SEPTEMBER 2016

PAYROLLWORLD
PW

Strategy.Compliance.Pay

A payroll tax?
What employers need to know about the apprenticeship levy

World of difference
What does the future have in store for global payroll?

Helping hand

Focusing on employees' financial wellbeing can pay dividends

WHAT'S INSIDE

Salary sacrifice shake-up
Government targets removal of tax and NICs advantages of schemes / *p05*

Talking tax relief for pensions
The current system, what's wrong with it and what might change / *p08*

Making all the right moves
How to formulate an effective strategy for your payroll department / *p14*

Making payroll and HR easy

Our innovative cloud based payroll & HR solutions include software, consultancy, training and managed services which are quick to set up, with no need for installations, downloads or upgrades.

To find out more contact us on 0845 619 1743
or visit: www.moorepay.co.uk

moorepay
Payroll & HR Solutions

Get involved! Follow Payroll World on twitter @Payrollworld, or join our group on LinkedIn.

FROM THE EDITOR

There is but one concern

Payroll professionals know the importance of accuracy when it comes to calculating pay and tax. Inevitably, mistakes are made. But to paraphrase Morrissey, some errors are bigger than others. To illustrate the fact, here's my favourite news story from August: Giles Hembrough, a railway signal tester from Bristol, came home from the pub to discover a letter from HMRC claiming he owed more than £14 trillion in tax. To be exact, he was told his liability amounted to £14,301,369,864,489.03. That's around £1 trillion higher than the net worth of the US, the world's largest economy. "I knew right away it was a mistake," said Hembrough, which is reassuring. It would take the 42-year-old 369 million years to pay off that amount if he gave the government all of his salary every month.

So next time someone takes you to task over a mistake that probably wasn't entirely your fault in the first place, remember: no one, and no system, is infallible.

JEROME SMAIL

CONTENTS

4 News & compliance
Latest minimum wage offenders named and shamed; HMRC sets out salary sacrifice plans

7 From the PW blog
What does the future hold for global payroll?

8 Pay Window special
Ian Holloway talks tax relief on pensions

12 Charles Cotton
How reward can navigate choppy economic waters post-referendum

13 Henry Tapper
What data can tell us about auto-enrolment

14 Karen Thomson
Setting out your strategy

17 Simon Parsons
The apprenticeship levy

18 Alastair Kendrick
The use of personal service companies

19 Norman Green
More fun with holiday pay

20 Neil Esslemont
The latest from TPR

22 Feature: Wellbeing
Helping employees with finances can pay dividends

28 Legal view
Pre-termination negotiation

29 Recruitment view
Creating a professional development plan

30 If I Paid the World
Sharon Tayfield of Praxima

31 Paybreak
Payroll quiz & crossword

32 Supplier listing

38 Payback
Pulling out all the stops

CONTRIBUTORS

Editor: Jerome Smail
jerome@payrollworld.com

Designer: Barnaby Attwell

Commercial Director:
Jo Smith
jo.smith@payrollworld.com

Sales Director:
Vicki Clubley
vicki.clubley@athenepublishing.co.uk

Sales Executive: Max Fitzgerald
max@payrollworld.com

Marketing Manager: Lauren McWilliams
lauren.mcwilliams@payrollworld.com

Marketing Executive: Lena Elhibir
lena.elhibir@athenepublishing.co.uk

Marketing Data Executive: Mike Harris
mike.harris@athenepublishing.co.uk

Head of Events: Jenna Parker
jenna@payrollworld.com

Deputy Head of Events: Claire Davison
claire@payrollworld.com

Senior Conference Production Manager:
Mike Jeapes
mike@payrollworld.com

Conference Production Manager:
Heidi Stavrou
heidi.stavrou@payrollworld.com

Managing Director: Luke Broadhurst
luke.broadhurst@athenepublishing.co.uk

Publishing Director: Kamala Panday
kamala@payrollworld.com

Subscriptions:
payrollworld@circdata.com
01635 588487

Published by:
Athene Publishing
Tel: 020 7940 4801
Fax: 020 7940 4843
www.payrollworld.com
1st Floor, Axe & Bottle Court,
70 Newcomen Street, London SE1 1YT

Printed by: Stephens & George
ISSN No: 1474-9068

To subscribe to Payroll World visit
www. payrollworld.com/content/subscribe
or email payrollworld@circdata.com
Subscriptions start from £165

A BRIEF LOOK AT THE LATEST PAYROLL COMPLIANCE NEWS

1 Making Tax Digital consultations launched by HMRC

HMRC has launched six consultation documents setting out detailed plans on its Making Tax Digital reforms and simplifying the tax system.

Each consultation focuses on specific elements of Making Tax Digital (MTD), covering:

- how digital record keeping and regular updates will operate;
- options to simplify tax for unincorporated businesses;
- the extension of cash-basis accounting to unincorporated property businesses;
- how the voluntary pay-as-you-go arrangements announced at this year's budget will work;
- changes to tax administration to effectively underpin compliance with MTD and ensure a fair and proportionate penalties regime;
- how HMRC will make better use of information it currently receives from third parties to provide a more transparent service.

2 Nearly 200 businesses named and shamed for minimum wage breaches

The largest ever list of employers to be named and shamed for failing to pay their workers the minimum wage has been published by the Department for Business, Energy & Industrial Strategy (BEIS).

Between them, the 198 companies named owed £466,219 in arrears, across a range of employers including football clubs, hotels, care homes and hairdressers. All of the money owed to these workers has been paid back to them.

Since the scheme was introduced in October 2013, 688 employers have been named and shamed, with total arrears of more than £3.5 million.

Business minister Margot James said: "It is not acceptable that some employers fail to pay at least the minimum wage their workers are entitled to. So we'll continue to crack down on those who ignore the law, including by naming and shaming them."

3 Government urged to rethink NLW target

Business leaders are trying to persuade the government to abandon plans to raise the National Living Wage (NLW) to 60% of median earnings by 2020.

In August at least 16 trade associations wrote jointly to new business secretary Greg Clark, recommending that he "exercise caution" on the NLW in light of the "economic uncertainties the country faces" following the vote to leave the EU.

They would like the government to drop the current target, which could see the NLW rise from its current hourly rate of £7.20 to around £9 by 2020, and consider the potential impact of any NLW increases on jobs.

Despite pressure from business groups, there is no indication that the government intends to deviate from its current plan. A Treasury spokesman said: "The independent Low Pay Commission will advise on the path future increases should take, taking into account the state of the economy."

4 Auto-enrolment hits 200,000 employer landmark...

More than 200,000 employers have now completed their workplace pension duties as auto-enrolment continues to roll out to small and micro employers.

The latest *Declaration of Compliance Report* published by The Pensions Regulator (TPR) shows that by the end of July, more than 6.5 million workers had begun saving after being put into a pension by their employer.

Welcoming the latest figures, Richard Harrington, minister for pensions, said: "Auto-enrolment is the cornerstone of our private pension reforms. It's fantastic that more people than ever before are now saving for a secure future."

Over 156,000 small and micro employers have now complied with auto-enrolment, along with all large and medium employers (over 44,000). More than 960,000 employees of small and micro employers have been enrolled.

Employers have now enrolled 6.5 million workers in a workplace pension and it is clear that there is real momentum growing

Richard Harrington, minister for pensions

5 ...But some employers pay price for non-compliance

The latest quarterly figures from TPR show a rise in compliance notices and fixed penalty fines issued to employers for failing to comply with their auto-enrolment duties.

Between 1 April and 30 June 2016, TPR issued 3,392 compliance notices (compared with 3,057 in the previous quarter), and 861 fixed penalty notices carrying fines of £400 (up from 806 between January and March).

The rise is in line with expectations after the number of employers reaching their deadline to comply rose sharply at the start of 2016.

TPR also issued 38 escalating penalty notices between April and June (down from 96 in the previous quarter). These carry a daily fine of between £50 and £10,000 per day, depending on the size of employer. Since the start of auto-enrolment in 2012, 165 escalating penalty notices have been issued in total, along with 11,099 compliance notices and 3,045 fixed penalty notices.

Government reveals its plans for limiting salary sacrifice advantages

CONSULTATION SETS OUT PROPOSED CHANGES, PLUS 'MAKING GOOD' ALIGNMENT EXPLORED

The government has set out its proposals for limiting the range of benefits in kind (BiKs) that attract income tax and NICs advantages when provided in salary sacrifice schemes.

Budget 2016 stated that salary sacrifice limitations were under consideration. Now, HMRC has issued a consultation document detailing its plans.

Salary sacrifice arrangements normally take the form of an employee agreeing to give up cash remuneration in return for some form of non-cash BiK. Once that salary is given up it is not chargeable to income tax, nor is it liable for employee or employer NICs. Under the proposed changes, where a BiK is provided through salary sacrifice it will be chargeable to income tax and Class 1A employer NICs, even if it is normally exempt from tax and Class 1A NICs, at the greater of:

- the amount of salary sacrificed;
- the cash equivalent set out in statute (if any).

This would mean that where the normal taxable value of the BiK is higher than the amount of salary sacrificed, it would be subject to tax and Class 1A NICs in the normal way.

The changes are coming in at break-neck speed, especially when you consider everything else that's hitting us next April

John Harding, PWC

The consultation document states that employer pension contributions, employer-provided pension advice, employer-supported childcare and provision of workplace nurseries, and cycles and cyclists' safety equipment provided under the cycle to work scheme will remain unaffected by any measures taken. It also makes clear that the government's proposal is not to prevent employers from providing BiKs to their employees through salary sacrifice, but to remove the tax and NICs advantages of doing so. Employers will still be able to use salary sacrifice if they wish and the taxation of BiKs will be unaffected if offered outside of the salary sacrifice arrangement.

The government will publish details of the consultation responses and expects to make an announcement in the Autumn Statement 2016 on decisions made in light of those responses. Any policy changes are expected to feature as part of the Finance Bill 2017.

John Harding, a partner specialising in pay and reward at PWC, believes the proposed changes are "substantial" and represent a "possible game-changer in terms of how employee benefits are treated going forwards".

Harding told *Payroll World:* "The structure of many employment benefit programmes will require a radical rethink. I think there will also be an impact on the benefit providers, and we might see some consolidation in the market. Some of the smaller providers with single-issue benefits could struggle to maintain any sort of margin.

"A large number of benefits are offered under salary sacrifice and flexible benefit arrangements but other than pensions and cars there's a relatively low take-up. With that in mind, is this a sledgehammer to crack a nut?"

Harding also expressed concern at the timescale of the government's plans. He said: "The changes are coming in at break-neck speed, especially when you consider that payroll providers will need to deal with everything else that's hitting us next April, such as the introduction of the apprenticeship levy and gender pay gap reporting."

Making good

HMRC is also consulting on proposals to align the dates by which an employee has to "make good" the cost of their BiK. Proposing a "simpler and clearer system", the consultation seeks views from employers, employees and representative bodies. Both consultations close on 19 October 2016.

MPs: HMRC spending cuts must not affect customer service

Further cuts to government spending on tax services could trigger another collapse in HMRC's customer service, the House of Commons Public Accounts Committee (PAC) has warned.

In a recently published report, the PAC has raised concerns about HMRC plans to cut the cost of its services by around a third in the next five years.

According to the PAC, HMRC's customer service levels "collapsed" in 2014-15 and early 2015-16 as a result of the tax authority underestimating the demand for telephone contact and reducing customer service capacity by releasing 5,600 staff. Average call-waiting times tripled compared with previous levels and only began to recover after the recruitment of 2,400 new staff.

The PAC has concluded that during spending cuts between 2010-11 and 2014-15, HMRC did not consider the costs to customers of providing a sub-standard service.

The 2015 Spending Review settlement committed HMRC to further cost reductions by 2019-20, which it plans to deliver through digitising its services.

However, the PAC says HMRC must have "a clear understanding of customer behaviour to estimate how demand will change" and be confident it can maintain service standards before it makes further cuts to staffing.

Counting the cost

According to the PAC report, taxpayers spent some four million hours waiting for HMRC to answer the phone in 2015-16 and also incurred direct call charges while on hold, with every £1 saved by HMRC on telephone services over this period resulting in an estimated £4 in extra costs to customers.

What does the future hold for global payroll?

There's a lot happening in the payments space at the moment, as the fintech boom is spawning a host of start-up companies with payments technology at their core.

For the payroll sector though, it's a slightly different story. Seemingly, the payroll industry hasn't yet followed suit with the payments boom, but at some point, it will need to make a decision of whether it becomes as technologically led as the payments sector.

Will technology change the world of payroll? It's difficult to tell, but what is apparent is that the industry at large needs to create a truer perception of the difference between a payment and a money transfer. Fintech companies operating in the payments sector have revolutionised consumer experiences – such as the introduction of ApplePay and one-touch payment systems. However, this is just a simple money transfer. A payment is a different concept, with far more serious implications.

This rings true of salaries. These involve payments which carry far higher personal value both in terms of monetary significance and emotional attachment – very much more bound to their reliable delivery to individuals than small, one-time purchases or transactions.

When it comes to payroll payments, it's the guarantee of the timeliness of the payment which is key; it is crucial to pay the right person the right amount at the right time.

Trusted solution

In order for technology to shape the future of payroll, however, the industry needs a reliable solution which is tried and trusted – risks can't be taken with people's salaries, especially when faced with the complexities and challenges of paying employees overseas and in multiple different currencies. The implications are far too significant; it's a very risk-averse environment to be operating in.

If there is a guarantee that transactions will be reliable and accurate then new technologies could come into play, but the industry will almost certainly lag behind the curve because of the sensitivities around salaries. Plus, there's a cultural/behavioural anchor which may prevent too much innovation in the payroll sector – for example, we are all still using the SWIFT payment method, which was developed in the 1970s. Why? Because it works. There has been little requirement to change this.

There is a degree of evolution and innovation but it's slow to materialise – however, that doesn't necessarily mean the payroll industry will never move forward into the fintech space. In the international payments landscape there's definitely a shift away from traditional currency converters and a move towards more payments specialism, especially as organisations are tending to centralise payroll functions.

International payments are even more complicated – salaries are serious and shouldn't go wrong. When you start to look at paying employees overseas, there are a whole host of complications outside of the physical transaction itself, such as counter-terrorism financing and anti-money laundering. As soon as the money crosses an international border there is legislation in place that isn't there for domestic payments within the United Kingdom, which can cause unexpected delays and obstructions.

Some countries have statutory deductions taken from salaries and some require payments to be made from within the country. There are also additional challenges around different time zones and the different jurisdictions of in-country banking infrastructure. The challenges of global payments are plentiful and suddenly, paying the right person the right amount at the right time becomes even more of a challenge.

Cost of errors

Companies also need to bear in mind the value of accurate payment delivery – if there is an error, it's not only at a cost to the firm, but it also affects the reputation of the company as well as employee retention.

This is where technology is definitely improving the experience, though. There has to be knowledge behind the tech to deal with in-country rules and regulations, which opens up more accessibility to

CONTRIBUTOR: Andy Brown, managing director, Equiniti International Payments

global workforces. What's more, technology provides increased accuracy, transparent pricing, security and guaranteed delivery.

Global landscape

Technology is also changing the way global payments are made in terms of resource and efficiency. Relying on banks to process the payments is one thing but for HR and payroll to input large volumes of data in order to make payments to multiple countries around the world is a challenge, and involves a higher risk of human error. Financial technology solutions offering slicker and more time/cost efficient methods of data uploading are transforming the landscape for global payroll companies.

Technology as an enabler of high-volume, multinational payments is reducing resource costs and the risk of errors.

Errors are a costly business for companies and automated verification processes can virtually eliminate the chance of payment mishaps.

Catching up

Clearly there is a role for technology in payroll payments and it is happening on a small scale, but the industry still has a long way to go if it wants to catch up with everything that's happening in the wider payments industry. But the adage of "if it's not broke why fix it?" comes into play until the new technologies have found their feet. ◆

PAY WINDOW SPECIAL

Still waiting for relief

Following government consultation on tax relief for pensions, much-anticipated reforms have failed to materialise. **Ian Holloway** looks at the current system, what's wrong with it and what might change

Let's talk tax relief on pensions. But before we talk about the present and the future, let's deal with the past. A July 2015 consultation entitled *Strengthening the incentive to save: a consultation on pensions tax relief* considered whether and how the current tax relief system could be changed. While the consultation recognised the importance of saving for retirement, it asked whether the complex tax relief system was actually a disincentive to saving. However, it was blatant in its admission that the current system is costing the Exchequer £billions in "lost" revenue.

The consultation looked at the current EET tax relief system:

- Exempt – where contributions by individuals are exempt from tax at their marginal rate of tax (20%, 40% or 45%). Employers are also exempt from income tax, and employer contributions are also exempt from National Insurance contributions (NICs) – though total contributions are subject to both an annual allowance (AA) and a lifetime allowance (LTA), including the taper from April 2016.
- Exempt – where no personal tax is charged on investment growth from pension contributions while in accumulation, subject to the LTA.
- Taxed – where payments of pensions are taxed as income, though individuals may be able to take a portion as a tax-free lump sum on retirement.

The consultation then went on to talk about possible reform options, indicating that these had to be within the framework of being simple and transparent, allowing individuals to take a personal responsibility, building on the success of auto-enrolment while being sustainable for the future. One suggestion, widely anticipated, was that tax relief at the point contributions are made could be restricted to a flat rate rather than the individual's marginal rate. For example, a flat tax relief of, say, 26% would benefit people paying tax at the basic rate while restricting tax relief for those that paid at the higher or additional rates. The EET system would still operate, meaning that tax relief would be given at a flat rate but taxed at the marginal rate when the pension is paid.

Another of the suggestions was to move to a TEE system, where:

- Taxed – contributions are taxed upfront, i.e. there would be no tax relief.
- Exempt – with no tax being charged on fund growth (as now).
- Exempt – where payments from the scheme on retirement are paid free from a tax liability.

The consultation was open until 30 September 2015.

●● How can it be fair that, depending on the individual's marginal rate of tax at the time contributions are paid, one person enjoys tax relief at 20%, another at 40% and a third person at 45%? ●●

Prior to Budget 2016, there was widespread industry speculation the then chancellor, George Osborne, would end or change the way in which individuals get tax relief on pension contributions. A Treasury source was quoted at the time that it was "not the right time". Did this mean that it wasn't the right time with an upcoming EU referendum in which the government wanted a Bremain vote? Regardless of the reason, no change was announced, though there were some significant plans unveiled, including:

- Delivery of a pensions dashboard by 2019, so individuals can view their pension pots in one place.
- Introduction of the Lifetime ISA (LISA), giving a new savings vehicle with government bonuses.
- A consultation on a £500 pensions savings allowance allowing individuals to withdraw up to £500 from some pension pots free of tax and use it to obtain financial advice.
- An increase to the existing £150 income tax and NI relief for employer-arranged pension advice to £500 from April 2017.
- Confirmation that salary sacrifice is still on the government's agenda for reform, though sacrifices for pension saving would not be targeted (see page 5).

So Budget 2016 did have announcements for pensions, though not the announcement that a great many people were expecting. Therefore, the EET system continues, for now. But is the current pension tax relief system really understood?

Let's look at the two ways that tax relief on contributions is given – relief at source and the net pay arrangement. Hopefully, this will stress the importance of making sure that payrolls are set-up and administered correctly. Of all the topics I get asked about, this is one of the most common.

To start, there is a fundamental difference between the two methods of giving tax relief:

- A relief at source scheme deducts pension contributions AFTER the tax calculation has been performed.
- A net pay arrangement scheme deducts pension contributions BEFORE the tax calculation is performed.

I wonder who it was that came up with these naming conventions originally, as they just do not make sense at all!

Relief at source (RAS)

The pension contributions in an RAS scheme do not affect the calculation of taxable pay. An RAS scheme is one where pension contributions are deducted net of tax at the basic rate (currently 20%). So, for example, a net pension contribution of £80 actually means that £100 is credited to the pension scheme – £80 from the individual and £20 from the pension provider. The scheme administrators will later claim the basic rate tax relief back from HMRC.

An RAS scheme could be a group personal pension (GPP) or with The People's Pension, if that is the option the employer has chosen. The National Employment Savings Trust (NEST) is also an RAS scheme.

All individuals will get the benefit of tax relief at the basic rate in an RAS scheme, regardless of whether they are actually a taxpayer or not. Taxpayers at the higher or additional rate can claim further tax relief from HMRC, usually via the Self-Assessment tax return. This has to be done taking into account that tax relief will already have been given at the basic rate. If they don't do this, they won't receive the additional relief.

Net pay arrangement (NPA)

The pension contributions in an NPA scheme do affect the calculation of taxable pay. Tax relief is received at the time pension contributions are deducted, at which point the relief is received at the marginal rate of tax – 20%, 40% or 45%. In the above example, the employee actually pays £100 in pension contributions, but their income tax liability will be less as the value of their taxable pay is less (less taxable pay equals less pay on which to calculate tax).

Many occupational and all public sector pension schemes operate NPA, along with NOW: Pensions and the vast majority of master trusts.

The issue with an NPA scheme is that tax relief is only given if the individual is actually a taxpayer. If the individual has taxable pay under £11,000 in 2016-17, they will not be paying tax but may still be paying pension contributions, as the value of the auto-enrolment earnings trigger is only £10,000. >>

PAY WINDOW SPECIAL

>> So, people who are in lower-paid employments in an NPA pension scheme are losing out on tax relief through no fault of their own. If they were in an RAS scheme, their contributions would have been taken net of basic rate tax relief and would still have been grossed up by their pension provider.

NOW: Pensions recognised this and on 16 March 2016 issued a statement saying that they would make good this shortfall for the 2015-16 tax year, even though they had no obligation to do so. For 2015-16, the differential between the personal allowance and the earnings trigger was only £600 (i.e. £10,600 less £10,000).

What about the 2016-17 tax year when the differential is greater? I asked Amy Mankelow, director of communications at NOW, and she replied: “Our intention is certainly to repeat this exercise for the 2016-17 tax year. In the meantime, we will continue to lobby government departments to address the anomaly that they have created.”

Good news if you are with NOW: Pensions but will all NPA schemes be doing the same?

The future?

On the day of Budget 2016, the government published a summary of responses to the above consultation. This was not an official government response, merely a summary of the main points that came from respondents. The following were noted as the key themes that were most featured:

- Stability – an agreement on tax relief needs to be reached so that individuals can plan for their retirement.
- Communication and education – in general, communicating the saving public about the importance of pensions was a priority, as was financial education.
- Consistency – a perception of fairness in the tax relief system would engage individuals with pension saving.
- Incentives – more people will be incentivised to save if there are greater incentives to save in the first place.
- Implementation – any change needs to be done correctly with a realistic timetable.

Various models were suggested by respondents, ranging from a flat rate of relief, amendments to the existing EET or a move to TEE. Interestingly, about 50% of respondents said that the current EET system was not complicated it – it was just perceived as complicated. Complexity did arise when factors such as the AA and LTA came into the equation. However, apathy and lack of trust in government was cited as undermining the incentive to save. To sum up, there was no real consensus on a preferred way forward. Nevertheless, one needs to be found.

Currently, there is clearly an uneven and, therefore, unacceptable playing field, one that the previous pensions minister, Baroness Altmann, was quite vocal about. Maybe the new parliamentary under secretary of state for pensions, Richard Harrington, will do something to progress this, though it must be pointed out that the NPA anomaly is ultimately an issue for HM Treasury and HMRC to sort out.

I wonder if there will be ever be a “right time” to make any changes. Government priorities are difficult. But the current system costs £billions in lost revenue for the Exchequer and is fundamentally flawed when it comes to fairness.

How can it be fair that, depending on the individual’s marginal rate of tax at the time contributions are paid, one person enjoys tax relief at 20%, another at 40% and a third person at 45%? Then, of course, there are the ones that are not getting any tax relief at all (the ones between £10 and £11K), despite the fact they are paying contributions.

I am not sure we are any further forward with this, except the government can truly say that it has consulted with stakeholders on the subject. But I am sure we haven’t heard the last of this. ◆

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

Doug Sawers

Managing director, SD Worx UK and Ireland

Payroll and HR services firm SD Worx recently acquired Ceridian UK and Ceridian Ireland. In this interview, we find out what it means for their customers, both now and in the future

Q&A

Payroll World: Who are SD Worx?
Doug Sawers: SD Worx is a leading, hugely respected European-based payroll and HR services firm. Over an incredible 70-year history, SD Worx has developed an extraordinary amount of expertise in the delivery of payroll, HR and tax and legal services. The company provides HR and payroll services across Europe to over 60,000 clients. In Europe, SD Worx's customer base places the organisation as the second largest provider of HR and payroll services across the continent.

PW: Now Ceridian in the UK is part of SD Worx, what does this mean for your customers?
DS: Our customers will now have access to the best of two great companies. Existing customers have nothing to be concerned about; they will have access to the same service, people, approach and products that they enjoy – with more investment domestically and internationally. Many of our customers want more from us on an international basis, and with SD Worx we are able to strengthen our European capabilities – a major opportunity for us to broaden our offering to our existing or future customers who invariably have operations in Europe.

Our business had partnerships across much of Europe and the world. We now have our own operations in nine countries in Europe and access to another 50 with our combined partner network. I have lost count of the number of customers who have asked me over the years if we can support them in other European countries with the same top-class service we offer in the UK – we can now very positively answer this question.

In short, we are delighted to be able to offer a much more comprehensive service across Europe and beyond.

PW: What benefits can your customers expect now you are part of SD Worx?
DS: Benefits are broad – SD Worx's organisation in Europe is a real alternative to some of our rivals. That is a great opportunity for our customers and our market. Experience and trust are so important for businesses selecting their payroll partner. So our combined 50 and 70 years of experience in this sector is invaluable.

From a colleague perspective, SD Worx Group feels like a family already because our cultures are very similar. We don't all speak the same first language but there is a common understanding of the complex European market which will be helped significantly by bringing together the two companies. Our UK support teams in Mauritius have formed SD Worx Mauritius, providing continuity and allowing us to further expand the excellent service they provide to the wider European market.

The sheer scale on the European side is yet another huge benefit for us. We're now a €450m organisation with over 3,500 global colleagues. That brings together a lot of very talented and brilliant people within the industry.

PW: Is payroll still at the core of your strategy now you are part of SD Worx?
DS: One of the main reasons SD Worx acquired Ceridian UK is the similarity in our heritage and our vision of the future.

We are both deeply centred on payroll expertise. Our combined businesses will absolutely continue to ensure payroll is at the heart of everything we do.

In fact, I know we will redouble our efforts and investments in all things that are payroll. It is totally key to our combined strategy moving forward.

PW: How will you align the two cultures of the companies?
DS: Our service-centric people culture in the UK is well known. A rather pleasant surprise is that the two sets of values of our two companies are so similar and the meaning is almost identical. The common focus is on customers, innovation, integrity and the value of colleagues. The call-to-action nature of both values are parallel – it is quite remarkable. Beyond values, the clear similarity between our businesses – both focusing on service, centred in payroll excellence – is striking and bodes well for the future.

The immediate collaboration I am seeing between our colleagues and SD Worx is so strong, I am really confident this will deliver great outcomes for our customers now and into the future.

PW: Will the relationship between SD Worx and Ceridian HCM in North America continue?
DS: SD Worx and Ceridian have been working together for some time, and this change in the UK takes this partnership to another level.

The partnership works in two ways; SD Worx can implement Dayforce products for Ceridian and provide managed services, where needed, across many countries in Europe. SD Worx will also sell Dayforce technology to its customers and prospects, which complements the already strong product portfolio owned by SD Worx. There will be regular partnership meetings and strategy discussions.

This partnership will be a strong feature for many years to come – an overall great opportunity to succeed in the industry because I think the market needs it.

PW: Finally, on a personal level, how excited are you about SD Worx in the UK and Ireland?
DS: Massively excited. I genuinely believe this is the best thing that could have happened for the payroll market in the UK. Businesses are facing some huge challenges at the moment, with ever-increasing costs of employment, and complexity in compliance. We are better placed than ever to serve our customers and the payroll industry at large – to invest in the best technology and service to support the needs of businesses both here and in Europe. ◆

Stormy weather

As hard data begins to form following the Brexit vote, it looks like pay and reward will have to sail choppy economic waters – so **Charles Cotton** offers some advice on how to navigate them

In my last column, I talked about the immediate aftermath of the vote to leave the EU and the consequences for pay and reward professionals, both from a wider company perspective but also in terms of being able to deal with individual employee questions.

Now that we begin to see more hard data around the effects of Brexit, the challenges and opportunities presented to us are starting to become a little clearer.

For example, we have recently seen the Bank of England cut growth forecasts for the next two years, from 2.3% to 0.8% in 2017 and 2.3% to 1.8% the following year. Its forecast, which is its first revision after the vote to leave the EU, also predicts an increase in unemployment from 4.9% to 5.5% over the next two years. In its forecast report, it says there is a risk that organisations will seek to protect margins by pushing down domestic costs, such as wages. However, its overall outlook was that four-quarter wage growth over the rest of the year would be a little weaker and remain subdued in 2017.

This is just one set of indicators, and we will undoubtedly see more hard data over the next few months that will help inform our choices in terms of pay and reward as we go forward. This is important information to bear in mind as organisations begin to prepare for their January 2017 pay review.

Future decisions

The 2017 pay decision will come against the backdrop of Brexit. In the coming months, the decision to leave the EU will have both positive and negative consequences for many employers. For instance, the fall in the value of the pound could help firms increase their exports, so increasing the demand for employees.

However, that same fall could also make the UK a less attractive place for some migrants to work because they now earn less, potentially exacerbating talent shortages. Similarly, while the fall in the pound's value can make our exports cheaper they also make our imports more expensive, increasing inflation and raising employee pay expectations.

●● The challenges and opportunities presented to us are starting to become a little clearer ●●

Employers in the same region, or industry, could find themselves impacted very differently by Brexit. Because of this, simply copying what everyone else is doing will not be the right answer. Instead, reward and payroll professionals must tailor their pay and benefits approach so that it meets both the needs of the organisation in terms of rewarding and recognising success, and employees in terms of offering them a valuable package.

Pay management must be sufficiently flexible not only to respond to the potential negative consequences of Brexit but also the positive ones. This requires us to evaluate whether our pay structures, salary determination and pay progression meets both the aims and objectives of our employers and our employees. For instance, how well does our reward approach reflect employee contribution and how much does it reflect prejudice and bias (conscious or otherwise)?

Just as important as the way that an employer manages pay is how it communicates. What needs to happen in order for employees to get a wage rise, both in terms of what the organisation needs to achieve and what they need to do individually? Do they understand why they got an increase, why others got an increase and what needs to happen next year so they can get a rise?

If you can't afford to increase salaries, then you need to think about offering employees non-financial rewards, such as flexitime or career development. Similarly, praising staff for a job well done can boost employee commitment and motivation, as can giving them a voice about what they do at work and how. In these interesting times, reward and payroll professionals need to consider all options. ◆

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

Keypoints

- Bank of England forecasts predict a choppy economy for the next year, including an increase in unemployment
- Brexit will influence pay decisions, but it is hard to assess what its impact may be over the coming year
- Reward professionals need to help employers deal with uncertainty by ensuring practices are resilient and agile

Facts and figures

Data should be driving auto-enrolment reform, argues **Henry Tapper**, as he provides some advice for the DWP based on his own dataset ahead of next year's auto-enrolment review

We live at a time dominated by data. Never before has data been so readily available to policy makers. But with so much about, it's the job of those at Department for Work and Pensions (DWP) and The Pensions Regulator (TPR) to sort out what's relevant and what's not – to look at the Real Time Information they have on auto-enrolment and make decisions on what people are – or aren't – doing.

Of course, the government doesn't have an exclusive on what's going on; in fact, many employers would rather keep their affairs to themselves and – should they use technology – use proprietary tools belonging to payroll software houses, middleware suppliers and insurers. My firm's been collecting data since 2013 and now has a dataset of over 2,500 employer decisions on pensions and more than 6,000 decisions on contribution structures (taken after workforce assessments).

This represents around 2% of the market. In a fractured marketplace, it is a significant dataset so we've been looking at what it is telling us.

The system is working well. I hope that the auto-enrolment review next year will shift the focus from compliance to engagement

Data insights

There is an auto-enrolment review coming up next spring and here are three ideas that arise from our data. They seem logical and I hope they will be given proper consideration by the powers that be, as we will be forwarding them to the DWP as part of its consultation.

1. There is virtually no diversity in the decision making of employers around AE contributions. Over 92% of employers using our workforce assessment tool are using the band to pay contributions against, are using phasing and are setting employer contributions to the minimum. We have seen a steady increase in this number, suggesting it is the default setting. Frankly, we would happily abandon the basic pay and gross pay formulations and work to the default and we'd suggest that the government consider doing just this.

2. Our data suggests that workforce assessments are being conducted exclusively on data drawn from payroll. We are seeing virtually no manual adjustments to reflect personal service workers who may be eligible but are not being offered a contribution or access to a workplace pension. Whatever the government's intentions, the reality is that if a worker is not being paid via payroll, they are not being enrolled. The government should consider the implications of this. If it wanted auto-enrolment to act as the spur for dealing with its problem with contractors, the plan hasn't worked.

Either the government is going to have to toughen the rules or abandon personal service workers, because the current situation is not working.

3. The use of our "choose a pension" service suggests that when offered an informed choice, a much lower proportion of employers choose NEST than when they are left to choose a pension without guidance. That is not because NEST appears to be inappropriate but because a high number of employers – when choosing – find providers that are more appropriate. I would urge the government to encourage choice – both to ensure a proper audit trail to future-proof the decision, and to ensure that the employer is fully engaged with the pension decision-making process.

As has often been noted, the long-term success of auto-enrolment depends not so much on employer compliance but on the outcomes to members. Those outcomes depend, above all else, on employers and members wanting to contribute more than the bare minimum to the workplace pension.

I hope that the auto-enrolment review next year will shift the focus from compliance to engagement. We are in the middle of what has been referred to as the capacity crunch. We are not buckling – indeed, the compliance system is working well. But auto-enrolment has not won the hearts and minds of its participants as "Super" has in Australia. It took several years for the Australians to accept compulsory pension savings, but now they have, they regard their pension pot as one of their key assets. That's what needs to happen here. ◆

Henry Tapper, director, First Actuarial

Keypoints

- It's the job of those at DWP and TPR to look at the data for auto-enrolment and sort out what's relevant and what's not
- The long-term success of auto-enrolment depends more on the outcomes to members than employer compliance
- Those outcomes depend above all else on employers and members wanting to contribute more than the bare minimum

PAYROLL CAREERS

Senior payroll management not only means overseeing the day-to-day operations but also formulating an effective strategy. **Karen Thomson** uses her first-hand experience to offer advice to those making the step up

Making the right moves

So you've moved up the ladder with a promotion or job change (see my article in *Payroll World* July 2016) and you've taken the first steps towards settling into your new role (see August 2016's instalment). So now, as a senior leader, as well as overseeing the day-to-day running of your department, you need think about strategy.

Remember my analogy last month about getting all your ducks in a row and new eggs hatching? Well, you can see the eggs sitting in the nest and you might even have snatched some from another nest. But what's inside them? You need to know before looking at your future strategy, because it could be a cute little chick or it might be a dragon.

OK, maybe I've taken this egg analogy too far, but what I'm trying to say is there is a little work to do before you can fully decide on what your strategy should be.

Definition

So what is the meaning of strategy? There are copious amounts of academic and business references as to what it is. However, here are two definitions from the Business Dictionary which I think fit the bill:

1. A method or plan chosen to bring about a desired future, such as achievement of a goal or solution to a problem.
2. The art and science of planning and marshalling resources for their most efficient and effective use.

The most obvious areas of attention for a payroll provider are growth and customer service (which should lead to growth anyway).

What to do first

Understand the business and how your department/team fits into the bigger picture. There is nothing worse than an area of the business trying to score the gold stars if they do so in conflict with the rest of the business Find out what the company objectives are, look at the mission statement and then think about how your area and department can help the business achieve its goals.

When I started at Armstrong Watson – and yes, like all of you, I wanted to demonstrate they had sought the right person for the job – I designed myself a project plan. This was mainly to keep me on track and to prevent me going off on a tangent (those who know me are aware I can be easily distracted with potentially more exciting tasks!). My plan was:

- Understand the business objectives.
- Identify the payroll proposition, i.e. who are we and what do we do?
- Identify the current budget for both income and expenditure.
- Produce a SWOT analysis – strengths, weaknesses, opportunities and threats.
- Produce a competitive analysis.

- Produce an operation plan with the business objectives in mind.

SWOT

So how did I go about the SWOT?
- I Identified the issues by holding one-to-ones with all members of the team and business colleagues.
- I listened to suggestions for improvement and the opportunities.
- I listened to my staff on what the service could look like “if only we had…”
- I gained an understanding of “what we do well now”.
- I gained an understanding of internal and external influences.

Using all the above information (of which there was lots) I adapted Porter’s Five Forces (see image top right) to give me that helicopter view of what and where we were.

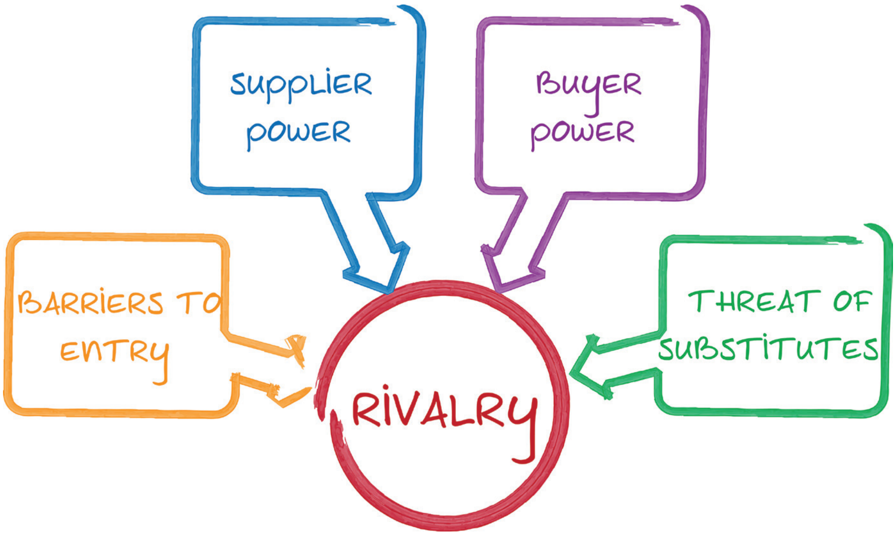
I then revisited the business’s strategic purpose and reminded myself of the knowledge gap (what you know compared with what you must know, and the strategic gap (what you can do compared with what you must do).

As part of my strategic operational plan, it was imperative that I also linked the recommendations to the company’s core goals and values.

Values, I think, are quite often forgotten. Goals can, for example, achieve £X growth by doing X, or increase clients by X by 2020, which is obviously important, but values will determine how you can go about doing that. Values could include passion, humanity, client focus and trust (among a number of others). These values, normally communicated externally and internally, need to be demonstrated within your plan, or you will never get it past the boss. Some of you might be saying, “Well, the boss doesn’t understand payroll anyway,” and this might be true, but you can bet your bottom dollar they do know their business!

Direction

Having pondered on all the research gathered, it is now time to determine which direction the department needs to go in. Remember, as in previous articles, don’t try and do this alone – you really don’t know everything. I created a payroll leadership team, made up of different, brilliant minds. I shared what I had found out (the good and the not so good), and we categorised everything to decide on our future direction and, ultimately, our strategic approach. The operational plan in summary:
- Marketing including campaigns.
- Sales.
- Public relations.



Find out what the company objectives are, look at the mission statement and then think about how your area can help the business achieve its goals

- Recruitment and retention.
- Solutions and/or opportunities, identifying the potential barriers.
- Training and development of staff.
- Technological factors including advances in technology and what we were going to do with them.

What you identify as important and whether there are issues and/or opportunities will determine how your operational plan looks.

Another hint for you: find out what your boss likes. For example, are they analytical and want every scrap of detail? Or maybe they are a driver and just want an executive summary of your intent. I was fortunate my boss doesn’t want all the detail, but of course this doesn’t mean you can skip that part, as the detail is what will provide you with your executive summary. It will also help you answer any questions that might be thrown your way.

What next?

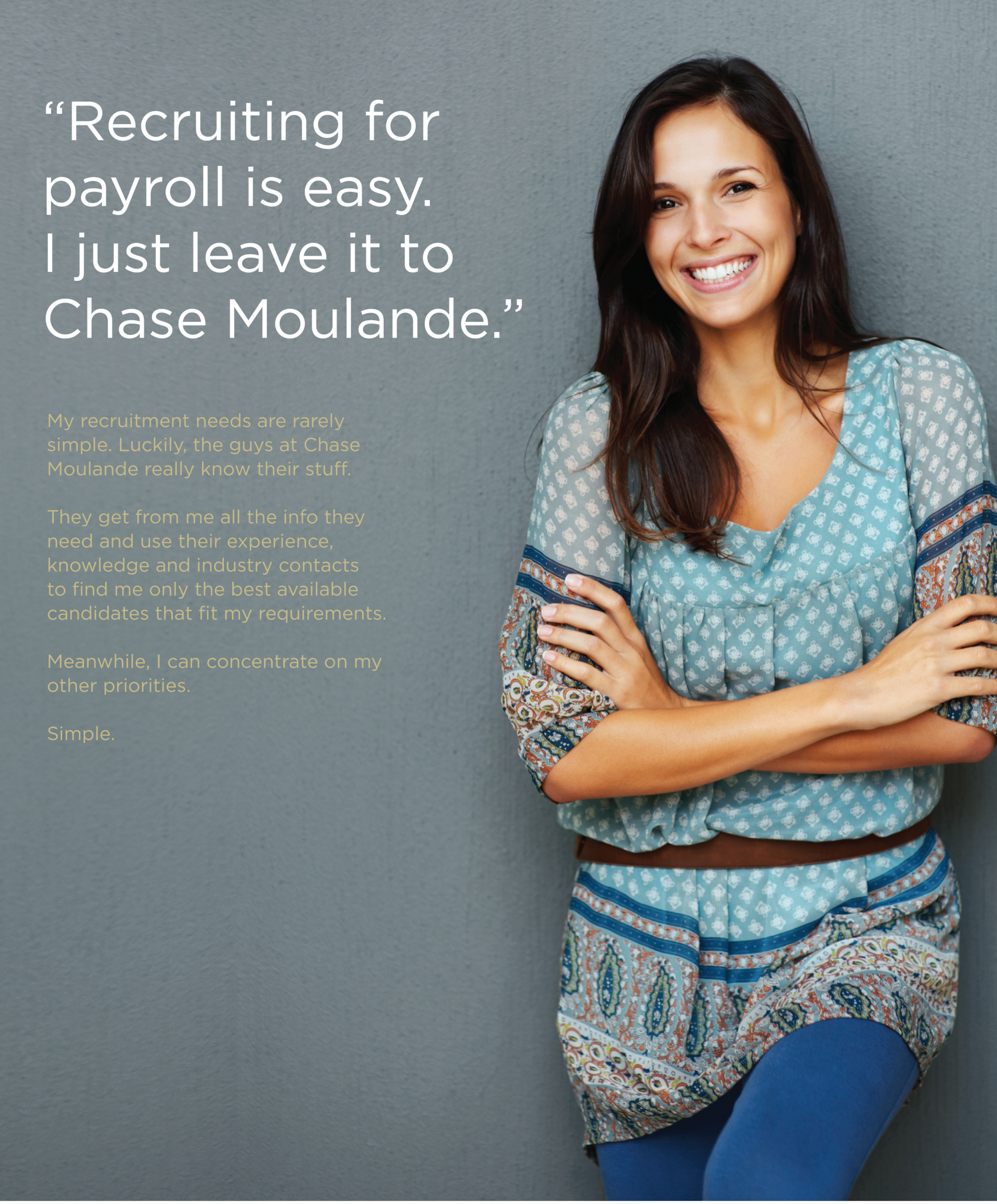
So you now know your business, your department, your team and your customers. You know the issues, the opportunities and any threats. You have worked with your valued team and now your plan is formed.

Please don’t try and do it all at once. Plan your priorities and determine what you can achieve in the next 90 days and stick to it.

The other stuff won’t be forgotten but you might find by resolving the priority items to achieve your strategy, some if not all the others disappear. Now, that’s a nice thought: no problems, only opportunities.

Until next time, when we will take a look at how you can influence the powers that be. ◆

Karen Thomson MSc FCIPP FHEA, director, Armstrong Watson Payroll Services


“Recruiting for payroll is easy. I just leave it to Chase Moulande.”
My recruitment needs are rarely simple. Luckily, the guys at Chase Moulande really know their stuff.
They get from me all the info they need and use their experience, knowledge and industry contacts to find me only the best available candidates that fit my requirements.
Meanwhile, I can concentrate on my other priorities.
Simple.

A payroll tax?

The apprenticeship levy will be introduced next April, determined by the employer's pay bill. **Simon Parsons** explains who will be affected and how, and what payroll needs to do to prepare

The apprenticeship levy will be introduced for UK employers on 6 April 2017. Described by some as "a payroll tax", this will be charged at a rate of 0.5% of an employer's pay bill but there is also an annual allowance of £15,000 to offset against this liability. So, in reality, only employers with an annual pay bill greater than £3m will pay the levy.

An employer's pay bill is based on the total employee earnings subject to Class 1 secondary National Insurance contributions (NICs). This already includes remuneration and profit from employment such as wages, bonuses and commissions that NICs are paid on. However, this also includes the total earnings including amounts that are not taken into consideration when calculating employer NICs, such as earnings below the Secondary Threshold (ST) and also the earnings of employees under 21 and apprentices under 25 which apply a zero rate of Class 1 secondary NICs. The pay bill does not include benefits in kind that are subject to Class1A NICs. Foreign workers with no Class 1 liability or where the employer has no place of business in the European Union or non EU diplomatic missions are not counted in the pay bill. The allowance of £15,000 applies each tax year to offset against the liability, but only one allowance is available between connected companies and charities.

The levy is calculated monthly, with the operation of the annual allowance being offset on a cumulative pro-rata basis. So in April there is 1/12th, May 2/12th and so on until at the end of the tax year the levy is 12/12ths.

●● Employers only need to calculate and report the levy where they are likely to have a liability. For those with an obligation, the levy forms part of the EPS ●●

Employers only need to calculate and report the apprenticeship levy where they are likely to have a liability. Employers with a prior year pay bill of under £2.8m and who are not likely to exceed £3m in the new tax year can exempt themselves from any calculation and reporting responsibility as long as their pay bill does not breach £3m. For those who do have an obligation, the levy forms part of the Employer Payment Summary (EPS), either within their payroll service or by using Basic PAYE Tools. This involves:

- Cumulative levy due to date amount.
- Tax year and tax month applicable.
- Mandatory input of the total annual levy allowance amount allocated (max £15,000.00, min inclusive £0.00).

Sharing the allowance

Changes are being made to the Finance Bill 2016 to allow connected organisations to share the levy allowance. If this applies, each employer will claim their portion of the allowance against their levy liability due, but no more than £15,000 can be claimed by employers sharing. An employer with more than one PAYE scheme will have the option to divide the allowance as they choose across their multiple PAYE schemes (but not exceed the total £15,000 annual levy allowance) and calculate the levy due accordingly. This split must be agreed at the beginning of the tax year and fixed. Employers are not be able to change their amount of levy allowance during the year.

Calculations

To arrive at the monthly pay bill the employer will add all the employee earnings subject to Class 1 secondary NICs from the beginning of the tax year. The 0.5% rate will be applied to this sum to calculate the levy liability. Employers will then offset the cumulative monthly allowance against the cumulative monthly levy liability in order to calculate the apprenticeship levy payable. Finally, the amount previously paid is offset to determine the amount owed in the current tax month. Where an employer operates for only part of a year – for example when a business starts up or closes part way through the year – the full annual allowance for the tax year can be used. ◆

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

What employers need to consider

1. Can the pay bill can be identified?
2. Is the employer part of a connected organisation?
3. Will the total pay bill be less than £2.8m?
4. If applicable, how is the £15,000 annual offset amount going to be allocated across any business splits?
5. Who is undertaking the EPS filing?
6. Will the payments software or service be ready?

Personal responsibility

The use of personal service companies is under scrutiny once again, with new rules for the public sector soon coming into force. **Alastair Kendrick** highlights the associated risks and complexities

We are still seeing articles in the press about personal service companies, some suggesting that the use of these amounts to tax avoidance. The government suggested in its autumn statement of 2015 that the use of personal service companies amounted to a tax loss to the Exchequer of £400m.

So personal service companies are very much in the spotlight and we can expect some changes in the rules to limit the tax advantage. In fact, we had an announcement in the spring budget which proposed that, from April 2017, individuals working for the public sector "off payroll" through their own company will no longer be responsible for deciding whether the intermediaries legislation applies and then paying the relevant tax and NICs. Instead, the responsibility will move to the public sector employer, or the recruiting agency if the public sector body uses one to engage workers. A consultation on this has just closed and the government is analysing the feedback before finalising the details of the new rules. The private sector will be unaffected.

So is it safe to engage a worker via a personal service company? Well, this will depend on a number of points, including the following:

- That the use of personal service companies is not prohibited – I understand that some public sector bodies have already banned their use since April 2016.
- That the personal service company is UK registered. If it is not you need to consider seeking advice over whether PAYE and National Insurance should be applied to the payments. Getting this right is essential, otherwise you could be exposed to an additional liability for interest and penalties.
- That in reality the contract is between you and the personal service company and not directly between you and the worker. It is not only important that the written contract is with the company but also that the contract genuinely reflects how things work in practice. It is sensible to review the arrangements from time to time to ensure this is the case.

Getting this wrong can lead to a sizeable liability and we are seeing some significant challenges by HMRC

Concerns

Even if the above conditions are met, there still may be concern for the worker who is engaged via the personal service company. The two main problem areas are as follows:

1. The worker is caught to IR35 on the payments they have received from you. This is an issue for the personal service company which, when submitting its tax computations, needs to consider whether IR35 applies and, if so, make the necessary adjustments in its tax payable. IR35 applies when, looking at the terms of the contract, it appears that the person would be an employee for tax purposes except for the fact that a limited company exists. The fact that the person concerned might have a number of contracts does not necessarily mean there won't be a problem – each individual contract needs to be considered separately, so it is possible a personal service company can find a part of its income is caught to IR35 and a proportion of it is accrued outside of the rules.

Getting this wrong can lead to a sizeable liability to the personal service company and we are seeing some significant challenges by HMRC in this area. In fact, if IR35 applies then any tax benefit resulting from the use of a personal service company may disappear, meaning it is not an option worth taking.

2. The managed service company rules apply. This is the case if the personal service company engages with a provider to manage its business and to carry out the compliance responsibilities on behalf of the company. If somebody uses a personal service company then they are still expected to be responsible for the running and management of that concern. They are permitted to seek professional advice in the running of the company but they do need to exercise care if they simply rely on a third party to do everything for them.

If the managed service company rules apply there is a tax charge imposed which will wipe out the benefit of using a personal service company.

This whole area is very complex and technical, and a considerable number of taxpayers and engagers are not fully aware of the risks. So if in doubt, get some professional advice. ◆

Alastair Kendrick, tax director, MacIntyre Hudson

Keypoints

- Personal service company tax rules are complex and many people involved with them do not recognise the risks
- Those running personal service companies should ensure they are not caught by IR35 or the managed service company rules
- Those engaging workers via a personal service company need to be sure the contract is with the company, not the worker

More holiday fun

Following on from last month's look at the tax and NICs treatment of holiday pay, **Norman Green** turns his attention to the rules regarding student loan deductions and attachment and arrestment orders

Probably the most common statutory deduction after income tax and National Insurance contributions (NICs) is the repayment of student loans. The calculation of a student loan repayment follows the rules for NICs, with each payment of wages or salary treated in isolation. It follows that when holiday pay is given, the student loan deductions follow the rules for NICs calculations. The guidance published on Gov.uk suggests that the averaging method should be used but if the NICs on the holiday pay had been calculated using the separate payments method then this should be used by the employer for the student loan deductions.

The other set of statutory deductions relate to repayments of child maintenance, debts and fines. They all have primary legislation to enable the deductions, hence the statutory classification. The term "court orders" is also used although sometimes a body such as the Department for Work and Pensions or a local authority can instigate the order. There are nearly 20 different orders that an employer could be processing in any one payroll and each has its own set of rules. Fortunately, many are similar (sometimes with the same original primary legislation) and they fall into two broad headings: those with a table that is used to define the deduction due for any given period and those that have a normal deduction that is expected to be taken each pay period. The United Kingdom has three jurisdictions: England and Wales, Scotland and Northern Ireland. For these statutory deductions, Northern Irish laws generally follow English and Welsh law – thus giving, in practical terms, just two jurisprudences for employers to manage.

The oldest law in this area is the Attachment of Earnings Act 1971 that originally had two types of orders: priority and non-priority. Both of these have a set amount to be deducted, called the normal deduction amount, which is due each pay period. There may be some protected earnings and when processing holiday pay, the rules require the total payment to be treated as a single payment. The normal deduction and any protected earnings must be multiplied by the number of weeks the total payment represents (so the comparisons become like for like). Then deduct as much as is available up to the multiple normal deduction. As only one payment is being made into court, only one administration fee can be deducted from the employee.

There are nearly 20 orders an employer could be processing in any one payroll, each one with its own rules

That 1971 act has been amended to cater for magistrates' court fines attachment of earnings orders. As these use tables, the rules are different. Any money that is paid as normal earnings must be separated out and the tables used to calculate the deduction on that pay alone. The amount of pay that is for the holiday then needs to be divided by the number of holiday weeks it represents and the tables used to get a single deduction. This must be multiplied by the number of holiday weeks. Finally, the deduction from the normal pay and the deduction from the holiday pay must be added together and paid to the court, again with only one administration fee.

Deductions from earnings orders (DEOs) have a normal deduction and a protected earnings rate or proportion depending on when the order was made, and no concept of holiday pay. Nevertheless, when multiple weeks' pay is paid, the normal deduction is to be multiplied by the number of weeks to which the payment relates.

Council tax orders use tables to determine the deduction. Holiday pay and any normal pay is separated out and the deduction due calculated on each week's earnings individually.

Direct earnings attachments were designed to follow the same rules (but no longer follow the same tables) as council tax orders, so each week's payment has to be treated individually.

Scottish earnings arrestments use their own tables for determining the deduction due each pay period but otherwise follow the tables principle of requiring the holiday pay and any normal pay to be separated out and the deduction due calculated on each week's earnings individually. The legislation for current maintenance arrestments seeks to have amounts taken on a daily basis (after the £12 "protected earnings") since the last payment and the date of the current payment. For holiday pay, that is best treated as the weeks for which the advance is given.

Thus, in practice, there are only two sets of rules to learn and only one administration fee no matter how many weeks the payments relate to, because it is in fact a single payment. ◆

Norman Green, payroll consultant

Keypoints

- There are special rules for calculating attachment and arrestment orders on holiday pay but they fall into two types
- If a normal deduction is specified, then holiday pay is usually treated as just extra weeks of pay
- Only one administration fee can be charged to the employee where multiple weeks' deductions are paid

Take a bow

The roll-out of auto-enrolment over the last four years has been a resounding success – thanks in no small part to a high level of engagement from the payroll sector, says **Neil Esslemont** of The Pensions Regulator

This summer we published our annual commentary and analysis looking at how auto-enrolment (AE) continues to bring more people into workplace pensions, with pension saving again becoming the norm.

Launching the report, Charles Counsell, our executive director for AE, took time to single out the work of organisations that support employers for the part they have played in ensuring the high compliance rates we have seen to date.

Compliance rates among the first group of small and micro employers to undergo AE are above 95%, showing the effectiveness of TPR's communications to employers, including "nudge" letters and emails, raising awareness with trade associations and business networks, and a national advertising campaign in partnership with the DWP.

I know just how hard the payroll industry has worked to support employers, developing new software and smoothing auto-enrolment processes for their clients.

The compliance rates achieved have been consistently at the top of our expectations and the UK savings landscape has been transformed. But we know the job is not yet done and with hundreds of thousands of small and micro employers still to stage, there are significant challenges ahead.

An update to our employer forecast

We've updated our prediction of the number of employers due to stage between now and 2018.

Since our last forecast, in which we estimated that 1.8m employers would be subject to AE duties, we have obtained access to real-time information (RTI) from HMRC. We have also received feedback directly from employers that we have written to alerting them to their AE duties. We determined that a large number of businesses in the July and August (Q2) 2017 stages were in fact single person directors, who are not employers for the purposes of the auto-enrolment duties. None of the duties apply to them, although this may change if they take on other workers. We have therefore removed them from the latest forecast and now estimate between 1.32m and 1.46m employers will be subject to AE duties.

Importantly, there is little change in the number of employers forecast to have workers who will need to be put into a pension scheme, at around 900,000.

If you have clients who are unclear on their duties, do point them to the duties checker on our website. This will help them to understand what they need to do and when. It also provides a quick way for these employers to update the information we hold on them and let us know if they are not subject to auto-enrolment duties.

Sharing lessons learnt

The number of employers reaching their deadline to comply rose sharply at the start of 2016 and – in line with expectations – we saw a rise in the number of penalties across the same period. We have now issued over 11,000 compliance notices – up until the end of June 2016 – and over 3,000 fines.

Details of the powers we use to maximise compliance with employer duties are published every quarter in our compliance bulletin. Our latest report points out that some employers end up non-compliant for reasons such as not realising they're an employer (despite receiving a letter from us) or thinking they've completed the declaration of compliance when all they've done is register for the Government Gateway.

> *I know just how hard the payroll industry has worked to support employers, developing new software and smoothing processes*

It also includes details of two employers who were fined £400 when they did not comply with their duties after failing to understand how the law affected them:

- A garage owner failed to complete a declaration of compliance, as they thought a staff member had done it.
- A travel agent with no staff eligible for auto-enrolment failed to complete other duties such as completing their declaration of compliance, after wrongly assuming the law did not apply to them.

Look out for a letter from TPR

We recognise that all employers are different – but the law applies to all, equally. Employers can avoid the risk of a fine if they look out for a letter from us, take time to read the essential guide we send out to all employers with this letter and come to TPR's website for all the information and guidance they need. At the same time, anyone who has received letters from us about their duties who does not believe the law applies to them should visit our website and use it to update us.

We've come across a number of employers who just assumed that it was the job of someone else in their organisation, or their business adviser, to take care of auto-enrolment for them.

If you are helping clients with their ongoing auto-enrolment duties, make sure they (and you) are clear on who is doing their declaration of compliance.

If you would like to see examples of the letters we send out to employers, visit http://bit.ly/2blVm5a ◆

Neil Esslemont, head of industry liaison, The Pensions Regulator

Keypoints

- Compliance rates among the first group of small and micro employers to undergo auto-enrolment are above 95%
- The number of employers subject to AE duties between now and 2018 is estimated at between 1.32m and 1.46m
- The number of employers estimated to have workers who will need to be put into a pension scheme is around 900,000

PAYROLL WORLD AWARDS

3 November 2016 | Hilton London Bankside

Taking place on the same day as the PAYROLL WORLD AUTUMN UPDATE

Find out more on pages 26-27

Seven categories already taken!

- Auto-enrolme SOLD gement of the Year
- Benefits and Rewards Engagement of the Year
- Best Employer SOLD oll Award
- Best Leader A SOLD
- Best Payroll Support Team Award
- Cross-functional Partnership Award
- Implementation Project Award
- International Payment Delivery Award
- International SOLD ward
- Outstanding Customer Service Award
- Payroll Manag SOLD e Year - In-house
- Payroll Manager of the Year - Supplier
- Payroll Provider of the Year
- Payroll Software Product of the Year
- Payroll Team SOLD ar – Bureau / Service Provider
- Payroll Team SOLD ar – In-house
- Payroll Team of the Year – Public Sector
- Pension Technology Award
- Rising Star Award
- Specialist Payroll Provider of the Year
- Technology Award
- Workplace Pension Provider of the Year

Choose your preferred category while you still can

Want to see your logo here? Call Jo on 020 7940 4823

Secure your sponsorship

Call **020 7940 4801**

Email **events@payrollworld.com**

Visit **payrollworldawards.com**

Headline sponsor

sdworx Result driven HR

Category sponsors

Chase Moulande

HiFX

cintra THE FRIENDLY FACE OF HR & PAYROLL

learn

EQUINITI

the people's pension

FINANCIAL WELLBEING

Helping hand

In part two of his series on employee wellbeing, **Scott Beagrie** puts financial wellness under the spotlight and discovers that helping workers manage their own balance sheets can pay off all round

It's all very well offering employees the likes of gym membership, on-site massage and fresh fruit but if they have money worries and feel stressed about their financial situation, any health and wellbeing benefits are likely to be negated. Consequently, progressive employers are increasingly recognising the need to put in place financial wellbeing practices for their workers in addition to physical ones.

According to Emanuel Andjelic, co-founder and executive chairman at financial wellbeing company Squirrel.me, financial wellbeing is often referred to as the "last taboo" in the workplace but he reckons the barrier is gradually being broken down. "Enlightened HR strategies recognise that there is a clear link between physical, mental and financial health, so a wellbeing strategy must encompass all of these areas," he says.

Several surveys published this year also point to the importance of organisations addressing the financial health of their people. An employee engagement survey from Barclays UK Retail found that discretionary effort is five times lower from individuals with low financial wellbeing and five times lower from those who are dissatisfied with their employer's efforts to help them better manage their finances. The survey also indicated that financial distress among employees can cost organisations four per cent of their bottom line. It's hardly surprising then that the same survey found that three-fifths of employers aspire to have a strategy in place to help employees better plan and manage their financial situation.

Education

While there is no legal obligation to offer employees financial education, there is mounting evidence that employees want help and support from employers in this area. Financial education specialist Neyber undertook its own survey, *The DNA of Financial Wellbeing*, which revealed that more than half (55 per cent) of employees would value support and guidance to improve their financial wellbeing.

> ***To have a lasting impact, a financial wellbeing strategy needs to take a holistic approach***

Heidi Allan, head of insights and engagement at Neyber, suggests there is an element of caution from employees when it comes to any financial products being provided or controlled by their employer, in terms of maintaining confidentiality.

"However, it is clear that most employees are looking to their employer to facilitate options for them to help improve their own financial wellbeing including enabling them to access products, help and support, education and guidance around financial matters," she explains.

The lack of trust in financial services is another reason why employees are increasingly looking to their employers for support, reckons Jeremy Beament, director at financial education specialist Nudge Global. He cites the Edelman Trust Index, which shows financial services to be the "least trusted" industry globally as evidence of this.

Meanwhile, with government cuts leading to the scrapping of provision like the Money Advice Service, the employer is "the natural place for employees to look to for this support", he says.

Clearly, organisations wishing to be seen as employers of choice and which look after their people will increasingly need to put in place wellbeing strategies that also encompass some form of financial education and support.

Tailored offerings

Much like the approach taken to physical wellbeing, there is no one-size-fits-all approach, especially given the majority of workforces are likely to be spread across the employee lifecycle. Karim Peer, CEO of Balmoral Financial, which provides financial packages and benefits to UK companies, reckons organisations need to be flexible to the needs of a changing workforce and must ensure they offer a range of benefits that are tailored to an individual's financial requirements. "For example, a young worker might need financial advice about how to buy their first home. A new mother might appreciate vouchers for a particular store. A family man with dependents to support might need help to consolidate and pay off their existing debt," he says.

Beament agrees and adds that employers must also go beyond personalisation to a single data point, which most commonly is age. "The market is now looking to use multiple data points – for example, age, salary, dependent status, benefit take-up – to drive a fully personalised experience," he says. "The more personalised the experience, the higher the level of engagement and the more action employees take." He adds that clients are also demanding that programmes complement and drive increased value from existing benefit strategies. For example, if an employee is moving home, it is equally important to educate them on the government's Help to Buy initiative, as it is to communicate how they can flex life assurance at a cheaper rate than the mortgage company offers, or the value of using the company employee assistance programme," he explains.

Range of measures

There are a wide range of options for employers looking to help improve an employee's financial wellbeing. Pay rises, bonuses, pension contributions and benefits such as child care vouchers are among those that can most directly impact the bottom line but to have a lasting impact, a financial wellbeing strategy needs to take a more holistic approach.

Andjelic suggests tools that help individuals better manage their money and make it stretch further are often worth far more than even "above inflation rate" pay rises. Some financial education and budgeting tools work by plugging into an employee's pay to help them manage their spending money wisely before they are tempted to spend it. Andjelic also highlights discount portals such as Perkbox as having the potential to save employees hundreds of pounds a year on their spending. He advises employers to look carefully at the make-up of their workforce in order to determine the best mixture of measures. "Workforces with a high proportion of lower and middle incomes will require more focus on practical money-management tools and education, while those with mostly higher earners will focus on pensions, as well as financial and wealth management advice," he says.

Allan adds that employers should help employees take more control over

>>

FINANCIAL WELLBEING

>> their daily finances, especially given Neyber's research showed that two-thirds regularly borrow to meet just their basic needs. "Restructuring expensive debt, including credit cards, overdrafts and payday lender use, into affordable solutions are key. Education and support play a huge part in helping employees make the right choices to ensure they are in a position to be able to save any extra money and not fall into recurring bad debt pitfalls once they have taken those initial steps," she says, adding that another key aspect is putting in place protection policies that help employees "withstand life's unexpected shocks". "Ill-health, accidents or a sudden change in income can all have a significant impact on the wellbeing and mental health of employees and their partner," Allan explains.

Forward thinking

Employers should also encourage employees to think about the future. Even though auto-enrolment means more people than ever will have a workplace pension, they should consider whether this alone is enough in retirement. Research conducted by Squirrel.me shows that the majority of low-income workers do not save enough for their retirement due to an inability to make their existing income stretch across the year.

Boardroom buy-in is vital but there is enough data and research available to build a solid business case for a financial wellbeing strategy

Peer says it is wise for all employers to encourage their employees to save for a better financial future but, with the strain on finances being very high among workforces, it is better to look at reducing the high cost of debt that employees have as a first step on the journey to improving their financial position. "Once an employee has more stability and better visibility over their expenses then, and only then, should a more proactive approach be taken towards savings," he says.

Andjelic believes employers should ask themselves whether they should be doing more than the bare minimum when it comes to employees' pensions, but agrees that day-to-day money management and debt concerns must be addressed for these people before they can even begin to think about putting additional money aside for retirement. "The financial stress of coping with seasonal expenses such as Christmas and family holidays is far more likely to be of concern to these people than thinking about retirement," he says.

Communication

Having designed a financial wellbeing strategy, employers need to ensure it is properly articulated and communicated to the workforce so they understand what it means to them. They need to create an interest and awareness around products and services. Allan says employers must work hard to remove the "taboo" around discussing finances. She recommends encouraging employees to share stories, especially older workers who might then prevent younger generations making some of the mistakes they have made.

"Opening up the discussion and removing the taboo for financial wellbeing needs to be high on the agenda," she says. It also helps if employers can provide a hook or reason for introducing a financial wellbeing programme.

●● *It is wise to encourage employees to save for a better financial future but reducing the high cost of debt is a first step on the journey to improving their financial position* ●●

According to Beament this can help remove cynicism or the "so what" factor that can accompany the launch of a new strategy. "The hook could be any manner of things – in line with your flex year to help employees make better benefit choices, in line with your auto-enrolment staging anniversary date to help make sure your people understand what they are currently on track to achieve at retirement, in line with a company-wide initiative such as a corporate social responsibility drive," he says. "The point is, by contextualising 'why' you are doing this it will immediately make sense to your people and increase engagement and reduce cynicism."

Getting buy-in

Beament also suggests that the greater the seniority of the person launching the programme, the more successful it will be. He reports that many of Nudge's client chief executives have taken it on as a "pet project", often because it supports a wider initiative they are involved with, such as increasing the commercial awareness of the workforce.

Securing boardroom buy-in to a financial wellbeing strategy is vital but there is enough data and research available to help build a solid business case. In addition, Neyber's *The DNA of Financial Wellbeing* report reveals that more than half of employees quizzed said financial worries affect their behaviour and their ability to perform at work.

Peer says that in order to prove a return on investment to the board, levels of productivity and happiness in the office should be looked at before and one year after the customised benefits package has been introduced to improve financial wellbeing for employees.

"This can be achieved using metrics like participation rates, examining health data, or sending around an internal satisfaction survey," he says. "With this feedback, businesses can adjust their offering accordingly and plan for the future." ◆

Payroll knowledge

The University of Lincoln has two strands to its financial wellbeing strategy: operational and educational. Ian Hodson, reward and benefits manager, explains that payroll plays a key role in both aspects. It supports and promotes the operational side, which includes traditional pension schemes sitting alongside initiatives such as additional voluntary contributions, multiple salary sacrifice schemes and links to the credit union. It is also exploring Lifetime ISA (LISA) schemes in the workplace. The university's educational programme includes workshops, and material is targeted at specific age groups (early career, mid-career and senior workers). "Each touches on a similar agenda but with a slightly different focus and weighting," explains Hodson. "Again, we really draw on the knowledge of the payroll team and its awareness of legislation changes to inform this."

He describes communication as one of the biggest challenges around the educational programme. "One size does not fit all so we have a more considered communication strategy where we plan the timings, branding and theme carefully to hit the target audience with the right message," he says, adding that when it comes to financial education, there are also "engagement barriers" that have to be addressed. "Some people don't want to admit they don't understand everything about financial matters, some want to ignore their financial worries and some assume the topic is too dry. All of this needs to be addressed and we find that for all our initiatives, the use of champions and individual case studies work best to ensure buy-in from others."

PAYROLLWORLD AUTUMN UPDATE

Headline sponsor

sdworx
Result driven HR

3 November 2016 | Hilton London Bankside

32
speakers

22
sessions

12
years running

5.5
CPD points

Agenda at a glance

8.50	*Opening address*	
9.00	KEYNOTE ADDRESS **Angela Knight CBE**	
9.40	REGULATORY **HMRC & The Pensions Regulator**	
10.40	*Coffee break*	
	IN-HOUSE PAYROLL CONFERENCE	
11.10	PANEL **Weighing up the benefits of using one supplier**	
11.55	PANEL **Payroll team case study – Santander**	
12.40	*Lunch*	
	STREAM 1 **OPERATIONAL SUCCESS**	STREAM 2 **REGULATORY AND TECHNICAL UPDATE**
13.55	**Workplace pensions and re-enrolment efficiencies**	**Payrolling benefits**
14.30	**Implementing a global payroll solution**	**Shared parental and grandparental leave**
15.00	*Coffee break*	
15.30	**How the lines between payroll, pensions and HR are being blurred**	**Gender pay gap reporting**
16.05	**International payments**	**The new risk requirements of payroll**
16.35	*End of conference, followed by…* **PAYROLL WORLD AWARDS, sponsored by SD**	

BOOK TODAY

Call 020 7940 4801

Email events@payrollworld.com

Visit autumnupdate.payrollworld.com

SAVE £50
Book before 30 September

There's only two months to go!

View the full agenda online
autumnupdate.payrollworld.com

CLIENT PAYROLL CONFERENCE

PANEL **Big bureau CEOs**

PANEL **Workplace pensions**

CLIENT PAYROLL *continued*

Auto-enrolment efficiencies to increase capacity

Customer care in a payroll context

Business planning and the opportunity radar

Pricing, marketing and sales

Worx

ROUNDTABLES

Looking to get in front of key payroll decision makers?
Roundtables are an excellent way of gaining face time with prospects. Using our expertise and industry relationships to help identify the right topic, you can host a roundtable facilitated by PW at the Autumn Update. Potential topics include:

Re-enrolment

International payments

Apprenticeship Levy

Call Jo Smith, Commercial Director on 020 7940 4823 today

3 streams

2 hours networking

2 Conferences

1 day

Don't forget!

Taking place on the evening of the Autumn Update is the Payroll World Awards. For more information turn to **page 21**

Want to see your logo here?
Call Jo on 020 7940 4823

Headline sponsor

sdworx Result driven HR

Sponsored by

AVIVA · Chase Moulande · PAYSLIPSECURE · EQUINITI · i-Realise · learnpayroll · nest · the people's pension

BLAKE MORGAN

Off the record?

Pre-termination negotiations with employees can be protected by ERA section 111A or the "without prejudice" rule, but employers need to understand the principles, explains **Sarah Peacock**

Protected conversations, or "pre-termination negotiations" as they are called in section 111A of the Employment Rights Act 1996 (ERA), were introduced in 2013 to enable employers and employees to have a confidential discussion about terminating employment (usually with a severance payment under a Settlement Agreement) without fear of it being revealed in Employment Tribunal (ET) proceedings. They are often used where concerns about performance or conduct are likely to lead to disciplinary proceedings.

HR and payroll professionals may be more familiar with "without prejudice" discussions. This is where there is an existing dispute and parties' discussions (often about ending employment) are protected by privilege, so cannot be used as evidence in ET proceedings.

However, many employers assume that just by using the words "without prejudice", the discussions will be off the record. This is not always true. There must be a genuine attempt to settle an existing dispute (such as the threat of legal proceedings). An employee's grievance may not always amount to a dispute.

"Pre-termination negotiations" were introduced to make severance discussions easier where there is no existing dispute, provided the parties adhere to rules set out in the ERA and the ACAS Code of Practice on Settlement Agreements. However, s111A only prevents the discussions being referred to in an "ordinary" unfair dismissal claim. This means they will still be admissible in claims for discrimination, breach of contract or automatically unfair dismissal (for example, in connection with whistleblowing, family leave or a flexible working request). The discussions will not be protected where the ET considers there has been "improper behaviour", such as harassment, intimidation, bullying or undue pressure, as set out by ACAS).

Faithorn Farrell Timms LLP v Bailey

In this case, the Employment Appeal Tribunal (EAT) had to decide whether severance discussions were off the record under s111A, or protected by the "without prejudice" rule, or admissible in the ET.

Mrs Bailey was a secretary for FFT. Towards the end of 2014, an issue arose and Mrs Bailey alleged it was made clear to her that her part-time working was no longer possible. She initiated a discussion about ending her employment. In January 2015 Mrs Bailey's solicitors wrote two letters to FFT marked "Without Prejudice – subject to contract", setting out her position and offering settlement. In its replies, FFT did not mark the correspondence in this way.

Mrs Bailey raised a grievance, referring to those letters as "open correspondence" (i.e. not without prejudice). FFT then claimed they were without prejudice, but subsequently referred to the letters in a grievance report not stating "without prejudice". No settlement was reached. Mrs Bailey resigned and brought claims for constructive unfair dismissal and sex discrimination. Both parties referred to the content of the letters in their Claim and Response forms, making no reference to "without prejudice". At a preliminary hearing, the ET rejected FFT's claim that the correspondence was off the record either by s111A or by the "without prejudice" rule. FFT appealed to the EAT.

In its ruling the EAT made some important points:

- s111A on pre-termination negotiations protects both the content of the discussions and the fact that discussions are being held at all.
- s111A also protects discussions even when shared internally with others in the employer's organisation (such as managers, HR, payroll, or directors).
- Unlike "without prejudice" discussions, s111A does not allow the parties to waive the confidentiality of the discussions in any circumstances. It's important for payroll and HR staff to understand the difference because the "without prejudice" privilege can be waived, either expressly or impliedly from the way the parties behave.

The EAT concluded here that potentially both the fact of the discussions and their content could not be referred to in the unfair dismissal claim under s111A (the ET would have to consider further issues on this point), although s111A protection did not apply to the sex discrimination claim.

However, the discussions were not protected by "without prejudice". Initially they were, but FFT had on several occasions failed to say they were without prejudice and had itself referred openly to the contents of the letters, so it had impliedly waived the privilege.

Those responsible for letters discussing severance terms (and grievance reports) take heed: understanding the principles could prevent such discussions being used in evidence. ◆

Sarah Peacock, partner, Blake Morgan

Keypoints

Severance discussions, before any dispute, may be off the record under s111A of the ERA if employers follow the ACAS Code

If protected under s111A, neither party can waive confidentiality, but s111A doesn't automatically cover employee claims

"Without prejudice" discussions will only be protected where there is an existing dispute, but the parties can waive that protection

CHASE MOULANDE

Get personal

If you feel unchallenged at work, maybe it's time to invest in your own success. Recruitment expert **Richard Ashley** provides some advice on creating your very own personal development plan

At times we all feel stuck in a rut – marking time, not intellectually or mentally tested and simply lacking motivation. While this may be a sign to consider pastures new, remember the grass isn't always greener. It could be that you need to take a step back, evaluate your goals and ambitions and turn them into reality. So if you feel you are not making progress in your career, take control, develop a clear strategy to invest in your own success and make the necessary changes for a brighter future through personal development.

What is personal development?

Personal development involves self-improvement measures to enhance your career or gain new skills. It improves understanding, develops aptitude and potentially supports employability in your current role. It will also make you more appealing to future employers. It includes learning and development – in particular, embarking on a new course or workshop, in-house training, day release or home learning for a professional qualification, appropriately linked to your career.

From a professional development perspective, it is a huge motivator for employees to receive formal in-house training or study support for professional qualifications. Professional development is a benefit of employment and will pay dividends in day-to-day performance through increasing technical skills and expertise geared to the job.

While in-house training or study support might aid an employee's current position, not all employers provide such career-enhancing assistance and motivational perks. If they don't, look at the alternatives, such as external courses or online training.

These could cover broad business aptitudes including IT skills, productivity, communication, project management and leadership. Courses could include public speaking (which will enhance your presentations skills) or social media and business networking (for areas such as blogging or using Twitter and LinkedIn for public relations and marketing). Basic training could include improving your knowledge of, say, Excel.

In order to start your personal development, you need to create a personal development plan.

What is a PDP?

Personal development can take many forms. The first action is to determine your requirements and ambitions – in essence, where do you want to go? A personal development plan (PDP) is used to identify the areas in which you aspire to improve and the goals you want to achieve. It is important that you understand the time and resources needed and what you can commit to.

A PDP is a written statement containing a pledge and a comprehensive approach to accomplish your career ambitions. A formal plan will help you focus and provide a document to work from.

Even if your current employer doesn't offer formal in-house development or training, your superiors should be supportive in giving advice, discussing your PDP and helping you create it, guiding you to achieve your eventual aim.

What should a PDP include?

A PDP should be based around the following headings:

- What is my current situation?
- What do I need to improve?
- Where do I want to be?
- How can I get there?

In planning, you need to break it down into short-, medium- and long-term objectives. You should consider all factors, professional and personal, such as motivation, time, support, etc.

You may want to use SMART principles to shape your goals, assigning criteria to guide you in the setting of objectives. These can be defined as:

- Specific – identify all the things you want to improve.
- Measurable – how will you evaluate your progress?
- Achievable – is the goal realistic enough to be accomplished?
- Relevant – is the goal worthwhile and will it meet your needs?
- Timely – when do you want to achieve the objective?

What are the benefits?

The benefits of creating a PDP should be quantifiable. However, you need to put the effort in to realise the results. Using a PDP will enable and motivate you to enhance your current skillset or plan a career change. It will clearly demonstrate the path for you to achieve your aspirations.

The objective is to target your long-term career ambitions. But any personal development will ultimately make you a better employee. ◆

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

Keypoints

- A personal development plan will allow you to evaluate your career objectives and help turn them into reality
- Start your personal development plan by producing a written statement containing a pledge to accomplish your career ambitions
- Consider all factors. Any personal development will boost your career and ultimately make you a better employee

Best foot forward

Sharon Tayfield of Praxima is so happy in her job that she often does a little dance of joy with her team. Maybe she doesn't have two left feet, but that hasn't stopped her wearing odd shoes in the past

Payroll World: Tell us about the company you work for.
Sharon Tayfield: Praxima Africa Payroll Systems is an outsourced payroll service and software company. We celebrated our 21st anniversary during March 2016. I have been with the company since 2001.

PW: Tell us a little about your team.
ST: I manage the implementation and operations teams. Most of the members of my team have been with the company for more than ten years and so we have become a close-knit "family". My team is extremely hardworking.

PW: Tell us something not a lot of people would know about you.
ST: I was the youngest person to be appointed to the board of Anglo American Property Services in the late 1990s.

PW: What's the first job you ever did?
ST: I was originally a high school teacher. I taught mathematics.

PW: Tell us about the strangest thing that's ever happened to you at work.
ST: On a day when I needed to do a client presentation I arrived at work to find I was actually wearing two different coloured shoes. The office was in a remote location, and there was no possibility of getting a replacement pair of shoes before I had to do the presentation!

PW: What do you enjoy most about your job?
ST: I love the variety of "hats" that I wear on any given day – HR, accounting, tax legislation, project management, leadership, team building, marketing, business development, to name but a few. But the highlight is when we have successfully implemented payrolls across multiple countries for a new client.

PW: What do you find most challenging about your job?
ST: It has to be working in countries where systems are still totally paper-based. When any of these countries begin testing an electronic solution, we have a little celebration dance of joy!

PW: What's been your career highlight so far?
ST: Pinpointing just one is rather difficult. In the top five has to be the opportunities I have been given to work with, and learn from, inspirational and talented people. During my stint at Anglo American Property, for example, I was fortunate to serve on the board with Clem Sunter, a highly regarded scenario planner and strategist. Working with Michele Honomichl, co-founder of Celergo, was another highlight. Being asked to rejoin Praxima to assist them in the next stage of their journey, and then to get them shortlisted for awards this year, has also certainly earned a position in the top five.

PW: Who would you like to have on your payroll and why?
ST: Dutch violinist and conductor André Rieu – maybe then I would be fortunate enough to ask him to schedule his famous Maastricht concerts outside of payroll processing week!

PW: What can you see from your window at work?
ST: A playing field, which in good weather becomes a hive of activity in the afternoon when school finishes.

PW: Do you think payroll gets the respect it deserves?
ST: The USA and UK have managed to increase the profile of payroll professionals. However, in Africa there is still much work needed.

PW: Imagine you could change one thing about HMRC – what would it be?
ST: I'd definitely make sure there was a shorter call-waiting period before you get to speak to someone.

PW: Who or what makes you laugh?
ST: The youth in our local youth group, where I am a volunteer youth leader.

PW: What do you think payroll will be like in 50 years' time?
ST: I think global payroll will become far more important as employees become increasingly mobile. ◆

If you want to take part in 'If I paid the world', contact the editor, Payroll World, 020 7940 4814, or send an email to: editor@payrollworld.com

Take time out and test yourself!

Paybreak

QuickQuiz

1 **An employer may make a tax-free long service award of £50 per year of service. What is the minimum number of years for which this award can be made?**
a. 10
b. 20
c. 50

2 **In March, a salesperson earns £2,000 salary for the month, £1,000 commission for three months, and a £3,000 bonus for the year. What is the earnings period for National Insurance?**
a. One month
b. Three months
c. One year

3 **Which of these was abolished from 6 April 2016?**
a. Higher rate income tax
b. Statutory paternity pay
c. Upper accruals point for NI

4 **What is the official rate of interest for calculating the taxable benefit of an interest-free loan to an employee?**
a. 3%
b. 3.75%
c. 4%

5 **In the March 2016 budget the chancellor announced that an employer could lose entitlement to claim the Employment Allowance in which of the following circumstances?**
a. They use a tax avoidance scheme registered under DOTAS regulations
b. The employer has not paid the National Minimum Wage when it should
c. One or more employees do not have permission to work in the UK

How did you do?

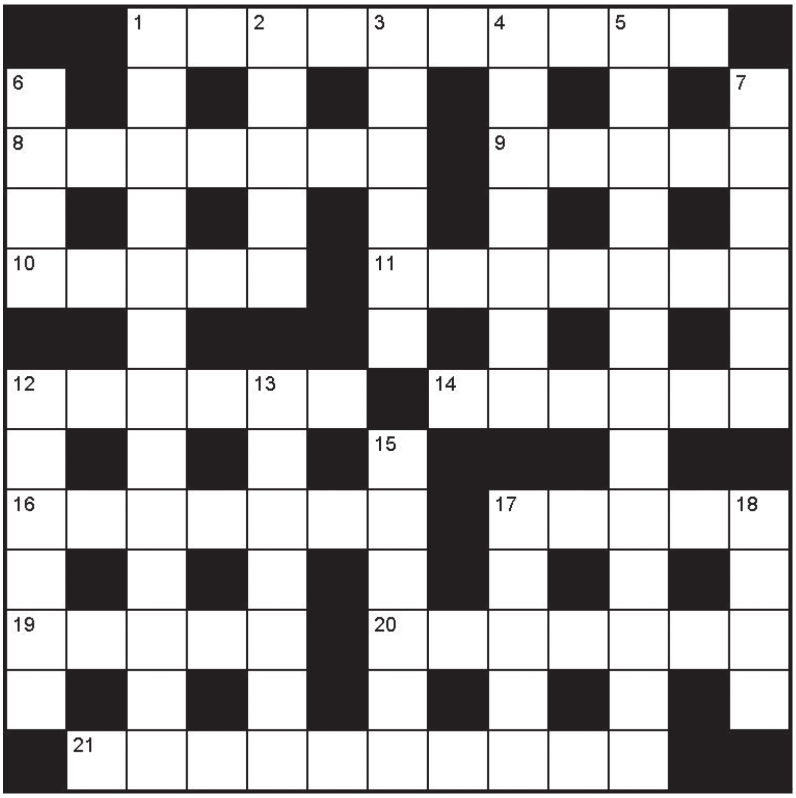
Score: 5. You have clearly benefited from reading *Payroll World* and so you must be sure to renew your subscription

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

Answers
1 (b) 20 is the minimum number of years
2 (a) One month
3 (c) Upper accruals point for National Insurance
4 (a) The official rate of interest is 3%
5 (c) One or more employees do not have permission to work in the UK

Crossword



ACROSS
1 That which can be done (10)
8 Pensioner (7)
9 Put off to another day (5)
10 Lesser; child (5)
11 Remove; take from file (7)
12 Something or someone that understands text or data (6)
14 Jail (6)
16 Considerate, avoiding offence (7)
17 Number of months in a quarter (5)
19 Bid, preliminary to a contract (5)
20 Designer, thinker (7)
21 14% of 50p (5,5)

DOWN
1 Payment for turning up (10,3)
2 Person who pays to borrow something (5)
3 Tax months to March (6)
4 Person who checks accounts (7)
5 Payment to provide a sum on death (4,9)
6 Public transport on rails (4)
7 Someone who lives in the UK (6)
12 Person's share of something (6)
13 Take action to make happen (7)
15 Mistake, silly error (4-2)
17 Public transport on rails (5)
18 Currency of many European countries (4)

Good luck! Last month's answers below.

Last month's crossword solution

ACROSS 1 standby fee. **8** skipper. **9** actor. **10** rally. **11** clear up. **12** reduce. **14** CD case. **16** protect. **17** CHAPS. **19** ink in. **20** rounded. **21** prepayment.
DOWN 1 skilled worker. **2** apply. **3** direct. **4** year-end. **5** external audit. **6** user. **7** triple. **12** repair. **13** clean up. **15** storey. **17** cause. **18** side.

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....32
Global Payroll/HR Solutions....32
Implementation Support....33
Integrated Payroll & HR Solutions....33
Outsourced/Fully Managed....34
P11D Expenses and Benefits....35
Payroll Market Intelligence....35
Recruitment....36
Software....36
Software As A Service....37
Training....37
Workforce Management....37

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: www.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: www.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: www.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: www.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: www.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: www.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: www.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: www.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: www.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: www.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: www.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: www.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: www.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.

PYRAMID

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

sage

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: www.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.

WEALDEN computing services

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: www.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.

cintra
THE FRIENDLY FACE OF HR & PAYROLL

FRONTIER SOFTWARE

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

Frontier software
Human Capital Management & Payroll Software/Services

OUTSOURCED / FULLY MANAGED

INTELLIGO

78 York Street, London W1H 1DP
Tel: 0800 0390116
Email: sales@intelligosoftware.co.uk
Website: www.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: www.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: www.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: www.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.

RECRUITMENT

CHASE MOULANDE

1st Floor, Axe & Bottle Court,
70 Newcomen Street, London SE1 1YT
Tel: 020 7940 4800
Email: richardashley@chasemoulande.com
Website: www.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: www.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: www.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: www.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: www.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: www.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 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.

STAR COMPUTERS LIMITED

Star Centre, Building 3 Hatters Lane,
Croxley Green Business Park,
Watford WD18 8YG Tel: 01923 246414
Email: sales@star-payroll.com
Website: www.star-payroll.com
Contact: Pippa Kennedy

As leaders in the payroll software market for over 40 years, Star offers peace of mind and innovation to businesses across the spectrum. Focused on developing payroll software, we have designed our modules to streamline payroll processing, automate AE and provide employee self-service payslips and P60s. Specialists in payroll bureau solutions, we also have unique capabilities to serve the commercial and education sectors, providing solutions for market-leading clients whatever the industry. And with easy integration to third party HR solutions, Payroll Professional offers the flexibility to choose the optimum combination of software for your Payroll and HR solutions to make your work stress-free.

The Professionals' Choice

SOFTWARE AS A SERVICE

FRONTIER SOFTWARE

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

Human Capital Management & Payroll Software/Services

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**.

PAYROLLWORLD TRAINING
In association with learnpayroll
training that works for you

WORKFORCE MANAGEMENT

FRONTIER SOFTWARE

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

Human Capital Management & Payroll Software/Services

Payback
Smiling in the face of payroll

Robert Leach
Chartered accountant, journalist and composer of classical organ music

Some tax terms

Payrollers are familiar with many tax terms, such as pay adjustment, attachment of earnings and waiting days. However, there are many other terms which may be less familiar. Here are some examples. None of them is made up, honest!

The kink test does not measure how 1960s your boots are, nor how well you can sing Sunny Afternoon, nor what you may have hidden in the back of your wardrobe. It is a means of adjusting a capital gain if the share price has gone down and then up again, looking like a kink on a graph, hence the name. It could be useful for employee share schemes except that it applies for kinks before 1982, when most of the schemes had not been introduced.

Advance corporation tax was not a tax on unwelcome amorous approaches (though Carry on Henry did talk about a sex enjoyment tax). It was a prepayment of corporation tax imposed between 1973 and 1999 when a company paid a dividend. Although abolished 17 years ago, a company may still have shadow advance corporation tax – which is not a tax on romantic liaisons between ghosts.

Abusive practice does not refer to the bullying of staff. It is a term created by the European Union in 2006 for fiddling one's VAT.

Aktivitätsvorbehalt is a German term for a provision in a tax treaty that relates to active income rather than passive income. Don't tell me you didn't know that.

Arrestable earnings are not pay packets that behaved in a disorderly fashion, but part of pay that may be subject to a Scottish arrestment, a form of attachment of earnings (Scotland always has to be different). There is as yet no penalty for a payslip to be drunk and disorderly, but give HMRC time and it will think of one.

Balancing charge does not mean a bull on roller skates, nor a weighing machine that someone has connected to the mains. It is the opposite to a capital allowance that can arise when a business disposes of capital assets.

Benefit cap is not a funny hat that you wear to raise funds for charity. It is a limit on the amount of certain social security benefits households can receive. Any claim above this is disallowed, so the claimant must seek charity such as from people wearing funny hats to raise funds.

Blanket election is not when the bedclothes vote on who will represent them – "I want the balance sheet 'cos he's level-headed." It is an election that can be made for tax purposes by commercial partners, and for keeping warm in winter by domestic partners.

BR is either a tax code for an employee without any personal allowance, or it is the citation of bankruptcy reports for people who've gone bust from not having any personal allowances.

Buffer is any financial arrangement to provide a measure of safety or protection. It can also be a name for the old boy who works it out.

Be honest with your CV

In the summer's Conservative leadership election, Andrea Leadsom withdrew suddenly for various reasons, but her sharp exit followed questions in the media about her CV.

Being honest is very important. As Inya Dreams told *Payback:* "I had to rely totally on the honesty of my colleagues when I captained the England football, rugby and cricket teams to victory. They needed to know I was not making up stuff about winning Olympic gold medals for swimming, cycling and kayaking.

"My reputation for honesty and trust meant that I had no problem leading a space mission to Mars or leading my medical team when we found a cure for cancer and ended all wars.

"So that is why I have made it my life's mission to promote honesty since I started teaching 200 years ago."

Classical organ music

For years this magazine has ignored classical organ music solely on the grounds that it has absolutely nothing to do with payroll. But now that has changed. Arundel Cathedral has recently had its organ refurbished, and its organist Alexander Eadon has released a CD of 15 tracks of organ music called Arundel Experience. And track 14 is a transcription of the processional I wrote for my wedding more than 40 years ago. At just 54 seconds long, it probably makes me the world's least prolific recorded composer. But it is clearly the greatest piece of organ music ever recorded. Well, it's one of the better pieces of organ music composed by a chartered accountant in Epsom this month.

And what else do I have to do to get a pay rise?


sage HR & Payroll
"The system can be adapted to suit your own business needs. This was a big plus when we decided to go with Sage."
TrustFord.co.uk (the new name for Ford Retail)