



STRANMILLIS UNIVERSITY COLLEGE

A College of Queen's University Belfast

Payroll Procedure

Version No:	Reason for Update	Date of Update	Updated By
1	Procedure Introduced	February 2010	Finance Office
2	Procedure updated reflecting processing changes and introduction of Employee Self-Serve (ESS)	March 2015	Finance/HR Offices
3	Procedure updated to reflect general process changes and the implementation of new HR related forms.	January 2017	Finance/HR Offices
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1. Introduction and Scope

The Finance Department has overall responsibility for the payment of salaries and wages to all employees of the College.

The College is keen to ensure that under and over payment of wages or salaries to staff is avoided as:

- Under payments can cause significant hardship to staff.
- Over payments, especially if not identified quickly, can cause inconvenience to staff and it may be difficult to recover the over payment once a staff member has left College employment.

The aim of these procedures is to inform staff of the processes by which the College will ensure the prompt and correct payment of wages and salaries, setting out the responsibilities of Line Managers, Human Resources (HR), Finance and individual staff members.

Non-staff payments to individuals who are deemed not to be employees, such as individuals with a Contract for Services (e.g. LLL Tutors/DMU facilitators and visiting tutors) are processed via the Purchase Ledger, are not covered within this procedure.

2. Responsibilities

2.1 Line Manager Responsibilities

A list of Designated Line Managers, which outlines the relevant responsibilities for processing payroll issues, is maintained by HR.

All Designated Line Managers (hereafter called Line Managers) have a responsibility to ensure that appropriate and timely payments are made to their staff for work they have delivered.

Line Managers must therefore ensure that the Human Resources Department, is promptly advised of changes that affect the payment of salaries and wages to their staff. A payroll checklist must be completed via the Manager Self Service (MSS) system, for both monthly and weekly payroll.

This checklist must be completed by all Line Managers in accordance with the dates set out in the published annual Payroll Timetable and must include all the relevant information as detailed below.

A copy of the current annual Payroll Timetable, listing the key weekly and monthly payroll dates can be found on the College intranet within the Finance section under Payroll and Key Payroll dates.

- a. Changes affecting staff payroll payments which must therefore be advised to the *Human Resources Department* include:
 - Going on or returning from sick leave.
 - Going on or returning from maternity leave / paternity leave.
 - Going on or returning from career breaks
 - Unpaid leave.

- Staff leaving College employment
 - Confirmation of start date for new employees
 - Implementation of authorised contractual changes e.g. change in hours.
 - Changes to Department(s) / Cost Centre(s) to be charged.
- b. Information which should be supplied directly to the *Payroll Officer* in the Finance Department includes:
- Appropriately approved staff time sheeted hours
 - Appropriately approved staff additional / overtime hours

2.2 Staff Members Responsibilities

In order that the College can process appropriate and timely payments to staff, it is important that all staff provide relevant personal information to the relevant department, in a timely manner including:

- changes to personal details including name, address,
- changes in bank account details (regardless of what the bank might advise),
- voluntary deductions including trade union membership, childcare vouchers, cycle to work etc. and
- changes relating to pension membership

Staff members are responsible for advising the relevant pension scheme provider of changes in their personal information. Staff intending to retire within 6 months should advise HR and Payroll as soon as possible.

Staff members should also seek advice and obtain forms, if appropriate, from the relevant pension scheme provider.

N.B. Stranmillis University College staff cannot give advice to employees regarding their pension options

2.3 Human Resources Responsibilities

As noted throughout this procedure, the HR Department is responsible for processing all personal and contractual information and changes to the HR system and for the timely submission of information to payroll for payroll processing via a monthly or weekly payroll pack.

N.B. As much of the information passed on to payroll by HR is provided by Line Managers and/or individual staff members it is extremely important that relevant, complete and accurate information is provided to HR in a timely manner.

2.4 Finance Responsibilities

The payroll function within the Finance Department is responsible for the processing of all personal, contractual and time sheeted information and changes in order that timely payments can be made to staff, and that relevant payroll deductions are passed on, as required, to the relevant external organisations including HMRC, pension providers, trade unions.

3. Pay Periods

3.1 Salaries

Salaries are normally paid on the third last banking day before the month end and will be paid directly into the employees' bank account. All information pertaining to the salary of an employee, except timesheets/overtime information, must be presented to the HR Department in line with the published Payroll Timetable. Appropriately approved timesheets/overtime information, must be presented to the Payroll Officer, again, in line with the published Payroll Timetable.

3.2 Wages

Wages are normally paid every Thursday and will be paid directly into the employee's bank account. All information pertaining to the wages of an employee, except timesheets/overtime information, must be presented to the HR Department by 12 noon on the Monday of the relevant week. Appropriately approved timesheets/overtime payments, must be presented to the Payroll Officer by 10.00 a.m. on the Monday of the relevant week.

The Payroll Officer will liaise with departments to advise of changes in deadlines for the receipt of timesheets/overtime payments when appropriate e.g. to manage bank holidays etc.

4. Communication with Human Resources Department

The following information will be provided to Payroll by the HR Department, based on the information provided to them by Line Managers and /or individual staff members:

- New start forms
- Sickness related information
- Leaver details
- Amendments to Personal details
- Child Related / Carers Responsibilities leave
- Changes to contractual details e.g. hours / grade / job title
- Details of Career Breaks or unpaid leave
- Changes to Department(s) / Cost Centre(s) to be charged.
- Changes to Establishment

The information will be communicated by way of a payroll pack, in line with the published Payroll Timetable. The payroll pack will be reviewed by the HR Manager before being forwarded to Finance.

The Finance Manager/Head of Finance and Assistant Accountant will review the payroll pack provided by the HR Department for payroll processing prior to being processed by the Payroll Officer.

5. New Starts

When the need for a new role/employee is identified, whether temporary or permanent, a Recruitment Requisition / Hourly Paid Lecturer Requisition (and Establishment Change Form if applicable) must be completed by the relevant Line Manager, countersigned by the Head of Finance to confirm that funding is available for the post, before the final approval

normally by the Principal. A member of Senior Management may approve the Requisition when deputising for the Principal for periods of 5 working days or more.

A Recruitment Requisition or Hourly Paid Lecturer Requisition must be completed, authorised by the relevant signatories and sent to Human Resources when there is a need to fill a vacant post or provide cover for an existing post.

An Establishment Change Form will be required, in addition to a Recruitment Requisition / Hourly Paid Lecturer Requisition, where a new post is created (either fixed term or temporary) or there is an increase or decrease to the hours, grade or contractual weeks or a changes in costs centre allocation. The Establishment Change Form will require managers to provide an explanation /justification for the requested change. All Establishment Change Forms must be approved by the Principal

The HR Department will issue each new start with relevant documentation which must be completed and returned to the HR Department no later than the date specified by HR. This is so that there will be no delay in the new start receiving their first payment from the College.

Once the new start has returned the forms, the HR Department will complete the HR section of the form and send a copy, along with the related Staff Declaration Form (or P45 if available) to the Payroll Officer, within the monthly HR payroll pack, to enable input onto the payroll system. No further new starts will be paid via the weekly payroll.

New staff will be paid via the payroll system only on receipt of the appropriate documentation from the HR Department.

Pension information will also be provided to all new staff by Human Resources as part of the recruitment process. The Payroll Officer will follow the relevant legislative requirements / guidelines relating to pension scheme membership/deductions as set by the appropriate Pension Provider either NILGOSC or the Department of Educations (DE) - Northern Ireland Teachers Pension Scheme (NITPS).

All staff, provided they satisfy the legislative criteria, will be contractually enrolled and/or automatically enrolled to the relevant pension scheme. The Payroll Officer will advise the employee in writing when they have been enrolled.

These forms are subject to regular review and amendment in conjunction with Finance. The latest versions should always be obtained from the HR section of the College website

6. Leavers

When an employee has left or is due to leave College employment within a payroll period, a Leaver Checklist must be completed by the individual and their Line Manager.

It is important to have accurately recorded the employee's reason for leaving employment on this form:

6.1 Retirement: To ensure there is no delay for the employee accessing their pension, it is a requirement of the Pension Providers that all intentions to retire are notified in writing in advance of the expected retirement date as follows:

- NILGOSC – the employee should contact NILGOSC directly for advice and also contact the College Payroll Officer who is then required to complete and submit the appropriate form to NILGOSC at least 3 months in advance of their expected retirement date. NILGOSC will then communicate directly with the employee.

- NITPS – the employee should contact the pension provider at least 4 months in advance of their expected retirement date to obtain the appropriate form for completion. The College Payroll Officer will be required to complete a section of this form.

N.B Stranmillis staff cannot give pension advice to College employees.

As the Payroll Officer will not be advised by HR about an employee retirement until their final payroll, it is extremely important that a retiring employee liaises with the Payroll Officer within the timeframes indicated above to avoid any delay in their access to their pension.

Line Managers are encouraged to refer any retiring staff to make contact with the Payroll Officer.

6.2 Other: Any other reasons for a staff member leaving must be clearly specified on the Leaver Checklist and should be for one of the following reasons (this information is required to be provided to statutory bodies including HMRC)

- Resignation
- End of Fixed Term Contract
- Termination due to Ill Health Retirement
- Dismissal
- Death in Service

Once completed the Leaver Checklist must be sent, by the relevant Line Manger, to the HR Department to facilitate removal of the employee from the HR system. It is extremely important that the correct reason is ascertained and recorded by the Line Manager as provision of the wrong information can seriously affect both the employee and the College.

The HR Department will forward a copy of the Leaver Checklist to the Payroll Officer in the relevant payroll pack to facilitate the employees final payment to be made.

The Payroll Officer will then process the employee as a leaver on the payroll system and produce a P45 which will be forwarded to the employee along with their final payslip.

The Payroll Officer will also notify the appropriate pension provider, when appropriate, of the persons leaving date.

Line Managers must ensure that Leaver Forms are prepared for staff who are not routinely paid each month e.g. part time lecturers or peer tutors when their contract of employment expires. If for any reason the contract needs to be extended, the Line Manager must contact HR to progress the appropriate paperwork.

NB If a Leaver Checklist is not completed by the Line Manager within the relevant pay period this may result in an over payment to the leaver which may be difficult to recoup.

7. Payment of Additional / Variable Hours

Timesheet documentation must be submitted to the relevant Line Manager for approval prior to being submitted to the Payroll Officer.

The approved documentation must be submitted to the Payroll Officer by 10.00 a.m. of the relevant Monday morning for those staff who are paid weekly and in line with the published Payroll Timetable for monthly paid staff.

Overtime sheets should also be submitted by the published dates for the following:

- Hours worked at overtime rate (i.e. time plus a half or double time);
- Hours worked over and above 36.5 per week or on a weekend if not part of the staff members contracted hours;
- Additional hours worked at normal rate;
- Hours worked which are additional to the normal contractual hours but are within the normal working weekly hours of 36.5 hours.

If a Line Manager is in doubt about which rate applies please contact either HR or the Payroll Officer in advance of the hours being worked so that the employee is aware of the relevant rate that applies to the additional hours.

8. Voluntary Deductions

Amendments to salaries for deductions, other than those for PAYE and National Insurance Contributions, must be notified to the Payroll Officer in writing by the employee and / or the organisation to which payment is to be made, e.g. AVC pension contributions, trade union dues, childcare voucher payments and cycle scheme deductions or other salary sacrifice schemes.

Details of the College's childcare voucher scheme may be obtained from the Payroll Officer and the cycle scheme details may be obtained from the Finance Manager. AVC information should be obtained from the relevant Pension Provider and Trade Union information from the College Union Representative / Trade Union.

9. Changes to Staff Personal Details

All changes to employee personal details, with the exception of changes to bank account details, must be notified directly to the HR Department by the employee. This can either be advised via the Employee Self Service (ESS) or by way of a Personal Details Form (for those employees who do not have an ESS account).

The HR Department will communicate these changes to the Payroll Officer either by a report extracted from the ESS system or by including the completed Staff Change Form in the relevant monthly or weekly HR Payroll Pack.

Changes to a staff members' bank account should be notified, in writing, directly to the Payroll Officer by the employee prior to the relevant payroll period so that no delay in payment arises. Bank account details provided will also be used to process travel expenses under the relevant procedures.

Any error in the bank account details provided will create delays in the staff member obtaining their wages or salary or other expenses.

10. Notification and Recording of Sickness

Sickness must be reported by the employee to their Line Manager on the first day of absence in accordance with the Management of Absence Policy.

The Manager Self Service (MSS) system on the College's internal web page should be immediately updated to reflect the absence by either the Line Manager or their designated administrator.

The Line Manager must ensure that the employee provides any required certification i.e. a Self-Certification Form and/or a Doctors Fit Note.

Notification of sickness will be communicated to the Payroll Officer by the HR Department via a report produced from the HR Management Information System (PAMS) which will be included in the relevant HR payroll pack. This report will allow the appropriate payment of occupational and/or statutory sick pay to be made.

The Payroll Officer will provide HR with the details of any staff who have been identified as absent on timesheets records that have been provided directly to the Payroll Officer or those whose timesheet indicates that they have returned following sickness and this has not been recorded on MSS by the Line Manager.

The HR Department will then follow up the anomaly with the relevant Line Manager and request that the correct information is completed on MSS system.

Failure to provide the required medical certification in a timely manner may result in the withholding of occupational sick pay. Should this situation arise, the employee will be advised in writing by HR, in advance to any payment being withheld. HR will also advise payroll in cases where occupational sick pay is to be withheld.

11. Statutory and Occupational Maternity / Paternity Pay / Shared Parental Leave/Adoption Leave

11.1 Maternity Pay: The employee must notify the HR Department of their pregnancy and advise in writing of their maternity leave plans at least 15 weeks before the due date. The HR department will write to the employee informing them of their payment entitlements and notification requirements. A MatB1 Form must be submitted to the HR Department no later than 21 days after the start of their maternity pay (this deadline may be extended in exceptional circumstances).

Where an employee is entitled to Statutory Maternity Pay (SMP) and / or Occupational Maternity Pay (OMP) the HR Department will provide the following to Payroll in the HR pack in the relevant pay period:

- A valid MatB1 certificate (if received)
- A copy of the letter sent by HR to the employee outlining their entitlements
- A Child Related Leave Form confirming the maternity leave start date

The Line Manager must inform Payroll, by way of a timesheet in the relevant pay period, of any Keeping in Touch days that are used by the employee during the maternity leave period. The Payroll Officer will make the resulting payroll adjustment.

11.2 Paternity Pay: Periods of Paternity Pay and entitlements will be notified by HR to Payroll, via a Child Related Leave Form within the relevant pay period.

11.3 Shared Parental Leave: Periods of Shared Parental Pay and entitlements will be notified by HR to Payroll, via a Child Related Leave Form within the relevant pay period.

The Colleges child related policies are subject to regular updating in line with changes in statutory requirements and entitlements. The latest policies can be accessed on the HR section of the College website.

12. Pay Increments and Cost of Living Changes

12.1 Increments - an annual increment is normally payable to all permanent and fixed term staff on the College's pay structure, who have not yet reached the top point of their pay grade, with effect from 1 August each year. (Note that an increment may be withheld as a disciplinary sanction).

Any employee who has not had 6 months' service with the University College as at 1st August will receive their first increment, if applicable, after six months of their commencement and on 1st August thereafter until they reach the top point of their pay grade. HR will advise payroll of the date of first increment on the Contracts Details Form.

12.2 Cost of Living – an annual cost of living increase is normally applied each year to all wages and salaries, again this is effective from 1st August. This cost of living increase is agreed nationally.

Should either of these increases be processed late, e.g. the cost of living increase is regularly not agreed in time for the August salaries, an arrears payment dating back to 1 August will be calculated and processed by the Payroll Officer in the next payroll period after the increase is agreed allowing enough time for arrears to be calculated.

13. Pension Re-banding

Each March, payroll will undertake a pension re-banding exercise for all staff who are active members of a pension scheme. This is a requirement of the College pension providers and involves the checking and amendment, if necessary, of the employee pension contribution percentage for the forthcoming year, taking account of the employee's salary and the appropriate scheme contribution band thresholds.

The College has developed a Pension Re-banding Policy, which specifies how and when contribution bands will be allocated by the College.

All staff will be advised of their pension contribution percentage for the forthcoming year in writing following these re-banding exercises.

An employee's pension contribution percentage will also need to be re-assessed if there are relevant significant changes in the employee earnings during the course of the year. The employee will be notified in writing of any such change in employee contributions that are required.

14. Payment of Salaries/Wages

The Payroll Officer will process the weekly and monthly payrolls in line with detailed procedures set down and held within the Finance Department and ensure that the agreed payroll dates are met.

Payroll payments will be processed via BACS and payment will be received into each employee's nominated bank account on the agreed payroll dates.

The Payroll Officer will produce payslips after completing each payroll. These payslips will be sent to the designated person within each department who will arrange distribution to each staff member.

Individuals absent on long-term sickness, maternity leave or who have left the employment of the College will receive their payslip (and P45 if a leaver/P60 etc.) by post.

After the end of each tax year all staff members will receive a P60 showing the total payroll payments they received in the tax year just ended. This will be the same information which Payroll are required to supply after processing each payroll on an ongoing basis throughout the year to HMRC.

P60s will normally be attached to the employee's payslips in May each year.

15. Reconciliation of Payroll and HR Records

A reconciliation between staff numbers on the HR and payroll systems is undertaken during the processing of each payroll as well as a reconciliation to the prior payroll.

In addition, a reconciliation will be performed on a quarterly basis by the Payroll and HR Officers to ensure that the active employee's on the Payroll system agrees to those who are shown as active on the HR system.

This quarterly reconciliation should highlight those staff e.g. whose contracts have expired or who have not received payment in the quarter and which may require action e.g. contract extension, leaver form.

Any discrepancies identified will be investigated by the Payroll and HR Officers. The reconciliation and any suggested actions required will be reviewed and approved by both the HR Manager and Finance Manager.

If necessary, the appropriate, approved amendments will be processed in the next payroll cycle.

16. Business Continuity Planning & Payroll Disaster Recovery

The College has developed a Business Continuity Plan, which includes a Payroll Disaster Recovery Plan. In the event of any unexpected disruptions to the processing of the payroll this Payroll Disaster Recovery Plan will be followed.

17. Contact Information

Enquiries relating to this procedure should be forwarded to either:

- payroll@stran.ac.uk - for payment / deductions / timesheet queries
- HR@stran.ac.uk - for staff employment / personal details queries

Dr Anne Heaslett

Principal

Date January 2017

Review Date: January 2020

For distribution to: All Staff

List of Related HR Forms

The latest version of the following HR forms, referred to throughout this procedure, can be obtained from the HR section of the College intranet.

- Recruitment Requisition
- Hourly Paid Lecturer Requisition
- Establishment Change Form **(form being developed)**
- Staff Declaration Form
- Leavers Checklist
- Staff Personal Details Form
- Child Related Leave Form **(form being developed)**