

Global Payroll V6.2 New SMP Regulations Update

NEW SMP REGULATIONS

After 4 September 1994 companies must accept a portion (8%) of the cost of SMP (Statutory Maternity Pay) rather than reclaiming the full amount of the payments from the DSS. In addition the NIC compensation relief, currently 4%, is abolished. These changes do not apply to companies who qualify for Small Employers Relief (total NICs liability for 1993/4 less than £20,000) who can continue to claim at the current rates.

There are also changes to the rules for qualification for SMP and the amount paid which come into force at around the same time, these can affect SMP payments starting from 31 August 1994, in particular the minimum payment.

The changes to handle the new regulations are in the current version of Global Payroll, version 6.2, but zap PR-6.2-15 needs to be applied and the SMP rates must be changed as described below.

CHANGES REQUIRED

The following changes must be made before the first SMP payments at the minimum rate are made to a woman whose expected week of confinement is 16 October 1994 or later. This could be as early as 31 August 1994 but is almost certain to be later, and hence could be done at the same time as the other changes described:

- Apply zap PR-6.2.15 (attached) which causes Payroll to continue to use the old minimum rate for employees with a week of confinement prior to 16/10/94.
- Apply zap PR-6.2-20 (attached) which fixes a problem with the reconciliation report.
- Alter the Standard Rate of SMP on the SMP rates screen in system maintenance from 48.80 to 52.50.
- Check that the expected date of confinement is correctly set for any employees being paid SMP. Note that as this field was only added in version 6.2 it may be blank for someone who started SMP before the upgrade to 6.2. If it is not set they will be paid at the new rate.

Prior to the first payroll run after 4 September 1994 the following changes must be made to the SMP rates screen in parameter maintenance unless the employer qualifies for Small Employers Relief, in which case no changes

should be made:

- Change the NI compensation percentage from 4.0% to 0.0%
- Change the percentage reclaimable from 100% to 92%

GLOBAL PAYROLL VERSION 6.2 ZAP 15

Purpose of zap

This zap is to apply one of the changes which comes into effect after 4 September 1994. The change is that the standard rate of SMP will change from £48.80 to £52.50, but women whose expected Week of Confinement is 9/10/94 or earlier will continue to receive payment at the old rates ie. £48.80.

Circumstances for urgent application

All

Recovery required

None

Essential preceding zaps

None

Manual application of zap

This zap is in the form of a direct program patch. To apply this zap manually, please refer to your Reseller and/or Operating Manual. The files to which this patch apply are tabulated as follows:-

<i>Part</i>	<i>Type</i>	<i>Distributed Component</i>			<i>Installed Date Before/After</i>	
1	P	P.PR2	PR220	P.PR	01/05/94	02/05/94

The patch

The patch characters required by \$ZAP to apply the zap are as follows:-

Part 1

ZZZZZZ	WQCWPG	WNDBWL
QJFWFC	WQKCZP	WNJRZM
VRVXMH	WQSLGM	WNWKYC
WXFSGQ	WRDQKG	WNZVQW
YXDRFH	WRRDWB	FFLYJM
HLKBBH	WRSGYT	-END-
GYFWKJ	WSDZCG	
GXNFTK	WSKMXS	
QXVKMP	WSXTZJ	
WDKHWJ	WTGXTK	
WBGKTK	WTLTDH	
WMWQWS	WTTRHF	
YBNLHV	WVCJFV	
RFSHNR	WVLJCD	
VMDQFW	WVWPYJ	
VWWQDJ	WWCGCK	
WNCKJN	WWPXZZ	
WNJVWV	WWTJST	
WNVFZQ	WCDLDR	
WNZTZK	WXMJHP	
WPNZXS	VMFFZJ	
WPXDRT	VXBWVV	

GLOBAL PAYROLL VERSION 6.2 ZAP 20

Purpose of zap

This zap fixes a problem with the Reconciliation Report. The problem is that the 'Total Deductions from NI' wrongly included the total SMP payable, instead of the recoverable amount of SMP.

Circumstances for urgent application

All.

Recovery required

None.

Essential preceding zaps

Before applying this zap, ensure that the following zaps have already been applied:-

PR6216

Manual application of zap

This zap is in the form of a direct program patch. To apply this zap manually, please refer to your Reseller and/or Operating Manual. The files to which this patch apply are tabulated as follows:-

<i>Part</i>	<i>Type</i>	<i>Distributed</i>	<i>Component</i>	<i>Installed</i>
	<i>Date Before/After</i>			

1 P P.PR2 PR250 P.PR 01/06/94 02/06/94

The Patch

ZZZZZZ
QJFWC
VRVXMH
WXNVLM
WKKKYK
HLKBBH
GYFYCT
GXNFTK
QPYVPS
WNKRDT
WCQQWC
WWWQCD
WMPLTQ
QPZSCN
WNKRDZ
WCQQWJ
WWWQCK
WMPLTW
FQGDBQ
-END-