



## PAYROLL NEWSLETTER

## December 2016



**Julie Perrin**  
**Payroll Manager**

What a year it has been; we are out of Europe (for once not only on a football front), the ex-host of The Apprentice USA will be running their country from next month and we all want to know where Honey G will rank in the top ten tweeters for 2017??

### Childcare Vouchers/Tax Free Childcare

With the cost of childcare rising rapidly, the Government has recognised this and is introducing a new way to pay for somebody to look after your little ones. This is a new scheme that will be available from early 2017 and will gradually be introduced with parents of younger children being the first who are able to apply. Rather than continuing the existing set up where deductions for childcare vouchers



are treated as a salary sacrifice through the payroll, the new scheme is more like a savings account. This new approach will also be available to the self-employed, therefore increasing the number of people that can benefit. It works a bit like some pensions; whatever you contribute the Government will add 20% up to a maximum of £2,000, (£4,000 if your child is disabled). The scheme is available for children up to the age of 12 whose parents each earn around £115 per week but under £100,000 per annum. It does not have to be the parents that pay in, grandparents, other family members or even employers can contribute.



### Automatic Enrolment

The payroll department's favourite subject....

We are rapidly approaching the staging date for our 100th payroll client. By the end of 2017, the majority of our clients will have to have thought about setting up a workplace pension for their employees. There are apparently over 750,000 employers who will have to stage at some time in the New Year. The Pensions Regulator is issuing penalties, some very large, for non-compliance. We are still holding free presentations on the subject to help you get ready and prepared. All start at 10.30am and last between an hour and an hour

and a half. We currently have availability on the following dates:-

**January — Wednesday 11th, Friday 20th, Wednesday 25th.**

**February — Friday 3rd, Friday 11th and Friday 17th.**

If you know anybody that would find this useful please contact us for more details.

### National Living Wage



It was announced in the Autumn Statement that the National Living Wage will increase to £7.50 per hour from April 2017. This rate should be paid to all employees 25 and over. The National Minimum Wage rates remain unchanged until October 2017.

### Congratulations

For those of you that did not know, the Partners would like to announce that Sarah from the payroll team has passed her Foundation Degree in payroll. And here is the proof....

Well done Sarah, we are all incredibly proud.



*Continued .....*



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## HMRC

I feel I have to mention this, as many of our payroll clients have received demands for under payments from HMRC. Since the introduction of RTI, HMRC are very quick to chase late payments of Tax and National Insurance. In more than one case, the monies had already been paid and HMRC cannot explain why the letters have been sent out! If you do receive any demands from them, please contact the payroll team who will look into this for you. In some cases we have received overpayment notifications, but not as many as the underpayment notifications!



## Timescales

With the additional pressures that Automatic Enrolment brings, we must ask that we are given at least one working day to produce payroll figures. Unfortunately the days of an instant turnaround are as in the past as the manual tax tables! If this timescale will cause you problems, please contact the payroll team.

## Social Media

To keep up to date with the latest news from Edmund Carr, please follow us on

Twitter@Edmundcarr146, or take a look at our Facebook and LinkedIn pages.



## Christmas Arrangements

Our office closes promptly at 12pm on Friday 23rd December; we will reopen at 10am on Wednesday 28th December closing at 4pm. These hours also apply to Thursday 29th and Friday 30th. Sarah and Hayley will both be in on these days if you have queries or need to pay your staff. The majority of our payroll clients are paying their staff early in December, so please send your payroll information to us as soon as you can.



The Partners and Staff hope you all have a very happy and relaxing Christmas and a Prosperous 2017.



Sarah Lock



Hayley Prince



Chris Child



Amanda Dodd

## Disclaimer

This newsletter is intended to give general guidance only and no liability can be accepted for any action taken based on the information given.

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If you think this information might be useful to a friend or colleague, please pass it on.

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