
Overview

This unit is about controlling the accuracy and compliance of the payroll. It involves:

- 1 applying controls to the payroll function
- 2 producing management information
- 3 providing information and making payments to authorised agencies

Performance criteria

You must be able to:

- P1 correctly identify the treatment of all allowances and enhancements with respect to tax, national insurance and pensions deductions
- P2 update rates for permanent and temporary payments and deductions against agreed scales for each type of employee affected
- P3 reconcile the national insurance liability for directors against the national insurance actually paid
- P4 monitor compliance with attachments of earnings legislation
- P5 correctly code and reconcile total charges to organisational budgets against aggregate payroll totals
- P6 promptly reconcile the number of no pays and actual pays with the number of employees on the payroll
- P7 calculate and reconcile aggregate payroll totals, including aggregate statutory payments and non-statutory deductions, against authorised control totals
- P8 calculate and reconcile aggregate amounts payable to, or recoverable from, statutory and non-statutory bodies against control totals
- P9 reconcile payroll records with the organisation's financial reports
- P10 make payments to statutory and non-statutory bodies by the required deadline, accompanied by the applicable documentation and in accordance with organisational regulations and procedures
- P11 check that individuals raising queries are authorised to receive the information they are requesting
- P12 seek clarification or additional information from employees or managers where the nature of their queries is not clear
- P13 present accurate information extracted from the payroll system in an appropriate format
- P14 deal effectively with enquiries from statutory agencies and non-statutory bodies
- P15 obtain employee authorisation where required prior to the release of information
- P16 supply information within the specified timescale and in compliance with relevant legislation
- P17 file copies of responses in a logical and orderly manner in accordance with statutory and organisational requirements

Knowledge and understanding

The statutory framework

You need to know and understand:

- K1 legislation relating to payroll processing and data protection
- K2 the regulations of the relevant tax authority in respect of income tax and national insurance liability on pay, expenses and benefits
- K3 national insurance regulations concerning directors
- K4 income tax and national insurance regulations relating to termination, lump sum and “out of sync” payments
- K5 legislation controlling attachments of earnings and the rules applying to how they interact with each other
- K6 types of exceptional payment
- K7 types of attachments to earnings
- K8 types of termination payments

The organisation

You need to know and understand:

- K9 the organisation’s policies for recording and storing data
- K10 organisational, external agency and employee requirements for information
- K11 the organisation’s procedures for maintaining the security and confidentiality of information
- K12 sources of information for resolving discrepancies

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Links to other NOS

1. CAS Computerised Accounting Software [Link](#)
2. SS Spreadsheet Software [Link](#)
3. BS Bespoke or Specialist Software [Link](#)
4. PM Project Management Software [Link](#)
5. WP word processing software [Link](#)
6. ITS IT security for users [Link](#)
7. E1 Manage a budget [Link](#)
8. F1 Manage a project [Link](#)
9. E2 Manage Finance In your area of responsibility [Link](#)
10. D16 Manage Redundancies In Your Area Of Responsibility [Link](#)
11. MN3 Keep Financial Records For Your Business [Link](#)
12. MN4 Manage Cash Flow In Your Business [Link](#)
13. MN5 Get Customers To Pay On Time [Link](#)
14. MN8 Monitor Borrowing For Your Business [Link](#)
15. MN9 Carry Out The Banking For Your Business [Link](#)
16. MN10 Prepare Wages [Link](#)
17. MN11 VAT Registration And Returns [Link](#)
18. E11 Communicate Information And Knowledge [Link](#)
19. ICF IT Communication Fundamentals [Link](#)
20. ISF IT Software Fundamentals [Link](#)
21. B8 Ensure Compliance With Legal, Regulatory, Ethical And Social Requirements [Link](#)
22. E9 Manage The Environmental Impact Of Your Work [Link](#)
23. HSS7 Make Sure Your Own Actions Within The Workplace Aim To Protect The Environment [Link](#)
24. HSS1 Make Sure Your Own Actions Reduce Risks To Health And Safety [Link](#)
25. HSS2 Develop Procedures To Safely Control Work Operations [Link](#)
26. HSS6 Conduct A Health And Safety Assessment Of A Workplace [Link](#)
27. IUF IT User Fundamentals [Link](#)
28. EE5 Build Relationships to Build Your Business [Link](#)
29. F5 Resolve Customer Service Problems [Link](#)
30. F6 Monitor And Solve Customer Service Problems [Link](#)
31. F7 Support Customer Service Improvements [Link](#)
32. F14 Prepare For And Participate In Quality Audits [Link](#)
33. F15 Carry Out Quality Audits [Link](#)
34. LG2 Keep Up To Date With Current Legislation Affecting Your Business [Link](#)

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