



IRIS Payroll Business

Getting Started Tutorial -
Configuring Pay Elements

18/02/2014



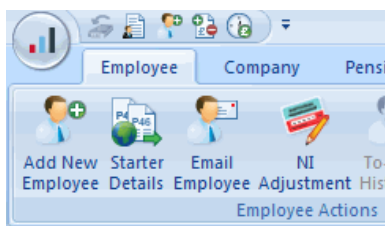
Getting Started Tutorial – Configuring Pay Elements

The Getting Started Tutorials are designed to guide you through common payroll tasks using step by step instructions.

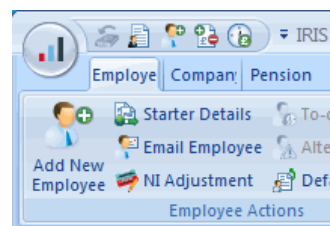
Remember there is a **Help** button on most screens, which will always give assistance specific to that task.

In these tutorials we assume that the **Ribbon** is fully expanded, (i.e. taking up the whole of your screen) so you should be able to see the buttons and groups in full. If not, you may need to click on the group to see the buttons within it. For example:

Maximised screen



Minimised screen



Use the Demonstration Company

You will be using the **Demonstration Company** for this tutorial.

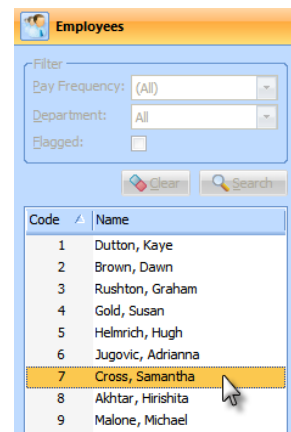
Configuring pay elements

In the payroll, gross pay is made up of **Salary, Hourly Rates, Payments and Deductions, Attachment of Earnings Orders, Pensions, Loans**, and the statutory payments **SSP, SMP, OSPP, ASPP** and **SAP**. This tutorial explains how to configure all of these except the statutory payments – for assistance with these please see the **How To Guides** on the **Help** tab.

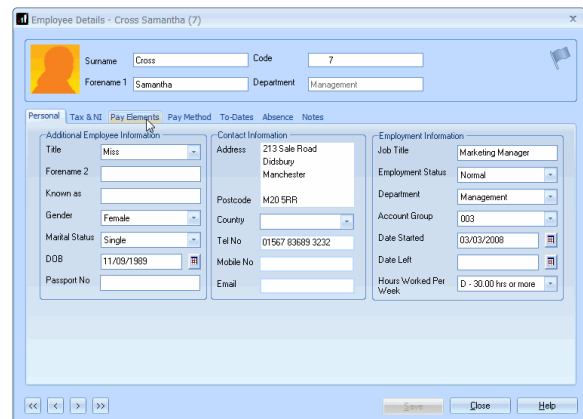
Salary

Salary is the only pay element that is not configured at company level. It is set up in each individual employee's details.

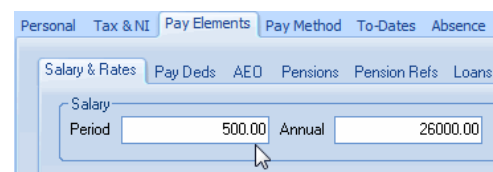
To set up a weekly **Salary** of £500 for employee Samantha Cross: double-click **'7 Cross, Samantha'** in the **Selection Side Bar**.



Select the **'Pay Elements'** tab within her **Employee Details** screen.



The **Salary & Rates** tab opens automatically. Salary information is located at the top of the **Salary & Rates** tab. (You can enter an amount in either the **Period** or the **Annual** box. Whichever you choose, the system will calculate the other value for you.) Enter a new **Period** salary of £500. Click **'Save'**, then **'Close'**.



Hourly Rates and Overtime Factors

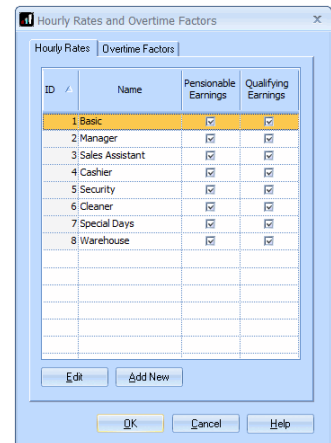
Set these up at company level first, and then assign them to employees.

To create a new 'Administration' **Hourly Rate** at company level, click on the '**Company**' tab then the '**Hourly Rates**' button.

The **Hourly Rates and Overtime Factors** screen opens:

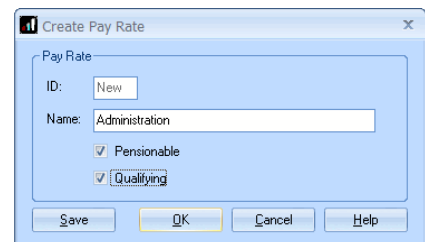
One rate, **Basic**, is automatically set up in every company. In the **Demonstration Company** several more have been added.

Click the '**Add New**' button to open the **Create Pay Rate** screen.



In the **Name** field, enter 'Administration'

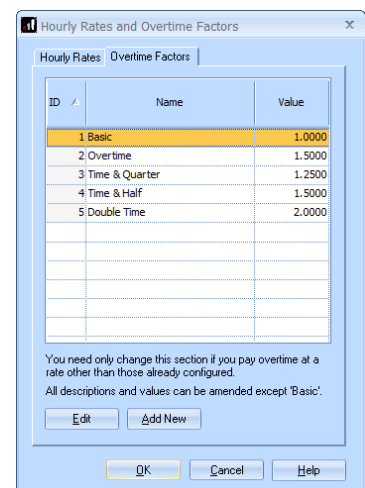
Tick '**Qualifying**' to make this part of Qualifying earnings and if required, tick the '**Pensionable**' box to make this rate part of pensionable pay



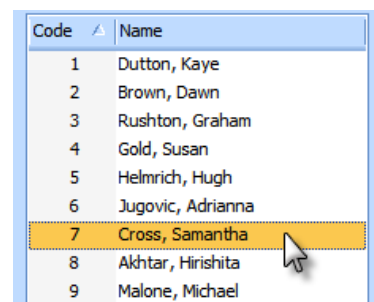
Click '**OK**' and the new **Hourly Rate** is added to the list

Clicking the **Overtime Factors** tab allows you to see the five factors which are automatically set up in every company. You can amend any of these or add a new one.

Click '**Cancel**'.



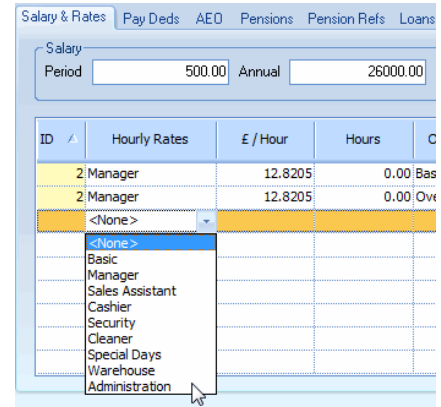
To assign the new **Hourly Rate** to Samantha Cross, who is paid £10 per hour as an administrator, double-click '**7 Cross, Samantha**' in the **Selection Side Bar**.



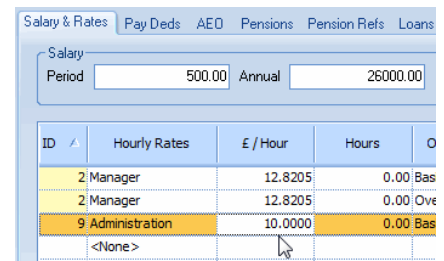
Select the **'Pay Elements'** tab within her **Employee Details** screen.

The **Salary & Rates** tab opens automatically. **Hourly Rates** and **Overtime factors** are entered in the main grid on this screen. To add the new **Hourly Rate**: click on the word '<None>' in the grid, underneath the second **Manager** rate. Click the arrow that appears.

A list of available rates drops down: select **'Administration'**.



In the **£/Hour** column enter 10.00. Click **'Save'**, then **'Close'**.



Please note: If the employee always works the same amount of hours at a particular rate, you can enter those hours in their **Salary & Rates** tab, and you will not have to keep entering them during the **Enter Variations** process.

Payments and Deductions

Create these at company level first, and then allocate them to employees. There are many different types of **Payments and Deductions** and although this tutorial deals with only one, the basic process remains the same for all of them. For further detail see the **Manual** on the **Help** tab.

To set up a new 'Additional Bonus' **Payment** at company level: click on the '**Company**' tab then the '**Payments & Deductions**' button, and then select '**Configure Payments & Deductions**'.

Click '**Add New**'

6 Private Medical	Deduction
7 SSP/SMP Contra	SSP Contra
8 Salary Correction	Payment
9 Savings	Deduction
15 Season Ticket Loan	Loan

Enter the **Name** 'Additional Bonus' for your **Payment**, which will appear on your payslips and reports.

Click on the drop down arrow next to **Type** and select **Payment**.

Please note: The **Type** you select controls the other options that appear on screen.

For this example, make sure the **Taxable, Niable, Pensionable Earnings** and **Qualifying Earnings** boxes are ticked. Leave **Method** as **Value**.

Click '**OK**' and the new payment or deduction appears in the grid. Click '**OK**' again to close the grid.

To allocate the new **Payment** to Samantha: double-click '**7 Cross, Samantha**' in the **Selection Side Bar**.

Click her '**Pay Elements**' tab then the '**Pay Deds**' tab.

Click on the word '<None>' in the grid, and then click on the arrow which appears.

The drop down list shows all the **Payments & Deductions** available.

Select '**Additional Bonus**' and the rest of the row will be completed for you.

ID	Name	Standard Amount	Year To-date	Type
21	Additional Bonus	0.00	0.00	Payment
	<None>			

Please note: In this tutorial, the **Standard Amount** is zero so we can enter a new amount each time in **Enter Variations**. If you want the same amount to be paid each time, enter it here.

Click **'Save'**, then **'Close'**.

For more detailed help on setting up **Payments and Deductions**, click the **'Help'** button on the screen, or press **F1** on your keyboard.

Attachment of Earnings Orders

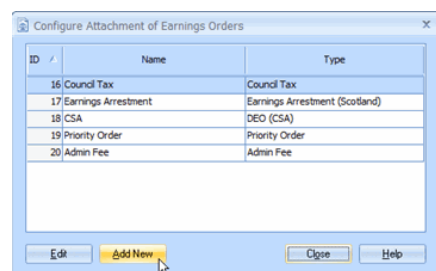
These also need to be set up at company level then allocated to employees. There are several types of **Attachment of Earnings Orders (AEO)**; this tutorial deals with only one but the process is similar for all. For more detail see the **Manual** on the **Help** tab.

For this example we will create a second council tax deductions **AEO**. First, we'll create it at company level then apply it to employee Samantha Cross.

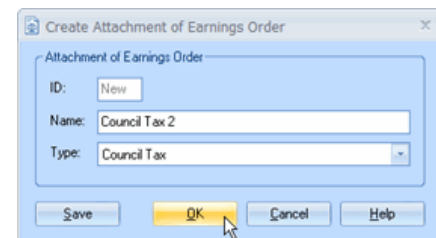
Click on the '**Company**' tab then the '**Payments & Deductions**' button, then select '**Configure Attachment of Earnings Orders**'.

Five default AEOs are created automatically for you in each company.

To create a new one, click '**Add New**'

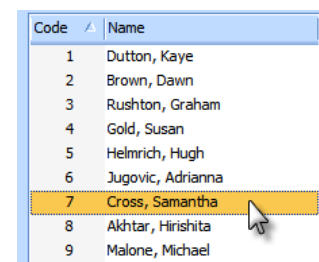


Enter 'Council Tax 2' in **Name**. Leave the **Type** as **Council Tax**.



Click **OK** then **Close** and the attachment will be added to the list.

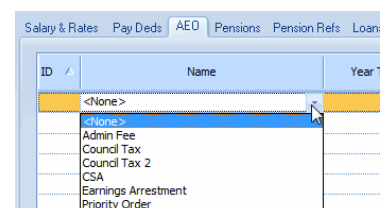
Next, allocate the new **AEO** to the employee: double-click '**7 Cross, Samantha**' in the **Selection Side Bar**.



Click her '**Pay Elements**' tab and then the '**AEO**' tab.

Click on the word '**<None>**' in the grid, and then click on the arrow which appears.

The drop down list shows all the **AEOs** created at company level. Select the 'Council Tax 2' **AEO** and the rest of the row will be completed for you.



Please note: With **Council Tax** orders the system calculates the correct deductions for you, but you must record details of the order by clicking the **'Edit'** button at this point.

Click the **'Save'** button, and then **'Close'**.

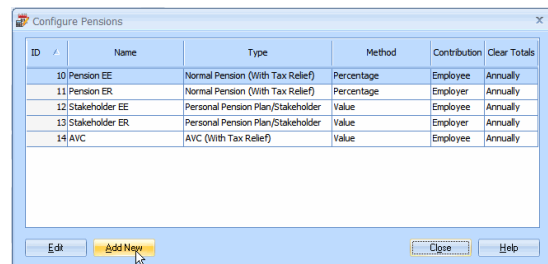
For more detailed help on setting up **Attachment of Earnings Orders**, click the **'Help'** button on the screen or press **F1** on your keyboard.

Pensions

Set these up at company level then allocate them to employees. There are many types of **Pension**; although this tutorial deals with only one the process is similar for all. For further details see the **Manual** and also the **Pensions Guide**. The **Pensions Guide** gives detailed information on **Auto Enrolment**.

To create a **Pension** at company level: click on the **'Pension'** tab, then select **'Configure Pensions'**.

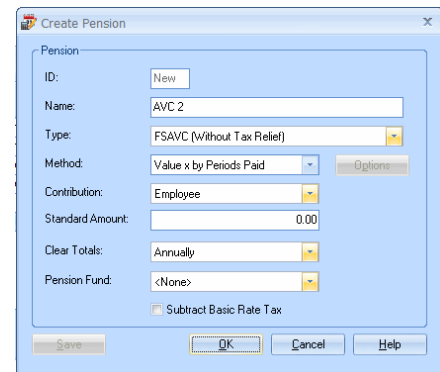
Click on the **'Add New'** button.



Type the **Name** of the **Pension** as 'AVC 2'.

Click on the drop down arrow next to **Type** and select **FSAVC (Without Tax Relief)** from the list.

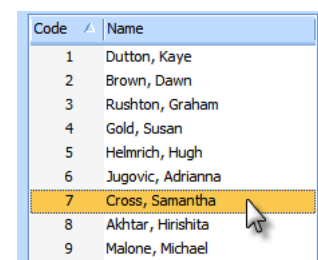
Leave the other options as they are, then click **'OK'**.



The new Pension appears in the list – click **'Close'**.

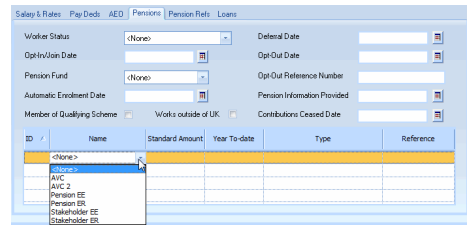
To allocate the **Pension** to an employee: double-click **'7 Cross, Samantha'** in the **Selection Side Bar**.

Click her **'Pay Elements'** tab, then the **'Pensions'** tab



Click on the word '<None>' in the grid, and then click on the arrow which appears.

The drop down list shows all the **Pensions** created at company level.



Please Note: for further information regarding the many fields on this **Pensions** tab card, please see **Help | Pension Guide**

Select the 'AVC 2' **Pension** and the rest of the row in the grid will be completed for you.

ID	Name	Standard Amount	Year To-date	Type	Reference
23	AVC 2	0.00	0.00	FSAVC (Without Tax Relief)	
	<None>				

Please note: For the purpose of this tutorial, we want to be able to enter a new amount each time in **Enter Variations**, so leave **Standard Amount** at zero. If you want the same amount to be deducted each time, enter it here.

Click '**Save**', then '**Close**'.

For more detailed help on setting up **Pensions**, click the '**Help**' button on the screen or press the **F1** key on your keyboard. For detailed help on **Auto Enrolment**, click the **Help** menu then **Pensions Guide**.

Loans

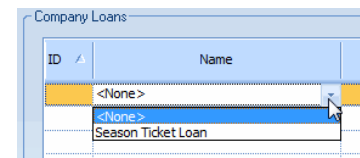
Loans again need to be set up at company level first, and then allocated to your employees.

They are set up like a normal **Payment/ Deduction** (see previous section) with **Type** set to **Loan** but are allocated to employees in a slightly different place.

To allocate a **Loan** to an employee: double-click '**7 Cross, Samantha**' in the **Selection Side Bar**.

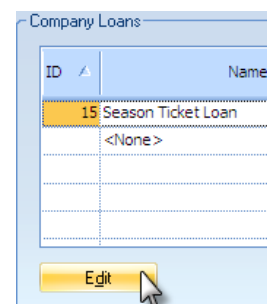
Click her '**Pay Elements**' tab then the '**Loans**' tab.

Click on the word '**<None>**' in the grid. Click on the drop down arrow, and the list shows all the **Loans** created at company level.



Select **Season Ticket Loan** and the rest of the row in the grid will be completed for you.

Click the '**Edit**' button.



Enter the details of the loan into the **Create Season Ticket Loan** screen.

Enter today's date in the **Issue Date** field

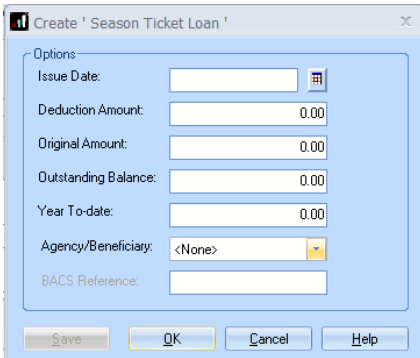
Deduction Amount is the amount you want to deduct each pay period: enter '25.00'.

Original Amount is the full amount of the original loan: enter '1000.00'.

Outstanding Balance is how much the employee has left to pay: enter '1000.00'.

Year-To-Date is what they have paid towards the loan so far. This field is populated as you **Calculate** and **Finalise** each payroll.

Click '**OK**', then '**Cancel**'.



Further Information

For more information about **Pay Elements**, click the '**Help**' button on any of the **Pay Elements** screens.

More **Getting Started Tutorials** can be found on the **Help** tab.

If you encounter any difficulties, please visit www.iris.co.uk/contactsupport

Software available from IRIS

IRIS Payroll Basics

Free, RTI compliant payroll software for companies with fewer than 10 employees

IRIS Payroll Business

Intelligent, easy to use payroll software for smaller businesses

IRIS Payroll Professional

Flexible payroll software for medium sized businesses

IRIS Bureau Payroll

Intelligent management for multiple payrolls

IRIS OpenPayroll

Cloud-based UK payroll software – accessible from anywhere on PC, Mac or tablet

IRIS P11D

The easy way to complete employee expenses and benefits returns

IRIS HR Manager

The easy way to keep employee data up-to-date

IRIS OpenPayslips

A secure web based solution that allows your employees to access and download their e-payslips via an online portal

Stationery order line

0844 815 5656

HMRC online service helpdesk

Tel: 0300 200 3600

Fax: 0844 366 7828

Email: helpdesk@ir-efile.gov.uk

HMRC employer helpline

Tel: 0300 200 3200

HMRC employer helpline (for new business)

Tel: 0300 200 3211

Support

Tel: 0844 815 5661 (option 4)

Fax: 0844 815 5665

Email: ipsupport@iris.co.uk