

---

## Overview

This unit is about setting up and amending basic employee records within a payroll administration system. It involves:

- 1 setting up new employee records
- 2 implementing instructions from employees and external agencies
- 3 evaluating and processing permanent organisational variations to payroll

You need to be aware that:

The payroll function often overlaps with human resources hence the payroll system you are working with may have wider use within the organisation.

# FSP P1 - SQA Unit Code H5JR 04

## Create and maintain employee records

---

### Performance criteria

- You must be able to:*
- P1 create a new employee record and accurately enter all required statutory and non-statutory details, including allowances and deductions
  - P2 check that all payment and deduction instructions are accurate, complete and are correctly authorised and documented
  - P3 process instructions from statutory or non-statutory bodies in accordance with statutory and organisational requirements
  - P4 obtain authorisation from the employee concerned for all non-statutory deductions
  - P5 check all data and documentation relating to permanent variations for accuracy, reasonableness and proper authorisation
  - P6 accurately and promptly process permanent variations
  - P7 amend leavers' records to ensure that leavers will not be paid in future pay runs
  - P8 obtain properly authorised documents of every appointment and cessation of employment before making changes to payroll
  - P9 file source documents in a logical and orderly manner in accordance with statutory and organisational requirements
  - P10 accurately complete and despatch statutory documentation
  - P11 identify and document all discrepancies and either resolve them directly or refer to the appropriate organisation or person
  - P12 comply with all organisational and statutory timescales
  - P13 maintain the security and confidentiality of data, particularly employees' personal details or other sensitive information, at all times
  - P14 maintain and develop your own specialist knowledge relevant to your own working environment

# FSP P1 - SQA Unit Code H5JR 04

## Create and maintain employee records

---

### Knowledge and understanding

#### The statutory framework

*You need to know and understand:*

- K1 relevant income tax and national insurance legislation
- K2 employment rights legislation
- K3 data protection legislation
- K4 pensions legislation
- K5 legislation relating to the recording of attachments of earnings information
- K6 what information is required by statute to be kept in a payroll system
- K7 types of non-statutory voluntary or contractual data that may be kept in a payroll system
- K8 recognised ways in which payment and deduction instructions may be documented
- K9 relevant statutory bodies
- K10 types of non-statutory body
- K11 types of permanent change to payroll
- K12 sources of authorisation
- K13 source documents, and where to find out about and verify an individual's employment status

#### The organisation

*You need to know and understand:*

- K14 procedures for keeping data confidential and secure
- K15 how to record and store data
- K16 types of information received from external agencies
- K17 how to deal with instructions from external agencies
- K18 the organisation's signatories and authorisations procedures

# FSP P1 - SQA Unit Code H5JR 04

## Create and maintain employee records

---

### 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](#)

# FSP P1 - SQA Unit Code H5JR 04

## Create and maintain employee records

---

**Developed by** Financial Skills Partnership

---

**Version number** 1

---

**Date approved** May 2012

---

**Indicative review date** May 2015

---

**Validity** Current

---

**Status** Original

---

**Originating organisation** Financial Skills Partnership

---

**Original URN** P1

---

**Relevant occupations** 3537 Financial and accounting technicians; 4121 Credit controllers; 4122 Accounts and wages clerks, book-keepers, other financial clerks

---

**Suite** Accountancy

---

**Key words** Accountancy and Finance