



# PAYROLL NEWSLETTER



Here we go again, the Edmund Carr Payroll Newsletter with a wonderful insight into the world of payroll. Please don't stop reading, there are some interesting facts here, I promise!

## Increase in Automatic Enrolment Minimum Contribution Levels

From 6 April 2019 the minimum contribution levels payable by both the employer and employee for the workplace pension increase. The increase depends on the amount you (as the employer) chose to pension when you first set the scheme up. The increased rates are shown below.

Pensionable Pay Options	Total Earnings	85% of Total Earnings and Qualifying Earnings	Salary Only
Employee Gross Contribution	4%	5%	5%
Employer Contribution	3%	3%	4%

As with the increase which came in this April, the employer does not have to write to the employees to advise them of the increase but from a staff relations point of view, it is probably best to communicate what is going on. If Edmund Carr process your payroll we will put a note on payslips in February and March advising of the change.

## Automatic Enrolment Spot Checks

There was a first in the payroll department this month, we had a "spot check" with The Pensions Regulator to ensure compliance. It appears that The Pension Regulator has received RTI submission data from HMRC, and they have compared this against the Declaration of Compliance that was submitted. We had to provide proof that two employees had opted out since the Declaration had been completed. We also had to prove that the employer was paying the contributions over. I am pleased to say that the inspection passed off without difficulty.

## Re-enrolment

Having guided most of our payroll clients through the fog that is Automatic Enrolment, we are now beginning to have more clients reach their re-enrolment date. This means that approximately three years after the company's original staging date, you must reassess anybody that has opted out of the pension and if eligible opt them back in again. In the few cases we have had so far, the reaction from employees who have already opted out is "why do I have to do this again"! Once we explain the process to them, they just opt out again. Employers must also complete the Re-Declaration of Compliance. If you need any assistance with this, please contact us.

## National Minimum/Living Wage

Sorry to depress all of you employers with more bad news but .....

# December 2018

the National Minimum and Living Wage levels increases have been announced. Again, these come into effect from April 2019.

	April 2018 current	April 2019
25 & Over	£7.83	£8.21
21 to 24	£7.38	£7.70
18 to 20	£5.90	£6.15
Under 18	£4.20	£4.35
Apprentice	£3.70	£3.90

## HMRC

Over the past few months we have seen a significant increase in the number of under/over payments with HMRC. The problem we have with these is that it appears whilst we must report on or before pay day, HMRC do not have to give any sort of timescale as to when issues are resolved at their end. In some instances, these are not underpayments, it is just that an EPS has not been sent to report that Statutory Maternity Pay is being reclaimed or that the client has suffered CIS deductions that can be offset.

## Parental Bereavement Pay and Leave

A new proposal has been agreed for parents to have a right to statutory paid leave if they suffer the trauma of losing a child under the age of 18. This will also relate to those who suffer a stillbirth from 24 weeks of pregnancy. The Parental Bereavement Leave (and Pay)



Bill has now completed its Parliamentary passage and received Royal Assent on 13 September 2018 to become an Act. It proposes that parents will be given two weeks paid leave to grieve for their child in the event of its death. Therefore, the parents would be able to take two weeks, either consecutively or as two separate weeks within a timescale of 56 weeks from the death. This has yet to be finalised and there does not appear to be a date when this will be introduced, so no need to worry just yet.

### E-payslips



Many of you will have the experience of our Virtual Cabinet. This is now used to send e-payslips for employers who elect to use this option. If you would like to do your bit to save a rainforest, we just need email addresses for all/some of your employees and we can upload the monthly payslip and annual P60 to the portal. It is relatively easy to use, After setting up a user name and password, the employee will log in once they have received a notification from the payroll department by email to advise that there is a document available to view. If some employees prefer to receive a paper copy, this is still available.



Claire Cullum

### Staff Changes

As many of you will already be aware, we have a new member of the payroll team. May I introduce Claire Cullum who joined us in August. Unfortunately, she is a Tottenham season ticket holder, but as an avid West Ham fan I will not hold that against her!

### Fax Machine



Just to make all our payroll clients aware, our fax machine is not in the best of health, and the decision has been made that when it comes to the end of its life, it will not be replaced. For the few clients where we fax salary figures to the bank each month, we are looking at transferring these clients to BACS.

### Christmas Closure

Our offices will close promptly at 12pm on Friday 21 December so that the partners can treat the workforce to a Christmas lunch. The office will re-open at 10am on Monday 24<sup>th</sup> December and a skeleton staff will be available until 4pm. These hours will continue Thursday 27<sup>th</sup>, Friday 28<sup>th</sup> and Monday 31<sup>st</sup> December. Normal office hours will resume on Wednesday 2nd January.

*May we take this opportunity to wish you a very Happy Christmas and a Prosperous 2019.*



Hayley Prince



Kerry Powell



**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**

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[www.EdmundCarr.com](http://www.EdmundCarr.com)

Email: [Advice@EdmundCarr.com](mailto: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](http://www.EdmundCarr.com)



David C Drain  
Francis V Whitbread  
Colin A Barker

Eric D Williams  
Ray Grace  
Thomas C York ACCA

Stewart P Martin  
Debbie J Wakefield

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