

# 5 reasons to outsource your payroll

With all of the changes in legislation, including RTI, automatic enrolment and holiday pay, it can be pretty hard to keep up with everything.

There is however, a quick and easy solution for your business, payroll outsourcing.



# ***An introduction to outsourcing***

---

## **What is outsourcing?**

Businesses can outsource their whole payroll function or enjoy bespoke tailored service from an external provider that allows a company to focus on their own expertise. Outsourcing payroll has become an option that many organisations are looking at after the introduction of RTI and automatic enrolment.

## **Why IRIS?**

IRIS has specialised in payroll for over 37 years and this experience means we fully understand all aspects of payroll to be able to offer you a first class service ensuring you are legislatively compliant whilst paying staff accurately and on time.

For IRIS Managed Payroll, we use our own, market leading, HMRC accredited payroll software which easily enables us to tailor your payrolls to your individual requirements

This guide covers five key reasons why you should be outsourcing your payroll.

- 1) Minimise your legislative stress**
- 2) Save time and effort**
- 3) Reduce your costs**
- 4) Utilise the experience of experienced payroll professionals**
- 5) Improve efficiency**

# 1. Minimise your legislation stress

---

With changes to legislation comes stress, as well as the time and effort it takes to prepare and manage each change.

Outsourcing your payroll takes away the responsibility of managing these changes, as everything is looked after on your behalf.

Legislation changes are common, but as big changes are brought in, it's important to be prepared. Here are just some of the biggest legislation changes to affect payroll in recent years:

## **Auto Enrolment**

The biggest shake-up to affect payroll since the introduction of RTI, the workplace pension reforms have brought with them a huge amount of preparation and work required by businesses of all sizes.

Once a business have reached its staging date, each pay period, employees must be assessed for auto enrolment eligibility, and placed into a workplace pension if they meet the criteria. From here, contributions must be taken from the employee's salary, and matched by the employer. Outsourcing means that this is all done externally, meaning no additional effort on your part.

## **Holiday Pay**

Holiday pay in the UK is changing. Calculating holiday pay fairly for your workforce is something that businesses can start doing right now. Two recent court cases, Lock vs. British Gas and Fulton vs. Bear Scotland, respectively, have cost both businesses heavily due to miscalculation of holiday pay. Get ahead of the changes today.



## 2. Save time and effort

---

Payroll is a vital cog in any business, but handling it can be a time consuming task. Outsourcing this to an external provider can free up time to be spent focussing on your business.

Feedback from users of IRIS software highlighted that it can take up to three and a half days each payroll run just to manage automatic enrolment, could you spend that time on something else?

If the answer is yes, then outsourcing with the IRIS Managed Payroll Service is the answer.

### What you do:

- Send us the payroll information in an agreed format e.g. Microsoft Excel spreadsheet
- Approve the verification report we will send to you
- Pass us any payroll queries you may have



### What we do:

- Upload tax code changes directly from HMRC and send starter and leaver documentation
- Load your payroll data including starters, leavers, salaries, hours worked and payments and deductions
- Check the payroll output against your figures to ensure it is correct and produce a verification report for sign off
- Once the figures are signed off we will make BACS payments, produce payslips and reports and send you agreed output files
- Do monthly reconciliation so accounts are correct at the end of every month

## 3. Reduce your costs

---

Running payroll can be a costly business expense, and when there's an option to reduce these costs, along with a host of other benefits, why wouldn't you take that opportunity?

Here's some quick numbers for you to consider:

**£32,500**

According to TotalJobs.com, the average Payroll Manager is paid £32,500 per year.\*

**£1.75**

The average cost of printing and distributing payslips is £1.75, when delivery of stationery, printing, sealing and postage are considered.

Additionally, combine the above with the costs of payroll software and regular training for legislative updates, and it's easy to see why outsourcing your payroll can save money as well as time.



Try out our handy Payroll Outsourcing Calculator to see for yourself how much outsourcing with IRIS could save your business.

[Quote Me Now](#)



*\*Figure correct as of June 2016*

## 4. Utilise the expertise of experienced payroll professionals

---

Rather than having one or two members of staff running your payroll alone, outsourcing gives you access to a much wider range of knowledge, experience and expertise from professionals who have spent years dedicated to payroll. Additionally, the staff running your outsourced payroll are regularly trained and updated on the latest legislative changes, ensuring that the people running your payroll are experts in their field.

IRIS is committed to providing high levels of service to all clients.

We conduct regular surveys to all clients to ensure high levels of satisfaction and take all client feedback on-board.

We pride ourselves on developing a close relationship with clients offering a personal service and always on hand to help make payroll as hassle free as possible for the minimum cost, whilst remaining fully compliant.



### Key team members

|                                      |   |
|--------------------------------------|---|
| <b>Pre-Sales Account Manager</b>     | Your initial contact in the pre-sale phase. Your Pre-Sales Account Manager will arrange conference calls and meetings as required to fully understand your needs. They will then prepare the quotation and handle any queries you may have. |
| <b>IRIS Managed Services Manager</b> | A payroll expert who will fully scope your requirements both pre and post Implementation.   |
| <b>Account Manager</b>               | Once the go live is completed, your Account Manager will be your day-to-day contact to answer your queries and processing your payrolls for you.  |

## 5. Improve efficiency

---

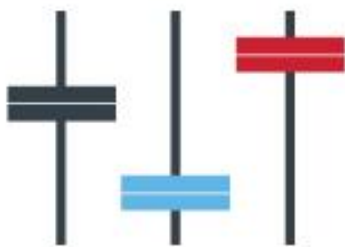
Outsourcing your payroll gives you access to a huge variety of reports, specialised to suit your practice needs. These can help in other areas of the business, streamlining your internal processes.



You can choose from over 150 standard reports in a variety of formats such as Microsoft Excel, Word or Adobe PDF. If required, bespoke reports can also be written to meet your individual requirements.

### Standard reports include:

- Payroll summaries
- Payroll control report
- Variance reports
- HMRC payment summary report
- Payments to third parties
- General ledger reports
- Payroll analysis
- Payment/Deduction reports



We are your payroll department, there to provide you with a friendly, efficient, reliable service, seamlessly integrating with your organisation.

# What to ask when choosing a payroll outsourcing provider

---

It's important to know exactly what you want from an outsourcing provider before you begin your search for one. The following questions should help you decide which provider is right for you.

- 1) What services do they offer?
- 2) Can I just outsource part of my payroll process?
- 3) Will they provide automatic enrolment support?
- 4) Will I have a designated contact?
- 5) Is the service run by CIPP qualified professionals?
- 6) What is the pricing structure? Are there any "hidden extras" for changes, new starters, leavers, etc.?
- 7) What data protection measures do they have in place?
- 8) Do they offer bespoke reporting?
- 9) What is their track record with other clients?
- 10) Can they provide e-payslips?
- 11) Are they BACS accredited?
- 12) Is the service based in the UK or overseas?
- 13) Do they have a high level of customer service?
- 14) How smooth will the transition be?
- 15) Are they Real Time Information compliant?



You can also download our free infographic, "[8 things you need to ask payroll providers](#)" to compare payroll software providers.



# Automatic enrolment and the IRIS Managed Payroll Service

---

The [IRIS Managed Payroll Service](#) is the complete outsourcing solution and is used by over 650 UK businesses of all sizes. By outsourcing your payroll, we understand that you're looking to free-up your time and reduce the stress and hassle of running your payroll in-house. Auto enrolment is the biggest shake-up in payroll so naturally The [IRIS Managed Payroll Service](#) had it covered.

The [IRIS Managed Payroll Service](#) helps to ensure that everything runs smoothly so that the pressure is taken off you.

The service includes the following:

- Assessment & categorisation of your employees
- Eligible employees are automatically enrolled into your workplace pension scheme
- Pension output files for all of the main providers are generated
- Management of compulsory communications to employees, including automatic enrolment and P60 documentation
- Email pension letters to the individual employee's portal whilst keeping a record of them for audit purposes



# ***What are my options with the IRIS Managed Payroll Service?***

---

You may only need some payroll services taken care of or you might prefer to outsource your entire payroll process.

## **IRIS outsourcing options include:**

**Fully managed payroll service:** Including payroll processing, payslip printing/email payslips/electronic payslips, BACS processing, Year End Service (including P11D production).

**Payroll services:** Payroll processing and production of BACS files for processing, a backup can be provided so that payslips or BACS files can be processed in house.

**BACS service:** Our BACS accredited bureau can make all your BACS payments on your behalf. Our service is completely secure and you can be confident the payments will be processed correctly and on time.

**Automatic enrolment:** The IRIS Managed Payroll service can take care of all of your assessment and communication needs as well as pensions remittance files so you can upload your employee's information directly to the provider.

**Payslip printing:** We will print and seal your payslips and can send to either one address or directly to your employees. You can benefit from professional laser security payslips without the need to invest in a pressure sealing machine. Your payslips will be printed in a secure off-site environment ensuring payroll data is kept confidential.

**Year End Service:** This service includes: processing PAYE tax and NI payments, as well as P60 production for employees.

**P11D production:** We can look after your P11D production, carrying out all calculations and submitting information online to HMRC.

**Digital Payslips:** You can utilise IRIS OpenPayslips with our managed service.

# ***IRIS Managed Payroll Service testimonials***

---

So, you're thinking about outsourcing your payroll, but still aren't 100% sure? Outsourcing can be a big step, especially for a smaller business, we pride ourselves on developing a close relationship with you, offering a personal service which is always on hand to help make payroll as hassle-free as possible.

Our clients range from small start-ups to large blue-chip companies, including Quakers and ACT Conferencing.

## **What do our customers have to say?**

*"I wouldn't be surprised if IRIS Managed Payroll saves me a full days' worth of work each month."*

**- Tim Baker, Aldens, Feb 2016**



*"The level of service we've received from IRIS has been fantastic. I think a benefit of us building our relationship since 2007 has meant that the IRIS team have developed a real understanding of ACT and how we operate. This is a great help when it comes to dealing with our specific requirements."*

**- Vicki French, ACT Conferencing, May 2016**



*"Outsourcing was almost exclusively a time-orientated decision. Running the payroll for the practice with auto enrolment, and overtime all included was taking me around half a day each payroll run. Since outsourcing, the time I need to put into the payroll has gone down to almost zero."*

**- Jacqui Westcott, Penny Lane GP Surgery, June 2016**



# About IRIS Software Group

---

With over 37 years' experience, IRIS provides business critical software and services to the UK SME sector and accountants in practice. Over 90,000 small and medium-sized companies including 18,000 accountancy practices rely on IRIS every day to run their business and collaborate, with over 600,700 employees being assessed for auto enrolment each pay period using the [IRIS AE Suite™](#).

IRIS Software Group is the number one solution provider for RTI and its software pays 14 percent of UK businesses that operate under PAYE. All customers receive the greatest choice of RTI payroll software and services managed under the brands IRIS, Earnie and KashFlow.

IRIS is renowned for ensuring that all software and services are completely up to date with the latest legislation which means that you in turn as a customer are also kept compliant. We have shown this with the rolling out of RTI and also automatic enrolment. As well as continuously enrolling employees into qualifying pension schemes, IRIS have now developed the IRIS Holiday Pay Module in order to help you calculate holiday pay for your employees.

**To see how IRIS can help your business thrive, get in touch today.**

Call us: **0844 815 5656** to speak to an IRIS payroll outsourcing expert

Visit us: **[www.iris.co.uk/managedpayroll](http://www.iris.co.uk/managedpayroll)**

Follow us on Twitter: **@IRISPayroll**

---

## **Legal information**

*This information **does not** constitute financial, investment or professional advice and shouldn't be relied on as such.*

*IRIS **do not** make any personal recommendation or give advice to employers and their workers on how to make investment decisions. If you are seeking this kind of advice we would suggest speaking with a qualified financial adviser.*