or customer of the individual's business. The contract may be express or implied (i.e. from the conduct of the parties), written or verbal.

The Uber case concerned the second aspect, since none of the drivers had a contract of employment. It was not disputed that the drivers had agreed to perform work personally. The arguments concerned whether the drivers were 'customers' of Uber (as Uber sought to suggest in its contractual documentation) or whether they worked for Uber.

### 'Pure fiction'

Uber argued that it did not provide transportation services and was simply a technology company supplying a software platform for drivers and passengers.

Secondly, it argued there was a contractual relationship between the drivers and the passengers. This is potentially logical, but the ET rejected it. The drivers could not be deemed to enter into a binding agreement with someone whose identity they would never know, and who would not know their identity either; to go somewhere not told to them until the start of the journey; on a route prescribed by a 'stranger'; for an unnegotiable fee set by, calculated by and paid to a 'stranger' – such a contract was "pure fiction".

Thirdly, Uber argued that it worked 'for' the drivers, but the ET found this unrealistic. It was the drivers who worked for Uber. Uber interviews and recruits drivers, holds key information not given to the drivers (e.g. about passengers), sets the route, fares and numerous conditions of how the job is to be done, subjects them to a rating system amounting to a performance management/disciplinary procedure, and accepts the risk of loss. Drivers cannot 'grow' their business.

### Implications

The ruling is not binding on other ETs, but is likely to have a significant impact on the so-called 'gig economy'. It could lend support to other claims against similar business models. Each case is dependent on its own facts so it is not inevitable that similar cases will succeed. ETs look closely at a number of factors.

Here the ET was very scathing of Uber's (or its lawyers') documentation setting out the legal relationships and describing itself as only a technology company. It pointed out a number of contradictions and said Uber had gone to "remarkable lengths", resorting to "fictions" and "twisted language", which "bears no relation to reality". It is a clear reminder that ETs can look at the real relationship between the parties and do not have to go entirely on contractual documentation.

Interestingly, the ET commented that Uber could have devised a business model in which it was not employing workers, but said that this model did not achieve it. This comment should provide plenty of discussion for Uber's lawyers.

The decision could prove very expensive and a logistical nightmare in calculating NMW, holiday pay and auto-enrolment contributions in particular. Uber has indicated it will appeal, the government has announced an inquiry looking at employment status and Unite is setting up a 'bogus self-employment' unit. It's clearly just the beginning. ◆

***Sarah Peacock, partner, Blake Morgan***

### Keypoints

- 'Workers' are a middle category between employees and the self-employed, with certain employment law rights
- An Employment Tribunal may come to a different conclusion about employment status than HMRC
- If seeking to avoid an employment relationship, remember Employment Tribunals can look beyond documentation

# Where to now?

Following the ruling that Uber drivers weren't self-employed after all, **Henry Tapper** wonders how contagious the decision could be and ponders what it means for the gig economy

The complicit agreement between those who work in the gig economy not to work for those who run the gig economy has succeeded for much longer than Uber and Deliveroo. The same arguments were being made about the status of self-employed insurance agents in the 1980s. The assumption is that the taxman will get you if you stick your head over the parapet, so keep your head down – and carry on.

But the gig economy, where workers treat work opportunities as things you 'rock up to' in your own time is a far cry from insurance sales. The formulations about Uber, Airbnb and Amazon as 'driver-lite', 'hotel-lite' and 'bookshop-lite' has been trumpeted as the triumph of the internet over terrestrial Luddism. These businesses are anything but low profile and they have come under intense scrutiny on tax, working practices and now employment conditions.

### Business model in question

If the immediate consequence of the Employment Tribunal ruling against Uber is to put at risk the company's business model, the longer term issue is whether such a business model could be integrated into Britain's social economy. We are a mature nation with strong worker protections and functioning worker representatives (the case against Uber was taken to the tribunal by the GMB union). There are strong existing lobbies, including the licensed cabbies on one side and local government and the police authorities on the other. All represent a traditional order.

Finally, there is the Department for Work and Pensions and above it, a government professing to be on the side of those 'just about managing'. It is no surprise that one of the first major enquiries of Theresa May's government will be into the new employment practices of firms


like Uber. The enquiry, to be led by a left-leaning think-tank CEO (Matthew Taylor) is enjoying cross-party support. Frank Field, the Labour MP and chair of the DWP select committee, was recently championed by the prime minister in his condemnation of the messenger firm Hermes' work practices.

There is a tide of hostility to the behaviour of the gig economy. In avoiding traditional employment conditions (sick pay, holiday pay, minimum and living wage and auto-enrolled pensions), it is infuriating those in government, as it infuriates those in traditional industries.

### AE considerations

Ironically, the least talked about aspect of converting self-employed drivers to 'workers' may be the most important. Steve Webb, former pensions minister and now working for AE provider Royal London, has calculated that the cost of enrolling Uber's 42,000 drivers doing 35 hours a week for 52 weeks at an hourly wage of £7.20 would be £3m a year at current minimum contributions. This would rise to £12m by 2019 as the National Living Wage increases and AE contribution rates triple. So the implications of this focus on the self-employed worker as an eligible jobholder will be of concern beyond the bounds of Hoxton. Hundreds of thousands of employers are having to make marginal decisions on whether contractors "look, think and smell like an employee", to quote Neil Esslemont of The Pensions Regulator.

In many cases the decision is being ducked in favour of measuring a workforce by what's on payroll.

The problem for employers is contagious. Soon it might not just be the GMB pressing for greater worker participation. Many employers who have already enrolled will be looking again at whether they have personal service workers and what to do about them.

They may have a number of immediate issues, such as:

- to get the personal services workers assessed and potentially deemed as 'in';
- to get existing providers to agree to take them (in some cases these workers will necessitate a new workplace plan);
- to establish an interface to providers either on or off payroll to maintain compliance for these new workers;
- to address backdating issues and the thorny problems of ex-contractors who should have been enrolled.

### Open door?

In 'outing' the gig economy, Uber may have opened a much bigger can of worms. As Steve Webb says: "The government needs to take action to ensure that many thousands more people across the economy are not missing out on their right to a workplace pension because they are artificially treated as self-employed."

Self-employed workers petitioning government for pension rights may be knocking at an open door. ◆

***Henry Tapper, director, First Actuarial***

## Keypoints

- The long-term issue of the Uber ruling is whether such a business model could be integrated into Britain's social economy
- The auto-enrolment aspect of converting self-employed drivers to 'workers' may be the most important
- Self-employed workers petitioning government for workplace pension rights may be knocking at an open door

AWARDS HIGHLIGHTS

PAYROLL WORLD AWARDS 2016

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# A night to remember

**3 NOVEMBER 2016**
**Hilton London Bankside**

The Payroll World Awards have a reputation as the highlight of the payroll calendar, and 2016's event certainly lived up to that. It was a great honour for us to welcome the industry's professionals as we spent a memorable evening recognising and celebrating the very best of payroll, pensions and reward.

Reflecting the evolving nature of the profession, there were more awards to hand out than ever this year, with the 22 categories including new additions such Workplace Pension Provider of the Year, Benefits and Rewards Engagement of the Year and the Cross-functional Partnership Award signifying the sector's expansion within the overall reward space.

The proceedings were ably hosted by Dublin-based stand-up comedian Rory O'Hanlon, who had guests in stitches with his quintessential Irish humour.

Special mention also to our chosen charity for the evening, Anthony Nolan, saving the lives of people with blood cancer, and everyone who donated towards a fantastic total of £4,043.

Finally, thanks to all our sponsors and congratulations to all the winners from the evening. It certainly was a night to remember. ◆


*To win such a prestigious and highly competitive award highlights the strength of our team* **Andrew Armitage, managing director, Liaison**

*Fantastic event. The best ever. It was very rewarding being recognised with two awards* **David Woodward, head of marketing, SD Worx**

*It's a very prestigious award, which is nationally recognised by the payroll industry* **Robert Hart, payroll lead, Gwent Police**

## Auto-enrolment Engagement of the Year
**Anderson Anderson & Brown**

Sponsored by the people's pension

## Benefits and Rewards Engagement of the Year
**University of Lincoln**

Sponsored by Payroll Top 50

## Best Employer in Payroll Award
**SD Worx (formerly Ceridian UK)**

Sponsored by Chase Moulande

## Best Leader Award
**Ingrid Johnston**
**Equiniti Payroll**

Sponsored by sdworx Result driven HR

## Best Payroll Support Team Award
**FMP Global (formerly Bond)**

## Cross-functional Partnership Award
**Armstrong Watson**

# THE WINNERS

Implementation Project Award
**Cintra HR & Payroll Services**

International Payment Delivery Award
**Western Union Business Solutions**

International Payroll Award
**BDO**

Sponsored by EQUINITI

Outstanding Customer Service Award
**Cintra HR & Payroll Services**

Payroll Manager of the Year - In-house
**Claire Kennedy**
**University of Lincoln**

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Payroll Manager of the Year – Supplier
**Linda Cryan**
**SSE**

Payroll Provider of the Year
**SD Worx (formerly Ceridian UK)**

Payroll Software Product of the Year
**CloudPay**

Payroll Team of the Year
- Bureau / Service Provider
**PW Payroll Solutions**


Payroll Team of the Year - In-house
**Veolia UK**


Payroll Team of the Year - Public Sector
**Gwent Police**

Pension Technology Award
**Systemsync**

Rising Star Award
**Lucy Brewer**
**East Midlands Shared Services**


Specialist Payroll Provider of the Year
**Liaison**


Technology Award
**Activ8 intelligence**


Workplace Pension Provider of the Year
**Aviva**

# Dealing with the deficit

Due to low interest rates, companies have to deal with an increase in costs associated with their defined benefit pension schemes. **Charles Cotton** looks at how employers are responding to deficits

In his evidence to a parliamentary inquiry, Ben Broadbent, the deputy governor of the Bank of England, reported that the bank had not found "much" evidence that its quantitative easing measures (QEM) had damaged companies with pension funds.

This was despite reports in the media that some firms were thinking about scrapping their dividends owing to their growing pension deficits.

CIPD research finds that across all three sectors, just 2% of the 1,023 organisations surveyed in September 2016 have withheld their dividends in response to the increasing cost of defined benefit (DB) pension plans caused by the low rate of interest, since 2013.

However, that does not mean that DB deficits have not had an impact on companies. Focusing on the private sector, 60% of HR professionals have reported that their firm has reacted in some way to the growing cost of their DB plan. The remainder either don't have a DB plan or, if they do, they may have had a hedging strategy in place that has mitigated the impact of low interest rates.

Employers have indicated a number of ways that they have dealt with the recent increasing cost of their DB plans. The most common reaction, adopted by 12% of firms, is to absorb the increase in cost through lower profits. Other employer responses include improving productivity/efficiency to cope with the additional cost (9%), passing on the cost increase through higher prices (5%) and cancelling or scaling back plans for investing in or expanding the business (4%).

Unsurprisingly, 11% of companies have cut the generosity of their DB plans. Employees have also felt the pain, with 9% of firms reporting that they have restricted salary increases, 6% have cut back the bonus and overtime spend, 5% have decreased the number of staff hours, 4% have reduced the headcount, and 4% have cut the staff training and development budget.

*●● Cutting back on pay creates people-management problems in the medium term ●●*


It's not just the private sector that has been feeling the pain, with 59% of HR professionals in the public sector and 56% of those who work for organisations in the voluntary sector reporting that their employer has been hit by the increasing costs associated with its DB scheme.

However, around a fifth of respondents are unable to report how their employer has acted in response to the increasing cost of DB plans. This is concerning, because if they are unaware of the solution that has been adopted then it indicates that they have not played an active role in helping their organisation evaluate the various options on offer or discuss the possible consequences involved with the various courses of action.

How should payroll and reward professionals help their firms deal with the consequences of QEM? While cutting back on pay, conditions and employee numbers may help businesses deal with the pension deficit in the short term, it creates people-management problems in the medium to long term.

For instance, employee engagement could be reduced, especially among those who are not even members of the DB plan. Productivity and profits may ultimately suffer, with implications for the viability of the business and the strength of the employer covenant.

Similarly, spending less on employee training and development and axing or cutting back on business investment to pay for the deficit is only going to store up problems for the future.

Simply swapping a financial problem for a people problem is not going to help employers. We need to look at how we can boost employee and business productivity. By improving the way organisations, jobs and work are designed, reward and payroll professionals can help boost revenues and allow firms to reduce the gap between assets in liabilities in a sustainable way. By assisting their organisation adopt a high-value-added strategy, they can help develop its long-term viability. By helping the business invest in its employees, it can help it attract and retain great talent. ◆

***Charles Cotton, performance and reward adviser, Chartered Institute of Personnel and Development***

## Keypoints

- Low interest rates mean firms are having to respond to an increase in costs associated with defined benefit pension schemes
- A wide range of responses have been adopted, impacting on the organisation, employees or customers
- HR has an important role in pointing out the consequences in people-terms of the various deficit reduction options

# Protecting personal data

Regardless of the imminent Brexit – whatever form that may take – European law changes on data protection in May 2018 will have an impact on payroll operations, as **Norman Green** explains

It is easy to assume that with Brexit about to happen, there is little need to worry about any new European Union legislation. Not a wise choice for any organisation that expects to continue trading with other EU countries once the United Kingdom has left. Any organisation with European subsidiaries will need to trade, if nothing else, company data, which will probably include data on employees – and thus personal data. The protection of personal data is, perhaps, the most demanding of European legislation affecting payrolls outside the employee rights arena.

Anyone in the United Kingdom dealing with personal data must comply with the Data Protection Act 1998. The act is the UK's implementation of the European directive on data protection. In May this year, the Council of the European Union agreed new data protection legislation. Unlike the previous legislation, which was a directive, it is a regulation. A directive is a direction to member states of the EU to implement the details of the directive in local law. By contrast, a regulation is a law that applies EU-wide.

The directive has, in effect, created 28 different data protection laws – one for each of the 28 states within the EU. For an organisation that operates in multiple states, it must meet the requirements of each of those states. This has led to a 'smallest common denominator' approach, with the set of rules drawn up by the individual organisation to meet each relevant state's rules. With the regulation, there will no variation – at least no significant variation, as the regulation does allow local custom and practice to apply in some specific areas such as the age below which a person is treated as a child.

The new General Data Protection Regulation comes into effect two years after it was agreed, which means 25 May 2018. If the UK activates article 50 (the start of the formal process to leave the EU) at the end of March next year, then the UK will, almost certainly, still be part of the EU in May 2018, and thus is obliged to meet the requirements of the new regulation for about ten months at least.

Adherence to the existing Data Protection Act is a good step towards compliance; the new regulation could be seen as an updating of the previous directive to take account of current technological advances and the possibilities to which they can be harnessed. Other areas include a right to be forgotten, more information in privacy notices and greater protection for children. The existing sensitive personal data categories remain, so the two commonly found in payroll systems – trade union membership and the health of employees – continue to require additional protection.

One area that will affect payroll operations is the new obligations that will be imposed on data processors. Under current law, the data controller (the entity that chooses what personal data to process) is solely responsible to the individual (the data subject) if there is any breach of data protection law. If a data processor (any organisation to whom any part of the payroll process has been outsourced) protects the personal data and processes the data on the written instructions of the data controller, then they cannot be held liable for any breach. Under the new regulation, the data processor can be liable, jointly with the data controller, for breaches that occur.

For example, say an employer engages a payroll bureau for some of its payroll processing. At present, if the bureau protects the personal data and only processes it according to a written contract, then it cannot be liable for any damage or distress an employee may suffer from a breach of data protection law. Once the General Data Protection Regulation comes into force, the liability falls on both the employer and the bureau.

This change of liability alters the risk that all data processors will have in undertaking any outsourcing of payroll processing. It follows that contracts between employers and their payroll outsourcers will have to change to reflect the new regulation once it comes into force. The change in the level of penalties will certainly have all parties reviewing their risks. At present, the maximum penalty is £500,000, with the highest imposed so far being £400,000. Under the new regulation the maximum penalty will be 4% of worldwide turnover or €20,000,000, whichever is greater. ◆

***Norman Green, payroll consultant***

## Keypoints

- The Data Protection Act 1998 remains in force until 25 May 2018, when it makes way for General Data Protection Regulation
- Data processors will become jointly responsible for data protection with data controllers. Contracts need to be reviewed
- Penalties will be increased to a maximum of €20m or 4% of worldwide turnover, whichever is greater

# No excuses

## Planning for auto-enrolment in 2017? Then now could be a good time to ensure there's room in your new diary for the peaks in demand, says **Neil Esslemont** of The Pensions Regulator

As we bid farewell to 2016, we are already preparing for a busy year ahead. Over the course of the next year, more than 723,000 employers have auto-enrolment duties for the first time.

We have already been communicating with these employers, sending them letters alerting them to their duties and their staging dates, encouraging them to use our Duties Checker to understand how the duties affect them.

Back in October, we sent letters to around 211,000 employers letting them know they had 12 months until their duties began. Payroll professionals have a key role to play in helping these employers and the thousands of others staging next year.

Now is a good time to ensure there's room in your new diary for the peaks in demand and that there is clarity about who is doing what – you or the employer.

With so many employers reaching deadlines related to workplace pensions in the coming months – be that a first-time deadline for a small employer or cyclical re-enrolment for a larger client – although it may not seem seasonal to talk about penalties, it is timely.

Our most recent Quarterly Compliance and Enforcement Bulletin reported that the vast majority of employers continue to successfully meet their auto-enrolment duties and are doing the right thing for their staff. Against the backdrop of a steep rise in the number of employers staging, it is no surprise that we are now seeing a rise in our enforcement activity and the number of penalties TPR issues employers. More than 3,700 fixed penalty notices (£400 fines) were issued between July and September this year. Our use of escalating penalty notices (EPNs) has also increased – however, this is a very small proportion relative to the number of compliance notices, or to the number of employers staging. In fact, less than 5% of compliance notices progress to an EPN.


The report highlighted that explanations given for non-compliance, such as illness, being short staffed or confusion between employers and their advisers, are not a "reasonable excuse".

After asking us to review our decision, a number of employers contested their fines at the first tier tribunal, claiming that their non-compliance was unintentional and they had a "reasonable excuse".

Some employers stated in their defence that there had been confusion between the employer and the payroll administrator, over who is supposed to be doing what.

However, in each case, the tribunal ruled their reasons did not amount to a reasonable excuse, in the sense of something unexpected and outside the employer's control that stops them meeting their statutory duties. It would have been possible for the employer to comply despite the problems they faced, so ultimately the fault rested with them.

Auto-enrolment duties and tax duties are enforced under different regimes; something that amounts to a reasonable excuse for HMRC's purposes may not be enough to avoid an auto-enrolment fine.

The following do not amount to a reasonable excuse: you relied on someone else and they let you down; you found the online system too difficult to use; you didn't get a reminder; you made a mistake; you or a member of staff were ill.

We recognise that employers have unique circumstances and challenges, but the law is still the law.

Employers who are struggling should contact us – do not wait until you receive a fine. ◆

*Neil Esslemont, head of industry liaison, The Pensions Regulator*

### Postponement and declaring zero workers

**A word on completing the declaration of compliance.**

**Although this is the duty of the employer, you may be asked to do this on their behalf.**

**We have been carrying out a proactive compliance drive to see whether employers declaring that they have no staff to enrol are completing their declaration of compliance correctly. This involves cross-checking their details against our database and contacting them if our records show they have employees on the payroll.**

**Employers should be aware – we receive daily tax data from HMRC.**

**We also found that a proportion of employers using postponement have incorrectly completed their declaration during the postponement period – and stated they had no staff to enrol, which was only true because all the staff had been postponed at the staging date.**

**Employers can begin filling in their declaration of compliance at any point, but where postponement has been applied at their staging date, they should wait until the end of the postponement period before completing the declaration of compliance and putting in the information required about staff (including the number that have been enrolled). The declaration can then be submitted to The Pensions Regulator.**

**Subsequent uses or applications of postponement after the staging date are not relevant for declaration of compliance purposes.**

**On a final note, in case you're not aware, you can make declarations on behalf of your employer clients (with their permission) and you can do this in bulk with our file upload facility.**

**For details see https://www.autoenrol.tpr.gov.uk and follow the 'Acting on behalf of an employer' link.**

CHRISTMAS GIVEAWAY

# Payroll World's 12 days of Christmas


Payroll World has teamed up with some key suppliers to reward you this Christmas.

We have 12 fantastic gifts to give away – one for each day of Christmas. For your chance to win one of them, **ENTER HERE: payrollworld.com/christmas**

You will be invited to answer one or two multiple choice questions and will be automatically entered into the prize draw.

The lucky winners will be contacted by 6 January 2017 and will be announced online, on social media and in the February PW magazine.

Good luck!

# Let's work together

Many employers are relying on payroll to ensure compliance with new regulations. However, as **Simon Parsons** explains, HR also needs to step up to the plate and understand the changes

The common cry I hear from HR managers is that they don't know anything about payroll. Well, it might be time they did and get prepared for the changes being planned by government via HMRC, the Department for Work and Pensions (DWP), the Home Office (HO), the Government Equality Office (GEO) and The Pensions Regulator (TPR).

**Bare minimum**

Since the introduction of the National Living Wage (NLW) employers are increasingly misunderstanding minimum pay law, which impacts employees' terms and conditions, contractual clauses, working practices and benefit provision – all relevant to the HR function within a business that sets them. Have they been reviewed and is there an understanding in the business of the actual legal requirements and its impact on payroll?

Do they understand the implications of premium working and shift pay (these are not counted towards minimum pay), and of holiday sickness and parental leave payments (these don't count either)? Are working-time hours actually accounted for accurately or is there an expectation of free working by employees? Then what about other employment implications? For example, deductions for the benefit of the employer and attachments/arrestment admin fees potentially reduce minimum pay earnings. Failure to pay minimum wage is a criminal offence. And then there are salary sacrifice implications.

Recent tribunal cases have highlighted discrimination in parental pay policies – are these understood? Statutory payments are set in law, and if paid would not count as discrimination. Some employers have implemented occupational shared parental leave payments that differ between males and females and have been found to be discriminatory.

Pensions auto-enrolment has often been claimed as a payroll thing. Well, in part, it very much is, but equally the employer carries the responsibilities and HR must play a fundamental role in ensuring that policies in relation to employee terms and conditions both support and align with the legal requirements.

There is much discussion regarding the changes to salary sacrifice impacting company car schemes (especially where cash is on offer as an alternative) and flexible benefits (tax advantages may be removed), and HR will need to take an active interest in the tax implications on employees and the consequential impact on payroll and P11D reporting.

And now changes have been announced, there's the management of grandfathered benefits.

How will a review of flexible benefits impact on employee wellbeing? Will some suffer forms of hardship?

And then to the future items that are on their way. The apprenticeship levy is seen by many as a payroll problem. However, the levy has little to do with employees and more to do with the monthly employer pay bill (the accumulation of individual secondary National Insurable earnings, then subject to a 0.5% levy, offset by a £15,000 shared allowance across the employer). Some think payroll has to administer training funding and records, control of apprentices, etc – really! Of course, many will be on the ball and understand the shift in apprenticeship structures and funding and the potential for employers to save or obtain substantial financial assistance. They will organise and control in an appropriate manner, knowing that the operation of apprenticeships and the liability for the apprenticeship levy are entirely separate. The rest will pay the tax.

Then there is the devolved government handling to consider – what about apprentices in England, Wales, Scotland and Northern Ireland? The implications are all different.

And what about gender pay gap reporting to the Government Equalities Office? New obligations are being placed on HR professionals to undertake assessment of the workforce. They will very much need payroll assistance in identifying the relevant primary data, but the analysis and commentary from the business of what, why and when is a major question for employers.

It is doubtful that many employer policies have been correctly reviewed for termination payments. Requests for illegal tax operations are still requested. There are proposals to change government policy on National Insurance.

So it is very much time for an HR refresh of terms and conditions and a concerted effort to gain an understanding of the new implications in relation to tax, NICs, the apprenticeship levy and how it will impact employment practices. ◆

***Simon Parsons, director, tax and compliance strategies, SD Worx UK***

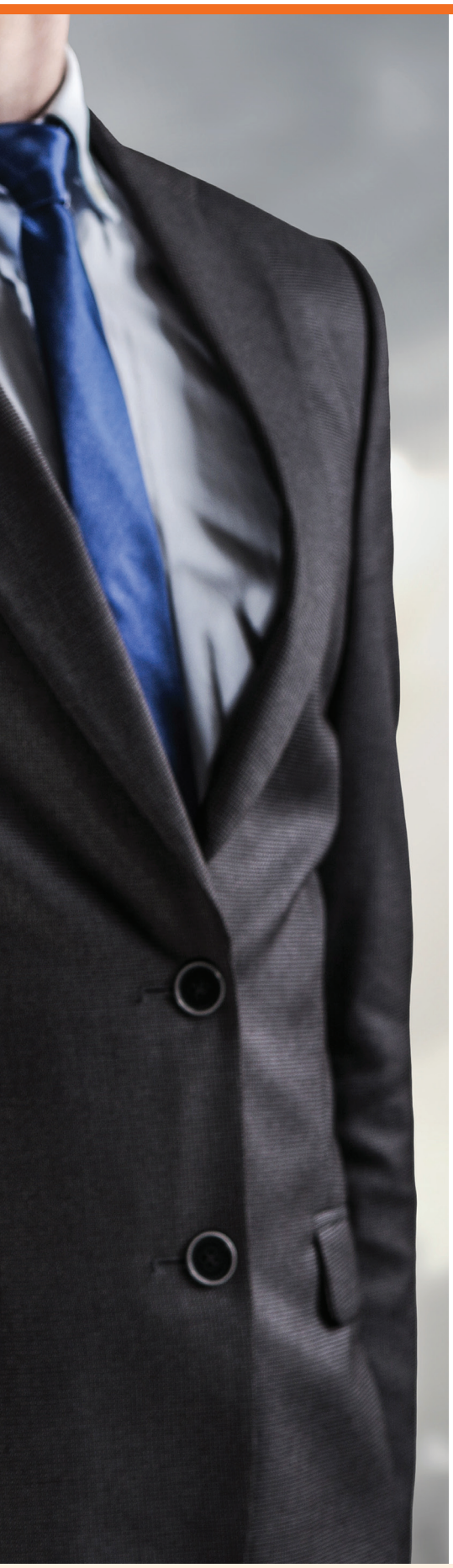
## Keypoints

- HR needs to work closely with payroll to ensure employers remain compliant with existing and upcoming legislation
- Due consideration must be given to minimum wage law, salary sacrifice, gender pay gap reporting and salary sacrifice
- It is time for an HR refresh of terms and conditions and an understanding of the new implications for tax and National Insurance

INTERNATIONAL PAYMENTS

# Whole world in your hands

The process of paying people the right amount at the right time is never simple, but add the dimension of making the payment in a foreign country and you're looking at a whole new level of complexity, as **Scott Beagrie** explains



Globalisation, the importance of emerging markets and increasingly dispersed workforces are just three of the factors making international payments far more prevalent for payroll managers.

It is a highly complex area, though, as banks, non-bank international payments providers, foreign exchange providers and payment system providers make up what can seem like a confusing mix of organisations for those searching for specialists in this field.

As Warren Hobby, director, operations and settlement at HiFX, points out: "Regardless of the size of an organisation, managing global payroll payments can be a complex, costly and time-consuming task, often involving running multiple currency accounts and managing relationships with multiple bank providers.

"Challenges with local taxes and deductions, varying transaction fees, resolution of missing payments and transaction reconciliations also add to the complexities when managing international payroll. The process is also extremely repetitive, open to human error and causes significant impact when payments are delayed or lost."

**Pitfalls**

Meanwhile, there is evidence to suggest that many organisations are not seeking the right help and falling foul to some of the pitfalls and penalties that can arise. Research carried out by Equiniti International Payments, which delivers processing and payments services, suggests many organisations are facing difficulties with inaccurate or late payments, which is both costly for companies and can be damaging to an employer's reputation. From the 15,000 companies and departments operating in the payroll industry that it surveyed, three quarters (73 per cent) of them were unable to upload a single automated multi-currency payroll file. Moreover, three in five (57 per cent) organisations surveyed experience failed payments every month. "Errors which will be costing organisations millions of pounds," reckons Andy Brown, operations director at Equiniti.

While it is good to build experience and knowledge in this area, relying solely on in-house expertise to make an in-country payment or through one of the international wire services can be a false economy. "What's more, international payroll isn't strictly limited to a straightforward business transaction," insists Brown. "It is an employee's livelihood, and it is therefore crucial to pay the right person the right amount, at the right time."

Employers should look for a partner which is not only experienced in cross-border payments but can also tailor the service to an organisation's specific needs and the currencies they require. And Brown underlines the importance of organisations factoring in future requirements, not just existing ones, when choosing a provider.

**Essential questions**

There are several basic facts that payroll managers who are new to making international payments need to be aware of before they enter discussions with potential providers. Overseas payments take longer and therefore have greater scope for late payment, and there can be bank charges associated with this.

Alex Tanner, head of the treasury team at the global accountancy and business advisory firm BDO, points out that often the beneficiaries' bank would charge a fee to receive international receipts. "So who should pay this, the employer or employee?" he asks. "This needs to be considered as part of international contracting. Some tax authorities must authorise international receipts for tax purposes – the employer would need to be aware of this. If this is not considered, funds can be held by the bank before being remitted to the employee. Each country may have a different requirement for the beneficiary reference to ensure funds are correctly allocated."

As another starting point, organisations must ensure that the provider can trade in the currencies required. While this sounds obvious, there are some restricted currencies that can only be paid through an in-country account, such as Taiwanese dollars (TWD) and Vietnamese dong (VND), explains Nat Davison, partner in foreign exchange and payments company Frontierpay, who adds that while there is no hard and fast rule, the more "exotic" the jurisdiction, the greater the potential for inconsistencies.

"Markets where currency controls are in place, such as Taiwan and Korea, are more likely to require longer payment timescales," he says. "Carrying out penny tests in advance of a payroll run in a new country will increase the payroll manager's knowledge of potential headaches and enable them to give themselves more time if required."

**Regulatory difficulties**

HiFX reckons organisations of all sizes experience the same issues when managing their international payroll payment >>

# INTERNATIONAL PAYMENTS

processes. "Organisations looking to expand internationally need to ensure they are familiar with local legislations so they are compliant," says Hobby.

"In countries such as the UK and the US there is a robust infrastructure that typically doesn't change. But in emerging markets we can see frequent changes to their procedures as they build their infrastructure and are subject to strict regulations."

### Changes

Davison concurs that payment rules can change frequently and take place without notice. "The Indian central bank made the use of IFSC codes mandatory for all INR payments. The central bank of Canada demanded out of the blue that the beneficiary's postal address was required for a payment to be made successfully. In Australia, it varies from bank to bank as to whether they want the BSB (sort code equivalent) to be included along with the account number," he explains.

Tanner also highlights the regulatory difficulties that payroll managers can find themselves up against in different territories: "In Poland, employees have to pay their own tax – is there a risk to the employer if the taxes aren't paid?" he says. "We have been unable to successfully remit tax payments to the Polish authorities. Italian tax authorities will only accept payments in-country – the solution is to transfer to a local team to make payment, rather than UK directly."

Alongside country-specific and regulatory knowledge, can they facilitate what payroll managers require? "There are a lot of rules pertaining to local authority/tax payments," says Davison. "For example, in Portugal you have to log into the authority's e-banking system to submit payments. In Japan, there has to be someone in-country to have the filing stamped in person."

*In emerging markets we can see frequent changes to procedures as they build infrastructure and are subject to strict regulations*

### Details

Within the overarching requirements of being able to trade in the desired currencies, there are a host of more intricate details that ensure employees in different countries are paid accurately and on time.

HiFX claims it is the behind-the-scenes work by providers that ensures payments go through smoothly. "As payroll managers navigate multi-country transactions they must ensure each payment is in the correct format, has the right coding and is validated and verified," says Hobby. "It is all about the preparation of the payment and making sure that all information is accurate and there is the right structure to send through the banking network to the beneficiary."

### What to look for

Payroll managers should look for a provider that is prepared to work proactively with clients and which can demonstrate that it has sufficient internal systems and procedures in place. Additionally, look for breadth and depth of experience, as well as global reach and connections.

### Systems

Payroll managers also need to acquire knowledge of the different payment systems that can be used by providers to transfer money. Banks will typically make standard international wire transfers such as SWIFT. These payment channels are well known but there are pros and cons to using them, reckons Davison, adding that initially the downside can be cost. Using the Eurozone as an example, he explains, a bank may charge in the region of £20 for a same-day wire transfer. However, using the local SEPA payment network is likely to reduce the cost by around 90 per cent. "The downside in this scenario is that a SEPA payment takes an additional day to credit the beneficiary account," he says. "However, this does not need to be an issue if the payroll manager has factored in the additional 24 hours to the payroll run."

### Speed

Davison adds that speed of delivery is not always as clear cut as it may first appear, especially in more exotic territories. "The combination of wire transfers being routed via intermediary banks and compliance checks becoming more frequent and rigorous means that the chance of a wire transfer being held up have increased," he explains. "Using the local payment infrastructure can provide more reliability on delivery times in addition to being more cost effective."

### Housekeeping

Once up and running with a provider, payroll managers need to make certain that their own house is in order and ensure the provider has everything it requires to ensure payments to employees are accurate and on time. And some organisations, it seems, still fall short on basic housekeeping in areas such as accurate bank details. "One of the key challenges for payroll managers managing their international payroll processes is regarding employee engagement. Payment delays and failures occur if recipient details are incorrectly supplied or inputted," explains Hobby. "For instance, we still hear of examples whereby employees are submitting their banking details in a handwritten format, which can be interpreted incorrectly by the person inputting the information."

### Dream scenario

Ultimately, a global single solution would make payroll's life far easier. But as Tanner points out, there are too many stakeholders involved for this to be a realistic solution in the short term and would need buy-in across the globe to make it work. Technologies such as Blockchain, which creates a digital public ledger of transactions, also have potential in the field of international payments but it is still extremely early days.

Most providers will contend that they offer a single-solution service by offering payment to every country. Davison agrees the "dream world" scenario already exists if a payroll manager wishes to fund centrally in one currency and have a provider manage the underlying payments. He says the only considerations for the payroll manager in this instance would be:

- Does the provider have the capabilities required to facilitate the payroll and tax payments?
- Have I carried out suitable due diligence on the provider to ensure there is no counterparty risk?
- And does outsourcing the payments make financial sense?

He adds: "When calculating the final question, it is not just the payment fees that should be considered. The payroll manager is outsourcing a complex and often costly service, which is of critical importance to that business and its employees." ◆

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KEN PULLAR / CIPP

# New era

Autumn 2016 saw a change at the helm of the Chartered Institute of Payroll Professionals, with **Ken Pullar** taking over as CEO. Here, he talks to Payroll World about the future of the organisation and the profession itself

**Payroll World: Can you tell us about your career and your background in payroll?**
**Ken Pullar:** Before joining the Chartered Institute of Payroll Professionals (CIPP) as business operations director in February 2016 and becoming chief executive officer in September 2016 I was with Capita as operations director, responsible for payroll and HR shared centres in the NHS and local government markets.

I have a career track record as a global outsourcing director, head of BPO operations and various service director roles within the payroll and HR services industry with NGA HR, ADP and Rebus, and have over 30 years' experience in the industry. During this time I think I have built a successful reputation as the strategic head of operational delivery of BPO services, successfully establishing payroll and HR services in India and the Philippines. This included implementing global compliance standards as well as quality dashboards across clients and centres.

Prior to these management roles I worked for Shell, North Yorkshire County Council and Cambridgeshire County Council in various roles within payroll, starting as a payroll clerk and moving through various related roles into management positions.

**PW: When did you first become involved with the CIPP?**
**KP:** My association with what is now the CIPP began with initial membership of APSA (the Association of Payroll and Superannuation Administrators), way back in 1983, and then subsequently through the BPMA, IPBM and IPPM until elected as a non-executive director to the board of the Institute of Payroll Professionals (IPP) in 2004. Following re-election in November 2006 I was appointed as vice chair of the IPP in 2007 and chair in 2008 and 2009. I then joined the CIPP as business operations director in February 2016, working alongside [previous CEO] Lindsay Melvin, the board and the senior management team.

**PW: What were the events that led up to you becoming CEO?**

*●● Organisations are realising the strategic value payroll can have. Payroll managers are becoming pay and reward managers ●●*

**KP:** I was brought into the CIPP to review operations, strategies and the future direction in February 2016 and when the existing CEO left the board I agreed that it was a natural progression from my role to CEO.

**PW: Did you have any ambitions to become CEO of CIPP before now?**
**KP:** I did not have any ambitions to become CEO previously, but am very honoured to be in the role. Having been involved in the institute since 1983, I feel very passionately about its success.

**PW: Will your tenure as CEO see a new direction for the CIPP? If so, how will things change?**
**KP:** As with any change in leadership, there will be some changes. I am still new to the role and learning how things work, but what I can confirm is that my focus, with the board and senior management team, is on our core business and quality.

The CIPP is a membership organisation, designed to support and lead our members through education, membership support and recognition. We provide a wide range of services and education programmes designed to improve our members' knowledge and skills. Our ongoing focus will be on improving the quality of these services and programmes so that the CIPP is always the 'go to' organisation for payroll knowledge and skills development.

What is important to me in developing the CIPP and moving us forward as an organisation is member and non-member feedback. Throughout December we will be asking payroll professionals to tell us about what they value through their membership, what their experiences have been like and how we can improve. We will launch a survey on our website and our social media platforms early December.

**PW: How do you think the payroll profession has changed over the years, and how will the CIPP reflect those changes?**
**KP:** Payroll is no longer seen as just 'pushing a button once a week/month'. With developments and changes in legislation, as well as employees' changing priorities, we are seeing payroll more aligned with reward. Organisations are realising the strategic value that payroll can have. Payroll strategies are becoming pay and reward strategies and payroll managers are becoming pay and reward managers. We have started to reflect these changes in our strategic higher level qualifications, the BA (Hons) in Applied Business and Management and the MSc in Business and Reward Management.

We have also seen an increase in global payroll management, and by working with our 'sister' organisations in other countries, we are able to support our members who have requirements for international payroll knowledge and skills. We will never profess to be experts in payroll outside of the UK, but we will work with experts to ensure that our members can have access to support and knowledge in other countries so that we can continue to improve our UK services and education programmes.

I plan to use my knowledge and understanding of payroll outside of the UK to assist the CIPP in strengthening and developing these relationships.

**PW: Eira Hammond became the new chair of the board at CIPP earlier in the year. How will you be working with her in the future?**
**KP:** Eira and I have been working very closely since my appointment as CEO. Eira has over 30 years' experience in payroll and is passionate about delivering aspirational education programmes to our members which will ultimately raise the profile and professional standing of payroll.

Eira has been on the board since 2008, and as such has an understanding of the background to the recent strategy and direction of the CIPP. I plan to use this knowledge and work with Eira, and the rest of the board, to develop it, and the CIPP, to the next level.

**PW: CIPP's Friends of Automatic Enrolment (FoAE) has also seen some changes over recent months. What's the future for the group?**
**KP:** It has always been the intention of the CIPP to integrate FoAE with the 'normal' CIPP membership and this was done earlier in 2016. The purpose of the CIPP's FoAE was to raise awareness among employers of their responsibilities and to bring together those in the industry who are capable of making auto-enrolment a success, while providing support to those responsible for implementing auto-enrolment within their organisations. I believe that this has been achieved and by bringing the CIPP's FoAE into the main CIPP membership benefits packages, we will be able to continue to invest in this group and ensure those that join are aware of their ongoing duties and any changes, now that auto-enrolment is 'business as usual' for most.

**PW: What do you see as the biggest challenges for payroll and the CIPP?**
**KP:** The biggest challenges will be the continued devolution of payroll in the UK, and of course whatever outcomes Brexit will bring. It is our role, through our policy and research team, to ensure that our members are aware of any changes, and are able to implement them efficiently and compliantly for their organisations.

**PW: What do you think payroll will be like in, say, ten years' time?**
**KP:** Technology improvements will continue to improve processes, which will be more streamlined and automated through software developments, workflows, automation and self-service. Payroll itself will be more complex, or will HMRC's plans for simplification assist the payroll industry? There will be different legislation across the four UK nations, as well differing legislation between the UK and the EU.

The movement towards reward will have continued and payroll managers will be more strategic, providing organisations' boards with information that will develop and enhance reward strategies, saving organisations money through effective recruitment and retention. ◆

CHASE MOULANDE

# The next level

With wages experiencing little seasonal cheer, if you wish to increase your salary consider landing a promotion. Recruitment expert **Richard Ashley** provides advice on improving your chances

The amount of people in employment continues to be stable, even in these uncertain times. However, this isn't translating into the pay packet, with the average salary increase only circa 2% year on year. So, if you are seeking a boost in your bank balance, a quick way to achieve this is through promotion.

Promotion isn't guaranteed and shouldn't be expected. Working for many years at the same company doesn't mean an automatic step up the career ladder, especially with company structure and the traditional hierarchy much flatter in today's world. Therefore, what is the best way to increase your chances?

**Create and improve you brand**

Similar to a world-leading trade name, invent a personal brand that is established and, importantly, recognised. If you want to be promoted, work on your image, and ensure that you develop and manage your own brand strategy accordingly. Your branding reflects experience, skills, work ethic and character.

**Design and manage your career path**

Like your personal brand, you need a career vision. Manage and develop a career path and understand the route up the career ladder and what actions you need to ensure you get there.

**Questions you need to ask**

What is the next step? What experience do others in the role have? What experience do I need?

**Go above and beyond**

If you are seeking promotion, you need to prove you are the right choice. Make yourself indispensible through taking on more responsibilities and being noticed. Demonstrating that you will go the extra mile will make you noticed.

**If not offered, ask for it**

Managers need the right person in the role, even if that means external hire. Employers like to retain talent but sometimes they don't recognise the obvious. Make aspirations clear.

Although to you it is clear that you deserve promotion, you may need to tell your manager that you are ready for more responsibility. Dependent on your relationship, either discuss directly or wait until your monthly or formal annual review or appraisal.

**Demonstrate suitability**

Your line manager should recognise your ability and success, and they will want you to achieve in your career. Nevertheless, you need to put some thought into presenting yourself and your appropriateness, so plan and prepare for the discussion to demonstrate your value.

Confirmation of your suitability by highlighting tangible results will help your cause, in particular those that fall outside your current role and responsibilities. Specific achievements in terms of revenue and financial growth are obvious factors but not straightforward in achieving within the payroll department. So demonstrate personal or departmental achievements, showing evidence of consistent delivery. Obtain a job specification, listing the role and responsibilities, and highlight your current skills and how you will accomplish success in areas where you have limited or no previous experience.

**Picture yourself in your new role**

Speak with the person who is leaving the role. This will enable a broader understanding of the position and the highlights and challenges. Find out why they are leaving and see if they can recommend you for the position.

If this is a management position, find the right balance to provide support to the current management team, without interfering or alienating colleagues. An example is through mentoring or training staff. Take an interest in the company and the sector and importantly the strategic direction of the department and the company. This will make you stand out from your contemporaries. Act professionally at all times and avoid distractions such as office politics and trivial gossip.

**And if you don't get promoted**

After discussing or applying for promotion, don't be disappointed if you don't achieve it. Understand why and discuss the reason with your manager and ask for help in achieving promotion at a later date. Work with them to build a career path and have regular meetings to review progress. Ask for more responsibility and don't complain to colleagues or make a threat to resign as a kneejerk reaction. Demonstrate you are dedicated to developing within the company and you are on your way to being promoted the next time. ◆

***Richard Ashley, recruitment sales manager, Chase Moulande, richardashley@chasemoulande.com***

## Keypoints

- If you are seeking a boost in your bank balance, a quick way to achieve this is through promotion
- If you want to be promoted, work on your image and ensure you develop and manage your own brand strategy
- Put some thought into presenting yourself. Plan and prepare for the discussion to demonstrate your value

# Paybreak

Take time out and test yourself!

## QuickQuiz

1 On what date does month 3 of the tax year start?
a. 6 April
b. 6 June
c. 6 July

2 Which of these is wrongful dismissal?
a. Dismissing an employee for a wrong reason
b. Dismissing an employee in the wrong manner, such as not following procedure
c. Forcing an employee to resign by making working conditions unacceptable

3 In the abbreviation PILON, what does the letter L stand for?
a. Leave
b. London
c. Lieu

4 Before decimal currency in 1971, how many pennies were there in a pound?
a. 100
b. 120
c. 240

5 Which of these justifies an employee not attending work and claiming statutory sick pay?
a. Tiredness
b. Depression
c. Looking after a sick child

### How did you do?

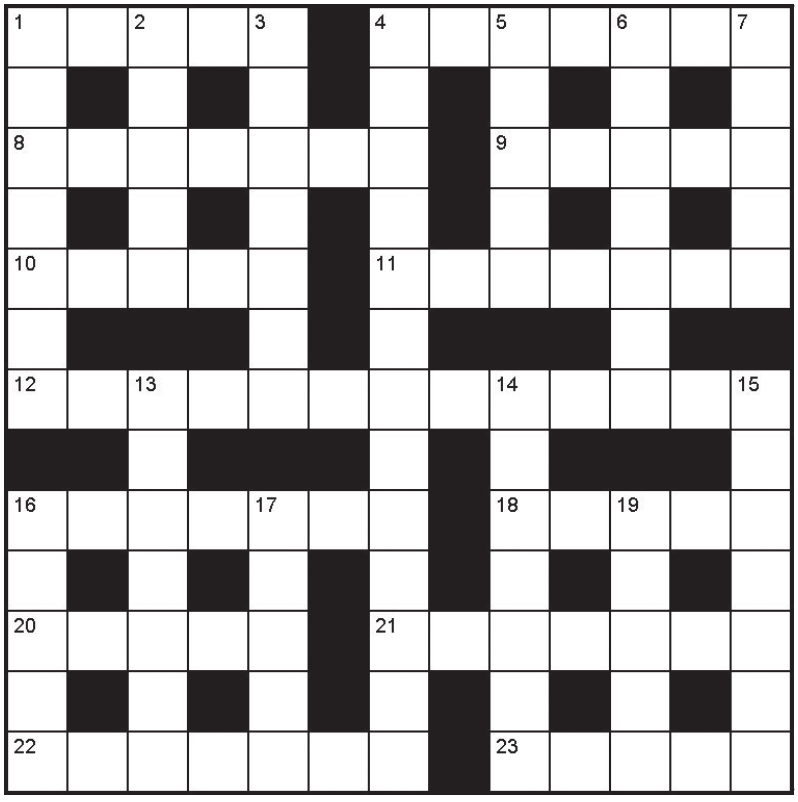
**Score: 5.** You have clearly benefited from reading *Payroll World* and so you must be sure to renew your subscription

**Score: 3-4.** A brush-up is needed – we suggest you join a discussion with our LinkedIn group at http://linkd.in/1SC8nfw

**Score: 2 or less.** You need to learn a lot more! Make sure you have a daily catch-up with the latest news at www.payrollworld.com

1 (b) 6 June
2 (b) because (a) is unfair dismissal; (c) is constructive dismissal
3 (c) PILON means payment in lieu of notice
4 (c) 240
5 (b) SSP is payable for a recognised physical or mental illness suffered by the employee

## Crossword



**ACROSS**
1 Beam of intense light used to read DVDs (5)
4 Person who works in construction (7)
8 Committed to text (7)
9 Student (5)
10 Person who works in drama (5)
11 Choices, rights to buy shares in the future (7)
12 Amount by which pay rates differ (13)
16 Late part of the day (7)
18 Currency in much of European Union (5)
20 Payroll run by an employee to distribute tips (5)
21 Someone who is adopted (7)
22 Description of someone who has finished working for good (7)
23 Concluded, finished (5)

**DOWN**
1 Description of workers who do not earn much (3,4)
2 Period of work (5)
3 Someone who has 22 across (7)
4 Body that issues paper money (4,2,7)
5 That which is provided at the start of a process (5)
6 Certificate, award (7)
7 Regulations (5)
13 Rushed away, left on an aeroplane (4,3)
14 Being on this means receiving jobseeker's allowance (3,4)
15 Temporarily discontinue, hang (7)
16 Walk in, post to an account (5)
17 Suffer the expense of (5)
19 Given a value, as for a job or taxable premises (5)

**Good luck! Last month's answers below.**

### Last month's crossword solution

**ACROSS 1** add up. **4** collect. **8** enforce. **9** argue. **10** apron. **11** inspect. **12** external audit. 16 mileage. **18** vague. **20** fined. **21** rosters. **22** insider. **23** run on.
**DOWN 1** average. **2** defer. **3** partner. **4** clerical error. **5** loans. **6** eggshead. **7** theft. **13** talents. 14 adviser. **15** treason. **16** mufti. **17** added. **19** green.

# SUPPLIERDIRECTORY

Advertise your company in the *Payroll World* directory. With a readership of over 28,000, you can invest your marketing budget with confidence that you will enjoy a positive ROI by taking a listing. Prices start from only £1,500.

Contact Max on 020 7940 4801 for more details or email him at max@payrollworld.com

THE CATEGORIES



## BUREAUX

### CINTRA HR & PAYROLL SERVICES

Computer House, 353 High Street, Gateshead, Tyne and Wear NE8 1ET
**Tel:** 0191 4787000
**Email:** sales@cintra.co.uk
**Website:** cintra.co.uk
**Contact:** Nham Lee
**Target employee range:** Up to 20,000

Cintra offers a uniquely customer focused approach combined with a robust, flexible and evolving mix of software and services tailored to meet your organisational requirements. With its broad customer portfolio covering both public and private sectors along with highly trained, experienced and motivated staff, Cintra offers the natural choice for Payroll and HR solutions in the UK. If you are looking for a long-term partnership where solutions, in-sourced or out-sourced, are tailored to your individual needs with no hidden costs, why not call Cintra, the friendly face of Payroll and HR.


### FRONTIER SOFTWARE

63 Guildford Road, Lightwater, Surrey GU18 5SA
**Tel:** 0845 3703210
**Email:** sales@frontiersoftware.com
**Website:** frontiersoftware.com
**Contact:** Sales Department
**Target employee range:** 50+

Frontier Software's payroll service is tailored to each organisation, because we understand that each has its own requirements. From bureau to fully managed, we offer security and backup to ensure a smooth and confident payroll operation. We are auto-enrolment and Real-Time Information ready.
• Dedicated experienced payroll team • Accurate, flexible and reliable service
• Business disaster recovery • UK Processing centres
• BACS approved bureau • PAYE Recognition Scheme accredited


### PAYROLL BUSINESS SOLUTIONS

Unit 6 Bourne Court, Southend Road, Woodford Green, Essex IG8 8HD
**Tel:** 020 8550 7758
**Email:** sales@payrollbs.co.uk
**Website:** payrollbs.co.uk
**Contact:** Sales
**Target employee range:** Unlimited

Payroll Business Solutions are a **BACS Approved Bureau** and a leading UK developer of **HMRC-recognised** payroll software. As such we are able to maximise efficiencies and technological innovation for our outsourced services clients. Choose any level of provision, from payslip printing to fully managed payroll service. Friendly and experienced staff, integration with your HR and accounts systems, full compliance for **RTI** and optional services such as **pensions auto-enrolment** assessment and pension provider interface. Contact us today for detailed service information and pricing.


### WEALDEN COMPUTING SERVICES LTD

Unit 6 Sovereign Business Centre, 33 Stockingswater Lane, Enfield, Middlesex EN3 7XJ
**Tel:** 020 8364 7177
**Email:** sales@wealden.net
**Website:** wealden.net
**Contact:** George Williams
**Target employee range:** Unlimited

In this market experience counts. There is no room for mistakes when delivering payroll to numerous prestigious UK companies. Established in 1983, we provide BACS and HMRC accredited fully managed and outsourced Payroll services, week in week out, efficiently, accurately and cost effectively. We are agile and flexible and by listening to our customers we provide a service governed to their needs, now and into the future. But, we don't just stop at the traditional processing services, we often extend and go beyond to provide completely hosted services incorporating all our HR systems, online payslips, and other confidential documents that are easily accesible 24/7 by our customers' employees. A powerful solution tailored to meet the needs of our customers ensuring they are in control of their critical information and business processes.


## GLOBAL PAYROLL / HR SOLUTIONS

### CINTRA HR & PAYROLL SERVICES

Computer House, 353 High Street, Gateshead, Tyne and Wear NE8 1ET
**Tel:** 0191 4787000
**Email:** sales@cintra.co.uk
**Website:** cintra.co.uk
**Contact:** Nham Lee
**Target employee range:** Up to 20,000

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63 Guildford Road, Lightwater, Surrey GU18 5SA
**Tel:** 0845 3703210
**Email:** sales@frontiersoftware.com
**Website:** frontiersoftware.com
**Contact:** Sales department

Frontier Software, established in 1983, is a leading provider of HR Solutions with over 16000 customers in 13 countries worldwide. Our payroll solution is available in each country of operation. chris21 is a secure multi language HR database for all organisations around the world.
• Internet/intranet 24/7 access • Employee & manager self service
• Complete audit capabilities • End- user customisation

## IMPLEMENTATION SUPPORT

### i-REALISE

6-9 The Square, Stockley Park,
Uxbridge UB11 1FW
**Tel:** 020 3008 6359
**E-mail:** info@i-realise.co.uk
**Website:** i-realise.co.uk
**Contact:** Claudette Lovett

i-Realise bridges the gap between the needs of the business and the payroll system provider to ensure a successful implementation, regardless of whether the payroll system is managed in-house or outsourced. By adding experience, resources and skills in project management, business analysis and change management, i-Realise bolsters your team to provide the right skill sets. i-Realise ensures that any payroll system is implemented smoothly and effectively, delivering real value to the business.


## INTEGRATED PAYROLL & HR SOLUTIONS

### CAPITA

HR solutions
65 Gresham Street
London EC2V 7NQ
**Tel:** 020 7960 7769
**Email:** hrsolutions@capita.co.uk
**Website:** capitahrsolutions.co.uk
**Target employee range:** Unlimited

Capita HR Solutions supports the complete employee lifecycle. As a trusted partner with more than 25 years' experience in the delivery of outsourced payroll, HR, HR advisory and HR analytics, Capita has an excellent track record in implementation and delivery. We are the sole touchpoint for payslips, ad-hoc allowances and bonuses - and we commit to delivering a better service year-on-year. Our HR advisory service supports day to day processes as well as redeployment, outplacement, relocation and changes to business structure. Our analytics capabilities enable businesses to make informed data-driven HR decisions. We help organisations make cost savings, reduce risk, operate more efficiently. Find out more about Capita's payroll and HR services: capitahrsolutions.co.uk/our-solutions


### CARVAL COMPUTING LIMITED

Interchange Business Centre,
Howard Way, Interchange Park,
Newport Pagnell MK16 9PY
**Tel:** 01908 787700
**Email:** sales@carval.co.uk
**Website:** carval.co.uk
**Contact:** Emma Clare
**Target employee range:** Unlimited

Carval provides uniquely integrated HR, Payroll, Time and Attendance systems and outsourced payroll services. Our market-leading HR Unity software, which includes employee self-service technology and mobile apps, is used by over 300 organisations throughout the UK in virtually every sector.

- Improve policy adherence and efficiency with automated processes
- Simple yet detailed reporting and analytics
- Communicate effectively with your employees
- Stay in line with the latest legislation and technologies with our free upgrade programme.


### CINTRA HR & PAYROLL SERVICES

Computer House, 353 High Street,
Gateshead, Tyne and Wear NE8 1ET
**Tel:** +44 (0) 191 4787000
**Email:** sales@cintra.co.uk
**Website:** cintra.co.uk
**Contact:** Nham Lee
**Target employee range:** Up to 20,000

Cintra offers a uniquely customer focused approach combined with a robust, flexible and evolving mix of software and services tailored to meet your organisational requirements. With its broad customer portfolio covering both public and private sectors along with highly trained, experienced and motivated staff, Cintra offers the natural choice for Payroll and HR solutions in the UK. If you are looking for a long term partnership where solutions, in-sourced or out-sourced, are tailored to your individual needs with no hidden costs why not give Cintra a call, the friendly face of Payroll and HR.


### FRONTIER SOFTWARE

63 Guildford Road, Lightwater,
Surrey GU18 5SA
**Tel:** 0845 3703210
**Email:** sales@frontiersoftware.com
**Website:** frontiersoftware.com
**Contact:** Sales Department
**Target employee range:** Unlimited

Frontier Software PLC, a leading provider of integrated HR and Payroll solutions, offers total integration across all modules. The easy to use and versatile products meet the ever changing needs of Human Resource and payroll management to organisations in the UK and worldwide. chris21 is continually enhanced and updated to keep abreast of business and government legislative changes. Additional modules include Time & Attendance, Employee/Manager self service, Learning and Development, Recruitment, expenses and health & safety. Frontier Software PLC is accredited to PAYE Recognition Scheme, ISO27001 and ISO9001:2000 and BACS approved.


### INTELLIGO

78 York Street, London W1H 1DP
**Tel:** 0800 0390116
**Email:** sales@intelligosoftware.co.uk
**Website:** intelligosoftware.co.uk
**Contact:** Fiona Cullinane
**Target employee range:** Unlimited

Intelligo is a leading provider of corporate Human Resource and Payroll Software and Services in the UK and Ireland with clients ranging in size from 300 to 20,000+ employees. Megapay, Intelligo's owned and developed flagship payroll system integrates seamlessly with MegaHR, a web-based enterprise level Human Resource solution. Built on a shared database this allows for accurate sharing of information such as job history, salary history, holiday leave, etc between Payroll and Personnel, ensuring key employee data is entered only once. Megapay and MegaHR are available to purchase as either an On Premises installed solution or on a Software as a Service (SaaS) basis.

Additional modules include Employee/Line Manager Self Service, Training, Recruitment, Consultancy, plus much more.

## INTEGRATED PAYROLL & HR SOLUTIONS

### PYRAMID HR LTD

Holly Farm Business Park, Honiley,
Kenilworth, Warwickshire CV8 1NP
**Tel:** 01926 485085
**Email:** sales@pyramidhr.co.uk
**Website:** pyramidhr.co.uk
**Contact:** Mark Franklin
**Target employee range:** 100 to unlimited

Pyramid is a complete HR and Payroll solution within a single database. Pyramid offers all the functionality to make life easier for even the busiest of HR and/or Payroll departments. Pyramid is best suited to organisations who want professional solutions with flexibility and on-going user friendly support. Our single database solution caters for payroll, personnel, recruitment, absence, training, expenses, time management and vehicle administration; all with built-in report writer for producing letters, reports and emails. Optionally available, employee and manager self service.


### SAGE

4 Witan Way, Witney, Oxon, OX28 6FF
**Tel:** 0800 694 0568
**Email:** SnowdropKCS@sage.com
**Contact:** Sales
**Target employee range:** 100+

Sage HR & Payroll has over 30 years of experience delivering integrated HR and payroll solutions, to many of the UK's successful mid and large organisations. We offer a wide range of solutions, encompassing everything from recruitment, personnel and payroll, through to training & development performance management, self-service and payroll outsourcing.

To find out more about our HR & Payroll software visit sage-snowdropkcs.co.uk


### WEALDEN COMPUTING SERVICES LTD

Unit 6 Sovereign Business Centre,
33 Stockingswater Lane,
Enfield, Middlesex EN3 7XJ
**Tel:** 020 8364 7177
**Email:** sales@wealden.net
**Website:** wealden.net
**Contact:** George Williams
**Target employee range:** Unlimited

Wealden Computing Services is a leading provider of integrated HR, Payroll and Time and Attendance systems with a long pedigree of creating functionally rich systems to meet organisation and employee requirements now and into the future. Working closely in partnership with our customers Wealden is able to deliver configurable, flexible and reliable solutions that meet the complex requirements of a modern payroll. Delivered as stand alone or an integrated solution that can be in-house, managed or hosted and accessible 24/7. Powerful solutions tailored to meet our customer's needs ensuring they control critical information and business processes. **Payroll: HR: Self-Service: Time and Attendance: Payroll Bureau Services: Hosted Services: Training: Consultancy.**


## OUTSOURCED / FULLY MANAGED

### CINTRA HR & PAYROLL SERVICES

Computer House, 353 High Street,
Gateshead, Tyne and Wear NE8 1ET
**Tel:** 0191 4787000
**Email:** sales@cintra.co.uk
**Website:** cintra.co.uk
**Contact:** Nham Lee
**Target employee range:** Up to 20,000

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### FRONTIER SOFTWARE

63 Guildford Road, Lightwater,
Surrey GU18 5SA
**Tel:** 0845 3703210
**Email:** sales@frontiersoftware.com
**Website:** frontiersoftware.com
**Contact:** Sales Department
**Target employee range:** 50+

Frontier Software's payroll service is tailored to each organisation as we understand that each has its own requirements. From bureau to fully managed, we offer security and backup to ensure a smooth and confident payroll operation. We are auto-enrolment and Real Time Information ready.

- Dedicated experienced payroll team
- Business disaster recovery
- BACS approved bureau
- Accurate, flexible and reliable service
- UK Processing centres
- PAYE Recognition Scheme accredited

## OUTSOURCED / FULLY MANAGED

### INTELLIGO

78 York Street, London W1H 1DP
**Tel:** 0800 0390116
**Email:** sales@intelligosoftware.co.uk
**Website:** intelligosoftware.co.uk
**Contact:** Frances McDonald
**Target employee range:** Unlimited

Intelligo's tailored payroll service, Intellipay, encompasses everything from a basic bureau service to a fully managed payroll solution where we become your payroll department. For a fixed monthly fee we process your payroll using our own renowned payroll software, Megapay. Our solution comprises:

- Full payroll processing including all statutory returns
- Extensive Suite of Payroll Reports
- Auto Enrolment and RTI compliant
- Allocated, Highly Experienced, Payroll Specialists
- Branded Employee Helpline
- Employee Self Service web portal

Intelligo is a true Partner for your Payroll needs.


### SAGE

4 Witan Way, Witney, Oxon, OX28 6FF
**Tel:** 0800 694 0568
**Email:** SnowdropKCS@sage.com
**Contact:** Sales
**Target employee range:** 100+

Sage Payroll Outsource Services offers a range of flexible payroll service options that are designed to ease the headache of payroll administration. Whether you want fully managed, part managed or bureau we can offer a service that matches your needs now and in the future. To find out more about our Payroll Outsource solution visit sage-snowdropkcs.co.uk


### SCC PAYROLL, HR & DATA SERVICES

Lyndon Place, 2096 Coventry Road,
Sheldon, Birmingham B26 3YU
**Tel:** 0845 357 0111
**Email:** tim.markham@scc.com
**Website:** scsfm.com
**Contact:** Tim Markham
**Target employee range:** 250 to 30,000

SCC are a leading provider of Managed Payroll & HR solutions, with over 35 years of experience and a wide range of clients across all sectors. We specialise in offering a tailored service, delivered and hosted in the UK. Optimise Payroll & HR, our integrated cloud-based solution, provides flexible online and on-device access. Optimise is a modular solution that also includes employee and management self-service, recruitment, training, T&A, HR analytics and more.


## P11D EXPENSES & BENEFITS

### PERSONAL AUDIT SYSTEMS LTD

Unit 5, Enterprise House,
Manchester Science Park,
Manchester M15 6SE
**Tel:** 0161 820 7113
**Email:** sales@p11dorganiser.co.uk
**Website:** p11dorganiser.co.uk
**Contact:** Graham Whitehouse
**Target employee range:** 100 to 100,000+

The P11D Organiser is the most powerful, easy to use and comprehensive solution to completing P11D returns. Currently the UK's market-leading P11D software package, acclaimed for it's ability to deal with any number of returns, ease of use and customer support. Offering multiple electronic reporting features as standard, such as P11D e.m ail delivery and Government Gateway facilities, the P11D Organiser is the most advanced and powerful system for managing and reporting benefits and expenses. The package's intelligent data import routines offers power with flexibility. Cutting edge software backed up by a prestigious blue-chip client base makes the P11D Organiser the perfect solution for businesses of all sectors and sizes.


## PAYROLL MARKET INTELLIGENCE

### NEW PAYROLL WORLD CLUB MEMBERSHIP

1st Floor, Axe & Bottle Court,
70 Newcomen Street, London SE1 1YT
**Tel:** 020 7940 4801
**Email:** payrollclub@payrollworld.com
**Website:** payrollworld.com
**Contact:** Lauren McWilliams

From software to conference passes, the Payroll World Club covers your every payroll need. Join the club and receive an annual subscription to Payroll World magazine, exclusive subscriber access to payrollworld.com, Qtax Pro calculator, plus conference tickets and save over £250 in the process! Contact us today for more information.


To be included in this directory or online advertising, please contact us on **020 7940 4801** or email us at **sales@payrollworld.com**

## RECRUITMENT

### CHASE MOULANDE

Unit 3 Wool House, 74 Back Church Lane, London E1 1LX
**Tel:** 0203 861 1222
**Email:** richardashley@chasemoulande.com
**Website:** chasemoulande.com
**Contact:** Richard Ashley
**Target employee range:** 50 to 100,000

Chase Moulande is one of the UK's leading payroll/HR recruitment specialists. Covering the whole of the UK we provide the market with a wide range of experienced permanent, interim and temporary staff within all of the following areas:

- Payroll professionals (all levels)
- Expatriate
- HRIS Consultant / Project Manager
- Systems developers / Product
- Sales (Pre / Post, Account management)
- Compensation & Benefits
- EMEA
- Shared Services (Payroll/HR)


### PAYROLL WORLD

1st Floor, Axe & Bottle Court, 70 Newcomen Street, London SE1 1YT
**Tel:** 020 7940 4801
**Email:** sales@payrollworld.com
**Website:** payrollworld.com
**Contact:** Sales department
**Target employee range:** All PAYE employers

Payroll World offers online job advertising at payrollworld.com. The website receives over 8,000 unique visitors and the job section is the most popular area, making this a great opportunity for you to find the perfect candidate for your job. Your entry will include your company logo and a description of the position being advertised. Whatever area of the payroll market you are targeting, there is no better place to advertise. Take advantage – call the sales team now.


## SOFTWARE

### FRONTIER SOFTWARE

63 Guildford Road, Lightwater, Surrey GU18 5SA
**Tel:** 0845 3703210
**Email:** sales@frontiersoftware.com
**Website:** frontiersoftware.com
**Contact:** Sales department
**Target employee range:** Unlimited

Frontier Software PLC, a leading provider of integrated HR and Payroll solutions, offers total integration across all modules. The easy to use and versatile products meet the ever changing needs of Human Resource and payroll management to organisations in the UK and worldwide. chris21 is continually enhanced and updated to keep abreast of business and government legislative changes. Additional modules include Time & Attendance, Employee/Manager self service, Learning and Development, Recruitment, expenses and health & safety. Frontier Software PLC is accredited to PAYE Recognition Scheme, ISO27001 and ISO9001:2000 and BACS approved.


### INTELLIGO

78 York Street, London W1H 1DP
**Tel:** 0800 0390116
**Email:** sales@intelligosoftware.co.uk
**Website:** intelligosoftware.co.uk
**Contact:** Fiona Cullinane
**Target employee range:** Unlimited

Intelligo's flagship payroll product, Megapay is the Number 1 payroll system choice for corporate organisations and public sector. Megapay is used throughout every major industry from Manufacturing, Telecoms, Top 5 Accounting Firms, Government Departments, Retail Sector, etc., with clients ranging in size from 300 to 20,000+ employees. As a Certified Workday Partner, the system fully integrates with Workday. In addition Megapay also interfaces with leading T&A and Financial applications. Megapay is available to purchase as either an On Premises installed solution or on a Software as a Service (SaaS) basis.
RTI • Auto-Enrolment • HMRC Integration • Statutory Payment Processing
• Employee Self Service • HR Integration


### PAYROLL BUSINESS SOLUTIONS

Unit 6 Bourne Court, Southend Road, Woodford Green, Essex IG8 8HD
**Tel:** 020 8550 7758
**Email:** sales@payrollbs.co.uk
**Website:** payrollbs.co.uk
**Contact:** Sales
**Target employee range:** 25 to unlimited

Accord Payroll simplifies payroll processing through advanced features that include statutory and occupational sickness and maternity schemes, holiday entitlement, salary sacrifice, umbrella company calculations, expenses dispensation and user definable calculations. We offer hosted (SaaS) and in-house software solutions. Our software is HMRC-recognised for EOY and RTI e-filing and basic payroll values. Advanced accounting features with journal export, plus HMRC DPS Interface for outgoing documents and notifications from HMRC.

Optional, fully Integrated modules: Accord MyPay – online payslips and P60s, P11D and reports, pensions auto-enrolment –assessment and pension provider interface, recruitment modules – Accord timesheets, invoicing and credit control, Accord CIS.

## SOFTWARE

### PEGASUS SOFTWARE LTD

**Address:** Orion House,
Orion Way, Kettering,
Northamptonshire NN15 6PE
**Tel:** 0800 919704
**Email:** info@pegasus.co.uk
**Website:** pegasus.co.uk
**Contact:** Enquiries department
**Target employee range:** 1 to unlimited

With over 30 years' experience, Pegasus Software is a market leading supplier of payroll & HR software with HMRC PAYE Recognition. Opera 3 Payroll & HR simplifies complicated payroll procedures and caters for RTI, auto enrolment and salary sacrifice as standard. Integration is built to popular pension providers; NEST and NOW: Pensions is built in. It's flexible for your business needs, available as an integrated solution or stand alone. It's functionally rich including e-mail payslips and P60s; Statutory Payments and AEOs; P11 & P32 processing, reporting and consolidation; Directors NI & Retrospective NI Calculations; Detailed history and payslip retention for 999 periods; user-definable payroll view with drilldown; integration with Document Management software, Business Intelligence and web based Payroll Self Service is also available.


## SOFTWARE AS A SERVICE

### FRONTIER SOFTWARE

63 Guildford Road, Lightwater,
Surrey GU18 5SA
**Tel:** 0845 3703210
**Email:** sales@frontiersoftware.com
**Website:** frontiersoftware.com
**Contact:** Sales Department
**Target employee range:** 1 to 50,000

Founded in 1983, Frontier Software PLC is one of the most trusted global suppliers of HR and Payroll software and services to all areas of the public and private sectors.

Implementation of the fast growing technology platform of Software-as-a-Service (SaaS) has allowed Frontier Software PLC to meet their client's needs and produce measurable business benefits both in the UK as well as around the World.


## TRAINING

### PAYROLL WORLD TRAINING IN ASSOCIATION WITH LEARN PAYROLL

The Learn Centre Ltd
3A Penns Road, Petersfield,
Hampshire GU32 2EW
**Tel:** 01798 861111
**Email:** michaels@thelearncentre.co.uk
**Website:** payrollworld.com/content/training
**Contact:** Michael Short
**Target employee range:** All PAYE employers

Payroll World has been well respected by payroll, HR and finance professionals for over 11 years for incisive comment and practical advice. Now in association with Learn Payroll, we offer a select range of CPD **certified short courses** to develop real skills in key areas of payroll and related organisational change. Courses range from the Payroll Introduction course to the Payroll & HR Update. You can find the variety of courses available online and for more information call us today on **01798 861111**.


## WORKFORCE MANAGEMENT

### FRONTIER SOFTWARE

63 Guildford Road, Lightwater,
Surrey GU18 5SA
**Tel:** 0845 3703210
**Email:** sales@frontiersoftware.com
**Website:** frontiersoftware.com
**Contact:** Sales department
**Target employee range:** Unlimited

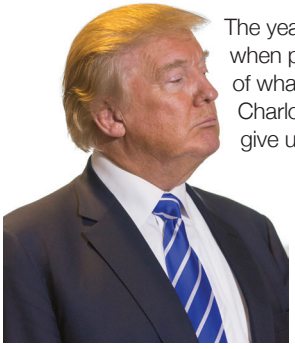
Frontier Software PLC, a leading provider of integrated HR and Payroll software solutions, offers chris21, a comprehensive HR integrated solution, for effective workforce management. Intuitive and easy to use, chris21 is continually enhanced and updated to keep abreast of business and government legislative changes. Additional modules include Time & Attendance, Employee/Manager self service, Learning and Development, Recruitment, expenses and health & safety. Frontier Software PLC is accredited to PAYE Recognition Scheme, ISO27001 and ISO9001:2000 and BACS approved.

# Payback

Smiling in the face of payroll

**Robert Leach**
Accountant, composer, astrological consultant, underpaid writer and grandfather

## Payback almanac



The year 2016 will be remembered as the time when politics stopped being boring. In terms of what the new year will bring, we consulted Charlotte Ann, the Payback chief astrologer, to give us her predictions for 2017:

**January**
Donald Trump is sworn in as the 45th president of the USA. He appoints Hillary Clinton as his chief of community relations. He praises her for her integrity, honesty and good judgment. She says she is delighted to serve under such a moderate, inclusive, experienced and kind man.

**February**
Nick Clegg gets a second reading on his bill to legalise cannabis as existing restrictions have not stopped pot smoking. The House of Commons moves an amendment to legalise theft, which the law has also failed to stop.

**March**
The prime minister triggers Article 50. The EU negotiator asks for £10 trillion compensation and for the UK to comply with all EU law. Nicola Sturgeon calls for a referendum on whether Scotland should accept these generous terms.

**April**
The chancellor says he wants to help everyone in society by cutting 3p off the rate of income tax. He also wants to reduce the deficit by adding 3p to the rate of income tax.

**May**
Boris Johnson congratulates the prime minister on the unique honour of having a month named after her, saying: "In all his hubristic verbalisations of omnireputational basis sine bambi, Tony Blair never achieved such levels of calendrical recognition."

**June**
Nicola Sturgeon confirms she enjoys an extremely close relationship with president Trump, following a phone call from his assistant junior press officer saying that "we respect Nicholas Sturgewall for all the valuable work he is doing in Nova Scotia, a great English colony. Now give us our golf course planning permission before we rebuild Hadrian's Wall and send you the bill."

**July**
HMRC publishes a consultation document that all employers should automatically pay penalties. The document states: "Some employers are not paying their fair share of penalties by using avoidance schemes such as getting things right. We are determined to achieve a level playing field…" and continues for another 126 pages.

**August**
The Supreme Court rules that the House of Commons may not make any decision on leaving the EU without getting the permission of the tooth fairy.

**September**
The Scottish parliament puts out a notice denying rumours that Nicola Sturgeon is unwell, despite the fact that she has gone for three weeks without calling for a referendum.

**October**
A report states that 2017 is so far the hottest year since 2016. Nicola Sturgeon demands more sunshine for Scotland and says she may call a referendum on the issue.

**November**
A government report says that HMRC is only answering 3% of telephone calls, 2% of letters and has made 40 million mistakes on tax codes and assessments. HMRC says this is a temporary problem caused by the introduction of income tax in 1842 and it relates only to its busy period between January and December. It is dealing with the matter by introducing new penalties on taxpayers who raise queries. It wishes to create a level playing field with taxpayers who do not contact the organisation.

**December**
The RMT trade union criticises further delays in the HS2 rail project, saying: "It is outrageous that our members will have to wait until 2031 before they can go on strike and stop these trains running."

## Grandfather

Since writing my last column, I have become a grandfather. It seems but a short while since my granddaughter's father was sitting on my knee while I read him stories about Class 1A National Insurance.

My new granddaughter will probably live into the 22nd century. I can remember my great-grandmother who was born in 1868, so that means I will probably remember relations whose lives span 250 years across four centuries.

I would love to think that future generations will remember me for my wit and wisdom, with Payback columns quoted in the Oxford Book of Profound Literature, while they listen to recordings of my equally wonderful organ music.

In one of my rare moments of reality, this may be unlikely and I will most likely be remembered solely as an ancestor. Such thoughts are quite daunting.

I must ask the editor of *Payroll World* for a pay rise.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