

• **Minutes of Statutory Payments Consultation Group**

Date: Wednesday 29 November 2017
Venue: 100PS, London
Time: 11:30 am

Attendees

Chris Tait (CT)	HMRC - Chair	Simon Parsons (SP)	IReeN
Lisa Storey (LS)	HMRC	Linda Pullan (LP)	Payroll Alliance
Sandie Andrews (SA)	HMRC	Kate Upcraft (KU)	ICAEW
Debbi Jackson (DJ)	BEIS	Jackie Petheridge (JP)	FSB
Rebecca Lawther (RL)	DWP	Ian Holloway (IH)	BCS
Jane Edwards (JE)	DWP	Jill Smith (JS)	CIPP

Apologies

Marcia Bowen	Payroll Alliance	Samantha Mann	CIPP
Peter Bickley	ICAEW	Shelley Torrey	BEIS

1. Introduction

CT opened the meeting and thanked everyone for attending and gave apologies from those that were unable to attend.

Minutes of the last meeting – issued for June 2017 - were accepted as being a true record of events.

2. Action Points from June 2017

Salary Sacrifice.

Concern was raised regarding employers not knowing whether salary sacrifice was a diversion of salary. It either is or is not. Some employers are stopping vouchers but not taking earnings sacrificed into account so the employee was losing out twice, e.g. not getting vouchers and not getting higher rate of SMP for 6 weeks as salary sacrifice is not taken into account, but were not paying tax and NICs either. Guidance is needed to make it clear when it is salary sacrifice and when it is not.

A/P Sandie to ask IPD Technical Team colleagues to consider an article in the next available Employer Bulletin to help employers to understand the difference between purchase and provision.

A/P If deemed to be still an issue, all external attendees to ask employers how they are calculating pension contributions for irregular/zero hour contracts

Statutory Payment Tables

Concern was raised regarding format of Statutory Payment Tables on Gov.uk. Amendments were made to SMP table and assurance was given that all of the other tables would be updated to the new format for the new tax year.

All other action points agreed as closed.

3. SSP – Green Paper Update

RL updated the group on the previously discussed Green Paper and it was noted that the follow up would be due for publication very shortly.

** note that this is now available at the following link

<https://www.gov.uk/government/publications/improving-lives-the-future-of-work-health-and-disability>

RL stated that she was looking forward to working closely with this group on the work set out in the publication.

4. Bereavement Pay

DJ (on behalf of ST led on this topic, and noted that:

- The Bill has completed second reading and has had its money resolution debate.
- There has been a delay in putting it to the house committee stage which will now take place on the 17th Jan. This means a shorter time for regulations.
- We are still on course for an April 2020 implementation date.

BIES asked if there was any wriggle room in the 18 month lead in time.

- Agreed that software developers don't need 18 months lead time. The drop dead date for comfort is Autumn Budget immediately preceding the date the policy will come into effect as software is normally released in December for April changes. The group stated that providing they knew the basics they can prepare as long as they could use the draft legislation as guidance.
- HMRC made it clear they still need 18 months lead in time.

BEIS asked if it would be possible to develop IT solutions which enable employees to take time off work in days rather than weeks.

- All agreed that they could see why this flexibility might be needed.
- There was no problem with tagging statutory Parental Bereavement Pay onto end of other family related leave and pay but group noted that employers would want the two weeks to be taken immediately after the end of the other family related leave/pay as employers need certainty about when an individual would return to work.
- All agreed that there needs to be more certainty on time limits for claiming as especially for small employers.
- BEIS need to ensure early guidance is in place as most employers have their own bereavement policies.
- Issues raised included:
 - Daily payments in respect of rate changes.
 - MA where 26 week condition (or others) not met; will they still be entitled?
 - What is a parent what is a child?
 - Examining linking in SSP, clear guidance on when SSP can be paid and when Bereavement can be claimed.

- Fathers/secondary adopters not entitled to SPP can get Income Support. If the state provides an equivalent to bereavement pay for MA can you consider father/secondary adopters also to avoid discrimination?
- The group raised questions regarding NI and entitlement. BEIS confirmed talks were going on with NI assembly and they often copied UK legislation.
- Group offered to provide support to the BEIS team either through the group or through 'ad hoc' meetings with individual members of the group. BEIS welcomed the offer of help and said that they would definitely want to involve them in discussions around the practical aspects of the policy.
- Group agreed that they could work with draft regulations where policy settled.

Questions from group for BEIS

- Will there be a need for legislation to come into effect early to take any factors into account (like early births for ShPP)? BEIS said that they didn't think so but would check.
- How does the policy interact with sick leave? BEIS said that they thought the entitlement would stop whilst someone was on sick leave as this is what happens in the case of other family related statutory leave/pay.
- If we are tagging this on to the end of other family related leave how does this fit with the current right to return to same job if leave totals 26 weeks or less in aggregate? Does this count towards the 26 weeks or not? BEIS said that this type of detail would be considered but that there was a precedent (unpaid parental leave of less than 4 weeks in total) for not including some types of leave in the 26 weeks.

A/P BEIS to check if the legislation would need to come into effect any earlier for any reason.

A/P BEIS to check if there will be entitlement to Bereavement Pay for those in receipt of MA where the 26 week condition (or others) have not been met.

5. ShPP extension

ShPP extension has not been ruled out, however BEIS are considering other available options.

6. Calculators

SA has been working closely with GOV.UK to have amendments made to the calculator to include miss-timed payments. Amendments have been made and now the maternity calculators are able to calculate when an extra payment has been made. She explained she had not had the opportunity to do a full check on the calculators due to other work commitments but hopes to do that before the end of the year. However the changes were now in place but not publicised until all checks had been carried out. The group asked if they could try the calculators. SA agreed they could and that she would be grateful for any feedback.

A/P SA to include calculator updates in the Employer Bulletin once all checks had been made and she is happy they are working as they should be.

7. AOB

Guidance multiple employers and SMP

LP stated guidance around Maternity Pay and working for more than one employer is not clear. Sandie agreed to have a look at it to see if it could be amended and made clearer. She also agreed to send a power point that she had developed that may make it easier to understand.

A/P SA to send power-point to external attendees

Update – This has been sent to DWP for QA before being sent out.

ShPP calculator

BEIS asked if we thought a calculator was needed for employers. The attendees agreed it was needed. Employers are using ShPP as a part of gender pay gap so a calculator would be useful.

A/P BEIS to consider implementing ShPP calculator

SP Forms

Attendees asked if employers could be alerted when SMP1/SSP1 were amended (bulletin GOV.UK)

A/P SA to advise SP Process Team.

Update These forms are owned by DWP so HMRC are unable to issue alerts but will consult DWP colleagues to arrange

Frequency of Meeting

CT suggested reducing the frequency of the meetings from every 4 months to every 6 months. Earlier in 2017 we had postponed one of the meetings due to low agenda items. Having 2 meetings per year would reduce this and ad hoc meetings could be arranged when there is additional need.

All attendees agreed to this.

Combined meetings.

Attendees suggested combining SPCG meeting with other payroll groups e.g. Student loans, Employer payroll Group, NMW

A/P CT to explore feasibility of this with NMW colleagues.

Close

CT closed the meeting and thanked everyone for attending. Next meeting to be arranged April/May 2018 and draft minutes to be sent out as soon as possible for QA and published on GOV.UK once they are agreed.

