



PAYROLL ADMINISTRATOR

Key information

Reference: ST0073

Version: 1.1

Level: 3

Typical duration to gateway: 18 months

Typical EPA period: 4 months

Maximum funding: £10000

Route: Legal, finance and accounting

Date updated: 31/03/2023

Approved for delivery: 13 June 2018

Lars code: 286

EQA provider: Ofqual

Example progression routes:

Payroll assistant manager,

HR support,

Workplace pensions (administrator or consultant),

Professional accounting or taxation technician,

HR consultant partner

Details of the occupational standard

Occupation summary

This occupation is found in organisations delivering in-house payroll or in a payroll bureau, bookkeeping or accounting practice providing payroll as a service. The payroll administrator may sit within another business function, for example HR or Finance or may be a stand-alone role. The role may exist in the private, public or voluntary sector for businesses of varying sizes. The role delivers a customer service to employers, clients and those they employ, so both business and customer awareness are essential.

The broad purpose of the occupation is to process the payroll for an organisation. The payroll administrator may carry out payroll tasks for their employer or on behalf of another organisation. Payroll tasks must be carried out in compliance with statutory regulations, contractual obligations and internal controls. Payroll processing tasks will be carried out using software, but a payroll administrator must also be able to perform these calculations manually. Payroll is not a regulated profession and there is no need for any professional body membership to undertake the role.

In their daily work, a payroll administrator carries out processing and changes that will result in the calculation of net pay. This also includes changes as a result of life events. The role requires interaction with internal and external stakeholders. These may include HR and Finance teams, clients and Government departments such as HMRC and The Pensions Regulator. A payroll administrator may work within a team, often reporting to a team leader or a manager. They may have sole admin responsibilities, for example when working in a bookkeeping practice. The work is often highly pressured to deliver accurate outputs to tight timescales such as weekly or monthly payroll outputs. To deliver a high-quality service under pressure, collaboration with colleagues and an ability to prioritise and be flexible is vital.

A payroll administrator will handle payroll queries and complaints from employees and other stakeholders. They may also be responsible for the accurate and timely completion of routine and non-routine payroll-related calculations and other information. Payroll is a constantly changing landscape so payroll administrators must keep up to date with key changes affecting payroll. This can include changes to legislation, guidance, or payroll software

Typical job titles include:

Assistant bookkeeper

Bookkeeper

Human resources and payroll administrator

Human resources and payroll officer

Payroll administrator

Payroll advisor

Payroll and reward administrator

Payroll assistant

Payroll associate

Payroll bureau administrator

Payroll bureau officer

Payroll co-ordinator

Payroll officer

Occupation duties

DUTY	KSBS
<p>Duty 1 undertake awareness activities to identify the business model and the sector in which it is operating. Examples may include private sector, public sector, in-house, payroll bureau, bookkeeping, agent etc, including the internal and external stakeholders so that the payroll service being delivered is suitable and appropriate for stakeholders' needs in line with any Service Level Agreement that may exist</p>	<p>K1 K2 K3 K4 S10 B1 B2 B6</p>
<p>Duty 2 gather payroll-related information such as worker and payment details to ensure statutory and contractual payments can be made on time and accurately</p>	<p>K9 K20 K23 K24 K25 K26 K27 K28 S1 S5 S8 S12 B2 B3 B4</p>
<p>Duty 3 create payroll records from the information gathered prior to payroll processing, updating and validating as appropriate using workplace systems and processes</p>	<p>K7 K9 K20 K23 K24 K25 K26 K27 K28 S1 S5 S8 S12 B2 B3 B4</p>
<p>Duty 4 process payroll data to ensure that workers are paid on time and accurately using payroll software and associated finance, HR and IT systems, as appropriate in the workplace. Whilst a working knowledge of systems and processes is essential, this must be underpinned by the ability to perform manual calculations</p>	<p>K7 K9 K20 K23 K24 K25 K26 K27 K28 S1 S3 S5 S8 S12 B2 B3 B4</p>
<p>Duty 5 comply with payroll-related statutory and contractual obligations. Examples may include the statutory regulation and guidance surrounding Income Tax, National Insurance Contributions and workplace pensions, the employment law obligation to pay workers on time and the submission of payroll data to HMRC via Real Time Information (RTI)</p>	<p>K4 K5 K6 K7 K8 K9 K10 K11 K12 K13 K14 K15 K16 K17 K18 K19 K20 K21 K22 K23 K24 K25 K26 K27 K28 K29 K30 K31 K32 K33 K35 K36 S1 S2 S4 S5 S6 S7 S8 S11 S12 S13 B2 B3 B4 B5 B6</p>
<p>Duty 6 adhere to organisational internal reporting deadlines and obligations using agreed systems and processes. Examples may include the use of computerised payroll software, spreadsheet packages such as MS Excel and payroll procedure manuals</p>	<p>K4 K5 K9 K20 K29 K30 K34 K35 K36 S4 S5 S6 S7 S8 S9 S11 S12 S13 B2 B3 B4 B5 B7</p>
<p>Duty 7 communicate professionally and effectively with stakeholders internal and external to the payroll function, identifying the appropriate communication</p>	<p>K5 K9 K20 K23 K24 K25 K26 K27 K28 K29 K30 K31 K32 K36</p>

media for each situation. Examples may include 'phone, face-to-face, E-Mail, video call etc

S1 S2 S3 S4 S5 S7 S8 S9 S10 S11 S12 S13

B1 B3 B4 B7

Duty 8 demonstrate in all actions and interactions the professional ethical standards relevant to the payroll profession, company values and role whilst adhering to legal requirements such as the principles of confidentiality

K3 K4 K30 K36

S1 S2 S3 S4 S5 S6 S7 S8 S9 S10 S11 S12 S13

B1 B2 B4 B7

Duty 9 provide information, support and guidance to colleagues and stakeholders within the scope of the role in the pursuit of paying on time and accurately

K8 K9 K10 K11 K12 K13 K14 K15 K16 K17 K18 K19 K20 K21 K22 K23 K24 K25 K26 K27 K29 K30 K31 K32 K33 K34 K35 K36

S1 S2 S3 S5 S6 S7 S8 S9 S10 S11 S12 S13

B2 B3 B4 B7

Duty 10 identify the problem-solving techniques that apply in a given situation taking ownership through to resolution, escalating complex situations where appropriate

K8 K25 K26 K27 K28 K30 K32 K33 K34

S1 S3 S4 S5 S7 S8 S12 S13

B2 B3 B4 B7

Duty 11 apply the effective and appropriate workplace systems and processes in line with organisational requirements within the constraints of data protection legislation, such as, the Data Protection Act

K4 K5 K20 K23 K24 K25 K26 K27 K28 K29 K30 K32 K33 K34 K35 K36

S1 S2 S3 S5 S6 S7 S8 S9 S10 S12 S13

B2 B3 B4 B5 B6

Duty 12 practice guided continuous self-learning and professional development to maintain and develop knowledge and skills in a profession that is constantly changing, for example through workplace learning, research and / or training courses

K6 K7 K8 K9 K10 K11 K12 K13 K14 K15 K16 K17 K18 K19 K20 K21 K22 K23 K24 K25 K26 K27 K28 K29 K30 K31 K32 K33 K34 K35 K36

S1 S2 S3 S4 S5 S6 S7 S8 S9 S10 S13

B1 B2 B3 B4 B5 B6

KSBs

Knowledge

K1: how organisations operate including in terms of the UK sector in which they operate, the constraints and obligations that may apply as a result and how they are obliged to meet those

obligations.

K2: the differing role of the payroll department to an organisation's operation within sectors including compliance with the laws of data protection and the right to confidentiality.

K3: the importance of the 'customer' base within an organisation, such as, employees, clients etc.

K4: how the payroll department interacts with other functions within the organisation. Examples may include accounts, pensions, IT, audit and HR.

K5: how the payroll department interacts with other functions external to the organisation. Examples may include His Majesty's Revenue and Customs (HMRC) and The Pensions Regulator (TPR).

K6: the importance of legislation: including the Employment Rights Act 1996 and the Employment Rights (Northern Ireland) Order 1996 (Employment law), the Income Tax (Earnings and Pensions) Act 2003 ('Payroll law') and the Pensions Act 2008 and the Pensions (No. 2) Act (Northern Ireland) 2008 (Pension law specifically for workplace pensions / Auto-Enrolment).

K7: the impact of devolution on the payroll function, including the sharing of Income Tax regimes and the devolution of employment law.

K8: the different types of workers that may be dealt with by the payroll function and how the differences impact the payroll function, including an Apprentice, Deemed workers, Self-employed, Pensioners, Workers, Office-holders and Volunteers.

K9: the payroll treatment of worker type 'employee' and how this differs from other worker types for payroll tasks.

K10: types of pay and how these are derived, including Gross, Taxable, NI'able, Pensionable, pay for the Apprenticeship Levy and pay for Student Loan deductions.

K11: the purpose of the Full Payment Submission (FPS) and the Employer Payment Summary (EPS) in terms of payroll within the organisation and compliance with HMRC requirements.

K12: the principles of making payments to subcontractors under the Construction Industry Scheme (CIS) including the verification process, gross payments, payments net of the standard rate and payments net of the higher rate.

K13: the fundamental principles of Benefits-in-Kind, including payrolling, the interaction with Optional Remuneration Arrangements (OpRA) types A and B and year-end reporting obligations.

K14: the principles of Court Orders in the United Kingdom including how the payroll function processes these using software.

K15: employer obligations for Gender Pay Gap Reporting under the Equality Act 2010, including which employers are required to report and the five Gender Pay Gap figures that must be reported, for example (1) the percentage of men and women in each hourly pay quarter and (2) mean (average) gender pay gap using hourly pay.

K16: the relevance of the State Pension for payroll, including the new State Pension (nSP) and basic State Pension (bSP) plus State Pension age reforms.

K17: awareness of Additional Voluntary Contributions (AVCs) for pensions.

K18: the UK system of employee pensions tax relief, including Net Pay Arrangement schemes, Relief at Source schemes, the Annual Allowance and the Lifetime Allowance.

K19: the implications for payroll of pensioner payroll administration, including National Insurance Contributions.

K20: workplace pensions and Auto-Enrolment, including the employer's role in pension provision, staging or duties start date, the qualifying pension scheme, self-certification, declaration and re-declaration of compliance, employer duties for different workers, qualifying earnings and the Automatic-Enrolment processes, deferral, opt ins, opt outs and cessations, monitoring worker status and re-enrolment, communication obligations.

K21: statutory leave entitlements and any payments that may be due, including, but not restricted to, Statutory Adoption Leave and Pay, Statutory Paternity Leave and Pay, Statutory Shared Parental Leave and Pay and Statutory Parental Bereavement Leave and Pay.

K22: statutory deductions, including Income Tax principles (including tax code suffixes and prefixes, rates and bands plus cumulative and non-cumulative operation of PAYE), National Insurance Contributions (including directors') on all category letters and the Apprenticeship Levy.

K23: new starter obligations for employees including the P45, the Starter Checklist and no or late P45/ Starter Checklist.

K24: the employment law considerations that differentiate the employer's right to make deductions from pay that are statutory, contractual and voluntary.

K25: Statutory Sick Pay (SSP) and Statutory Maternity Pay (SMP), including the statutory leave entitlements and the manual calculation of any pay entitlement.

K26: manual calculation of the following statutory deductions: Income Tax, calculated with reference to the Pay Adjustment and Taxable Pay Tables, National Insurance (not directors') calculated via the Exact Percentage Method on category letters A and H only, Pension contributions, as per workplace scheme rules and Student Loan deductions.

K27: gross pay to net pay calculations including specified statutory payments and statutory deductions.

K28: leaver obligations for employees in respect of the P45 and payments after leaving.

K29: processes and obligations after the payroll run, including reconciliation of the payroll run, RTI submissions and obligations to internal and external organisations such as accounts, audit, pension schemes etc.

K30: approaches to the statutory regulation and compliance of payroll processing by organisations.

K31: the main taxation, Social Security, employment and pensions legislation as it applies at the workplace, including the obligation to comply and the consequences of non-compliance.

K32: the regulatory bodies that publish compliance guidance that applies to payroll processing, including His Majesty's Revenue and Customs (HMRC) and The Pensions Regulator (TPR).

K33: the compliance and penalty regimes that apply to payroll processing, including Real Time Information (RTI) late filing and late reporting, late payment of PAYE liabilities, The Pension Regulator's 'Regulatory approach' regarding workplace pensions and underpayment of National Minimum Wage.

K34: workplace, payroll, HR, pension and accounting systems and processes and how these support the payroll function to deliver timely and accurate payroll processing.

K35: approaches to input and validation of data to output of payroll and accounting information using digital technology including at least one computerised payroll system.

K36: approaches to the use of spreadsheets to complete payroll data analysis and communication of payroll information.

Skills

S1: gather, analyse and process payroll data and information.

S2: resolve different types of queries that may be presented from payroll customers such as employees, clients, management, explaining and documenting responses.

S3: deal with complaints, following processes and escalating complex situations.

S4: meet client or customer needs in line with service level agreements.

S5: provide customer service using agreed systems and processes, taking ownership for work applying agreed processes for checking.

S6: adhere to deadlines and process schedules both internal and statutory, mitigating the impact on the business, employees and clients of deadlines not being met by reprioritising tasks when dealing with conflicting or changing demands.

S7: select appropriate media for communication etc recognising the advantages and risks related to each method.

S8: escalate concerns relating to deadlines in a timely manner, suggesting solutions.

S9: use the appropriate communication media for each stakeholder for each situation. Examples may include 'phone, face-to-face, email and letters, communicating and engaging professionally, accurately and appropriately, respecting the principles of data protection and confidentiality.

S10: Build and maintain trust and sound relationships with stakeholders to deliver quality payroll services.

S11: develop and maintain strong working relationships with team colleagues, supporting and collaborating to achieve results, seeking advice when appropriate within parameters of the role.

S12: use computerised payroll software and spreadsheet packages such as MS Excel.

S13: use systems and processes to support the payroll function. Examples may include the provision of accounting information and the Real Time Information submissions to His Majesty's

Revenue and Customs (HMRC).

Behaviours

B1: Display honesty & integrity in actions and approach to the sector, organisation and profession. Respects the ethical principles of confidentiality.

B2: React and actively respond to business changes and challenges, demonstrating flexibility, maintaining high standards and seeking clarity in instructions.

B3: Takes a positive approach to testing information, applying professional scepticism to identify and interpret payroll risks and problems. Examples may include considering statutory and contractual obligations and testing data against the facts.

B4: Take ownership of problems through to resolution, recognising own remit and escalating as necessary.

B5: Take responsibility for continuous personal and professional development, displaying self-motivation to keep up-to-date with knowledge and skills relevant to the job role.

B6: Recognise the scope for sustainable outcomes in their actions and approaches to the role, performing duties respecting environmental good practice (specific to both the occupation and those recognised externally). This may be, for example, prioritising practices that contribute to minimising or reversing climate change such as promoting the use of online payslips.

B7: Work within the role parameters, understanding personal impact on other team members and the wider team including in respect of equity, diversity and inclusion.

Qualifications

English and Maths

Apprentices without level 2 English and maths will need to achieve this level prior to taking the End-Point Assessment. For those with an education, health and care plan or a legacy statement, the apprenticeship's English and maths minimum requirement is Entry Level 3. A British Sign Language (BSL) qualification is an alternative to the English qualification for those whose primary language is BSL.

Version log

Version	Change detail	Earliest start date	Latest start date	Latest end date
1.1	End-point assessment, standard and funding band revised.	17/03/2023	Not set	Not set
1.0	Approved for delivery	13/06/2018	16/03/2023	Not set

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