



PAYROLL NEWSLETTER

JUNE 2017



Julie Perrin

Payroll Department
Manager

they stay in or opt out. This will be an on-going process for each employer. Just around the corner is the next challenge; the increase in minimum contribution levels. A majority of the clients that the payroll department have assisted with Automatic Enrolment have opted to pension total pay. This means that from 6 April 2018 minimum contribution levels for the employer will be 2%. If you have opted to pension something other than total pay, other increases will apply. The Pension Regulator will write to your nominated contact with details of the changes.

On a separate issue, The Pension Regulator has been carrying out spot checks to ensure that employers are meeting their AE obligations. The latest area of the country that TPR has concentrated on is Manchester and any employer found not to be following the correct procedures will face penalties. If you have any queries regarding Automatic Enrolment please contact the Payroll Department.



GDPR – General Data Protection Regulations

This comes into force on 25 May 2018 and will affect any business that sends, receives or processes



personal data of EU subjects. With more data held and transferred electronically, this legislation has been introduced to protect individuals and their personal information. This means companies will have to put necessary policies in place to ensure compliance. If you are unfortunate and are the victim of a cyber-attack, then you will have a duty to report this to The Information Commissioner's Office within 72 hours of it happening. As seems to be the norm these days, non-compliance with GDPR can result in significant penalties so no matter how small a business, you will have to consider how you hold your data. From a payroll point of view and with our other departments, we obviously handle a high volume of personal data and Edmund Carr will be reviewing its policies over the next few months to ensure compliance.

The GIG Economy

This is the new term given to firms that take on people for either freelance work or on a short term contract. It means that they can avoid the expenses suffered by employers,

Here we are again with the latest from the world of payroll. What a six months it has been—we have all actually had a sunny June and far more importantly, I have two cucumbers on my plants at the first attempt of growing them!



Now back to payroll matters - after the implementation of AE and RTI we have a new set of initials to deal with GDPR !!

Automatic Enrolment

We are now reaching the peak time for staging dates and also have our first re-enrolments to tackle. With the re-enrolment process you have to re-assess any staff who have opted-out of a pension scheme. If they are an eligible worker, you must put them back into the scheme and then it is the employee's choice whether



including pension contributions, holiday pay and employers NIC. There are three categories of individuals—workers, employees and self-employed. Workers are fairly straight forward; they are employed under a contract of employment and the times they work and duties undertaken are dictated by the employer and in return the employee is paid a salary. The cloudier skies appear when trying to distinguish between workers and sub-contractors. This has been brought to people’s attention with the recent case involving Uber. Two taxi drivers claimed that Uber had classed them as self-employed rather than workers. The drivers argued that Uber advised which journeys the drivers were given, how much they charged and also dealt with any complaints made by customers. The tribunal sided with the drivers with no single pointer directing them to class them as workers but rather a number of indicators that added up to this decision. This means that the drivers are now entitled to be paid the National Minimum Wage, receive holiday and sick pay, along with other protections that employees receive.

If you are using sub-contractors, on a regular basis, you could be at risk of having the same issues as Uber. If you feel that you would like to

take some advice on this please contact the partner that deals with your affairs.

Sad News

We are very sorry to announce that Sarah will be leaving Edmund Carr on 14 July. She is off to pastures new and all of the partners and staff wish her all the best. We are currently interviewing for a replacement and will introduce you to a new member of the team shortly.



I will be on holiday from 7 July and return to the office on Monday 24 July. The department will be covered in my absence by Hayley and Chris.

As mentioned previously, with the added pressures that AE brings, we will need at least one working day timeslot to turn around your payrolls.

Fees

Unfortunately, due to higher charges made by our suppliers, we have had to review our fee levels and there is a small increase in fees from April 2017.



Hayley Prince



Chris Child

Julie Perrin
Payroll Department Manager
June 2017

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

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.

Edmund Carr LLP
June 2017
www.EdmundCarr.com
Email: Advice@EdmundCarr.com

Registered Auditors and Chartered Tax Advisers
Edmund Carr LLP, 146 New London Road, Chelmsford, Essex, CM2 0AW, UK
+44 0 1245 261818 www.EdmundCarr.com



David C Drain Eric D Williams Stewart P Martin
Francis V Whitbread Ray Grace Debbie J Wakefield
Colin A Barker Thomas C York ACCA

Registered Office: 146 New London Road, Chelmsford, Essex, CM2 0AW
Registered in England & Wales - Partnership Number OC333955
Registered to carry on audit work in the UK and Ireland and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales

