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welcome to the miracle newsletter

Welcome to the April edition of the Miracle newsletter. Firstly I would like to thank everyone who takes the time to read our newsletter - it is very gratifying that we get so much positive feedback. We are keen that it becomes a great two-way vehicle - we would welcome your contributions, photos and suggestions.

I would also like to thank Amanda Sibley who puts the newsletter together - she should be really proud that this is our twentieth issue! We plan to celebrate our 21st issue by making it a bumper edition - so please feel free to contribute. There will be a prize for the best contributions.

Our customer conference is on 6th and 7th November at Heythrop Park in Chipping Norton. We are very keen that as many of our customers as possible can attend - Sheila will be contacting you shortly. The theme is the sixties - so what food should we have? Any recommendations for the starter, main course and dessert?

This year we will be exhibiting at the CIPP conference on 9th and 10th October at the Celtic Manor in Wales. Why not come and visit us there? Can we tempt you with our sweet shop and Big Duck experience?

Happy Easter - enjoy the break and roll on the summer!

Best Regards

Alan Frost

Welcome to Delroy Prince

We would like to extend a warm welcome to Delroy Prince who joined us in February as an Implementation Consultant.



Before joining Miracle, Delroy spent six years at Sage working with SnowdropKCS as a HR and Payroll Implementation Consultant. He has a long history in Payroll and has worked for Photo Corporation, Hawes Signs and London Luton Airport.

Delroy has a higher National Diploma in Electrical and Electronic Engineering from the University of East London. He found his way into Payroll whilst covering Maternity leave doing temporary work over Christmas.

Delroy enjoys renovating his house and is teaching himself various disciplines throughout the project. He also enjoys long walks, running, swimming and holidays to Cornwall where he and his daughter partake in their annual pilgrimage to go surfing!

Delroy Delivers!

As our regular contributor Alison Firth is away on honeymoon, we simply can't Ask Alison! So this edition we are introducing Delroy Delivers - here are some handy hints and tips for you.

Employment Allowance

Employment Allowance (EA) can be claimed by an Employer from the 6th April 2014 and can reduce the amount of National Insurance Contributions (NICs) they pay for their employees.

If you pay less than £2000 a year in NICs you won't have to pay NICs at all.

Who can Claim?

If you are a business or charity that pays employer Class 1 NIC on your employees or directors' earnings.

How to Claim?

Claims can be made directly through your Payroll software or HMRC Basic PAYE Tools for 2014-15. When making a claim through your payroll software you must reduce your employers Class NICs due by an amount of Employment Allowance equal to your Class 1 NICs due. This amount is capped at £2000 per year and can only be claimed against one PAYE scheme even if as a business you run multiple schemes.

To do this in any of the Miracle products, select Yes to the Employment

Allowance on the Employer Payment Submission to notify HMRC you wish to claim the allowance. No changes will be made to your submissions and you will need to reduce your payments to HMRC accordingly.

Age exception certificate CA4140

As from 31 December 2013 HMRC stopped issuing age exception certificates CA4140. Employers should now ask for sight of the employee passport or birth certificate to support the non-payment of National Insurance. In some instances HMRC may still provide a letter confirming the individual State Pension Age e.g. when an employee does not wish to divulge sensitive information that might be contained within the supporting documents.

Employers will be able to check when an employee will reach State Pension age using the State Pension Calculator www.gov.uk/calculate-state-pension.

Late filing for final FPS in Tax year 2013-14

There will not be a penalty for the late filing of the final FPS (or EPS) if

submitted **by 19 April**. An FPS for the previous year cannot be submitted **after 19 May**; you will however be able to submit an Earlier Year Update (EYU) **by 19 May** to avoid a penalty.

If you fail to report this information, or inform HMRC no payment was due by means of EPS, by 19 May they will contact you or your authorised agent advising you that you may have incurred a penalty.

Late Returns penalties for 2014-15 onwards

For the tax year 2014-15 onwards new penalties will apply to late returns. Each time you make a payment to an employee you must submit a Full Payment Submission (FPS). If there are no payments made to any employee in a tax period, an Employer Payment Summary (EPS) should be sent by the 19th of the following tax month. This will prevent incorrectly issued penalties from HMRC as they will be expecting an FPS from you.

Inaccurate Returns

In the case of careless and deliberate errors HMRC will issue penalties based on the behaviour that lead to the inaccuracy. Penalties that arise due to failure to take reasonable care can be reduced if HMRC are informed at the earliest opportunity.

Stop Press

Following feedback from customers, HMRC are deferring the start of issuing these penalties to 6 October 2014 to give more time for Employers and HMRC to become accustomed to reporting in real time.

Correcting Errors to Personal Details

If you, as an employer (or authorised agent) has made an error on an Employees' personal details e.g. surname or date of birth, you can correct these on the next FPS but you will still have to inform HMRC of the error in writing.

If an employee has changed their personal details e.g. surname or address you should direct them to contact HMRC to report the change. Employees can report a change to their personal details by following the links on the HMRC website.

In the case of incorrectly reported start dates it is imperative you do not report the corrected or known start date on your next FPS. This will cause a duplication of the Employees record on HMRC's system and may lead to the incorrect code number being issued. You can however amend your payroll record

to reflect the correct date.

If an incorrect leave date has been reported again you must not report the corrected leave date on your next FPS as this will also cause duplication.

If an employee has been made a leaver in error and the leaver details have been reported to HMRC on a FPS, you should continue making payments on the same payroll record and submit an FPS without a leaving date. Do not enter a new start date. Where a P45 has already been issued to the employee, you will have to treat this as a new starter with a new payroll record.

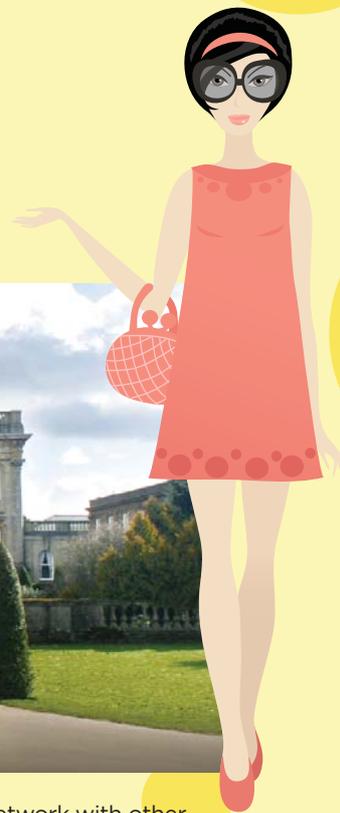
Correcting Errors in Payroll

If you discover an error before you submit your FPS you can correct the error using revised year to dates on your next FPS or show the adjustment on an additional FPS for the pay period the error relates to, but this will be dependent on the Payroll software you are using.

If the error is discovered after you have submitted a subsequent FPS and you are still in the current Tax year i.e. error in month 5 noticed in month 8 - you can amend the error by adjusting the next payroll. However if an additional payment is made outside the regular pay cycle then an additional FPS on or before the payment is made must be submitted.

More information about sending payroll information to HMRC can be found on the HMRC website at www.hmrc.gov.uk/payerti/reporting/.

Customer Conference



Hopefully all of our customers should have received their 'Save the Date' card for our customer conference on 6th and 7th November.

The event is taking place at Heythrop Park in Chipping Norton. The theme is the Swinging Sixties!

The conference will start on Thursday 6th at 6.30pm with dinner and entertainment. The following morning the conference will begin at 10.00am and we aim to finish around 4.00pm.

It will be a packed event where you can learn about new technologies and products, understand how new legislation will affect your Miracle solution, choose from a wide range of

workshops, network with other users, hear the latest developments from HMRC and the Pension Regulator, meet the Miracle team and most importantly enjoy our Sixties themed entertainment and evening meal!

The cost to attend is £255.00 per person + VAT. This includes dinner, entertainment, drinks, accommodation, breakfast, lunch and refreshments.

Invitations will be with you shortly, but if you can't wait to sign up, visit the customer conference page on our website under events and complete the booking form. Alternatively email sales@miracle-dynamics.com or call the office on 0845 634 5015

Local Government Pension Scheme (LGPS)

As you may be aware the new Local Government Pension Scheme (LGPS) starts from 1st April 2014. Some of our customers will be affected by this change, so we thought we should make you aware of the impact it will have.

The Local Government Pension Scheme is a nationwide scheme available as part of the pay and reward package for employees working in local government or working for other employers participating in the Scheme and also includes some councillors.

If this does apply to you and you use our Enterprise product, you will need to create a new date effective entry for the appropriate pension scheme and then change the pensionable pay item so that the more comprehensive definition can be used and, if required, create a new set of contribution bands to cater for the increase from 8 to 9 bands.

We do have a brief document which outlines the main changes. If you would like a copy please email sales@miracle-dynamics.com.



Diana Bruce, MCIPDip

Welcome to Diana Bruce our Guest Writer from the CIPP

(The Chartered Institute of Payroll Professionals)

Diana is the Senior Policy Liaison Officer at the CIPP and joined the team in 2009 with 20 years of payroll and HR experience from both public and private sectors.



Chartered Institute of Payroll Professionals Budget 2014 Summary

Good news for beer drinking pensioners who drive!

Introduction

If you are a beer drinking pensioner who drives, has an abundance of savings and a penchant for Bingo then you will be cock-a-hoop with the 2014 Budget. For the second year running there will be a penny off a pint and, in response to some hard lobbying, bingo duty is to be halved to 10 per cent. "Support for savers is at the heart of this budget" said the Chancellor and we also have another freeze on fuel duty as the increase planned for September is to be cancelled.

Mr Osborne certainly had plenty to say in his hour long budget speech, but the good news for payroll professionals and employers alike is that there was no mention of any imminent new initiatives that will increase their already overloaded work plates - not in this tax year anyway. Most of the relevant announcements looked to confirm what has been previously announced, such as the personal allowance increase to £10,000 from 6 April 2014.

The announcement that we are to have new £1 coins produced by 2017 caused a surprising commotion in the house. Did we miss something or is it the fact that they are to take the shape of the old 'thrupenny bit', thus igniting fond memories from some of the snoozing back benchers? Apparently one in thirty pound coins are now counterfeit and the

cost to us is millions each year in fraud. Some brief highlights of the budget follow but if you require full details you can access the 120 page document on the Gov.uk website.

Personal tax - 2015/16

The personal allowance for those born after 5 April 1948 will increase to £10,500 and the basic rate limit will be set at £31,785. The transferable tax allowance for married couples and civil partners will be set at 10% of the personal allowance - £1,050. The starting rate for savings income is to be reduced from 10% to zero and the maximum amount of an individual's savings income that can qualify for this starting rate will increase to £5,000.

Company Cars

The fuel benefit charge multipliers for both company cars and vans will increase in line with inflation for 2015 to 2016. The increase will be based on the September 2014 RPI figure. Legislation will be introduced in Finance Bill 2015 to extend van benefit charge support for zero emission vans to 5 April 2020 on a tapered basis.

And the appropriate percentage of list price subject to tax will increase by 2% points for company cars emitting more than 75g of carbon dioxide per kilometre (gCO₂/km), to a maximum of 37%, in 2017 to 2018 and 2018 to 2019. With the cut for businesses in those who produce not so friendly carbon emissions it will come as no surprise the company car has to pay for it.

National Insurance contributions: simplification for the self-employed

The government will introduce legislation when parliamentary time allows to simplify the administrative process for the self-employed by using Self-Assessment to collect Class 2 National Insurance contributions alongside Income Tax and Class 4 National Insurance contributions. These changes will take effect from April 2016; however customers will start to see the benefits after April 2015.

Tax-Free Childcare

As previously announced this week, the government has just published their consultation response to the design and operation of the new Tax-Free Childcare scheme due to launch in autumn 2015. This was highlighted again in the budget due to one of the changes being an increase in tax-free childcare costs from £1,200 to £2,000 per child per year. The CIPP are extremely pleased that the government has removed an additional burden by allowing eligibility for all children up the age of 12 from the outset, rather than looking to implement a staggered approach. You can read more detail on the consultation response through the CIPP news pages.

Freedom and choice in Pensions

The Chancellor announced significant changes in how people are able to access their defined contribution pension. From 27 March 2014 a package of initial measures will be introduced including:

- changes to the small pots limit (from £2,000 to £10,000)
- the number of small pots someone can take as a lump sum will increase from two to three

- the overall trivial commutation limit will rise from £18,000 to £30,000, the capped drawdown limit will increase from 120% of an equivalent annuity to 150%
- the minimum income requirement for flexible drawdown will be lowered from £20,000 per year to £12,000.

From April 2015 the tax rules will change to enable people to access their defined contribution pension as they wish from the point of retirement. Income from a pension will be taxed at the marginal rate, and the 25% tax free lump sum will continue to be available. So people will still be able to purchase an annuity, but they will also be able to tax their pension as a lump sum, or keep it invested and draw down from it as they wish (and potentially buy an annuity later in life).

New Individual Savings Accounts (NISA)

With effect from 1 July 2014 the annual subscription limit for cash and stocks and shares ISAs will be equalised at £15,000, and restrictions on the transfer of funds between the two types of ISAs will be removed. Consequential changes will be made to the rules concerning the securities and other investments that can be held in an ISA and Core Capital Deferred Shares issued by a Building Society will also be eligible for investment in an ISA and CTF. The annual subscription limit for Junior ISAs and Child Trust Funds will also be increased from £3,840 to £4,000 from 1 July.

Premium Bonds

The cap on investments in Premium Bonds will be lifted for the first time since 2003, from £30,000 to £40,000, from 1 June 2014 and will then be lifted again to £50,000 in 2015/16. NS&I will also now offer two £1 million prizes per month, rather than one, starting from the prize draw in August this year. This will increase savers' chances of winning the largest prize and allow people who want to save more through Premium Bonds to do so.

Diana Bruce MCIPPDip, CIPP Senior Policy Liaison Officer

Competition Winners ...

Congratulations to Laura Edwards of the VGC Group who won our February newsletter competition. The question was 'What James Bond Theme is also a duck?' Laura answered correctly 'Goldeneye'. Well done to Laura, she chose a John Lewis voucher as her prize, which is excellent timing as she is just moving house.

We also ran a competition in our Enterprise and Progress release notes. Those customers that read the whole of the release notes and spotted the following statement, received some lovely Thornton's chocolates.

'The first three customers who have read this far and contacted Sheila will receive a chocolate reward'.

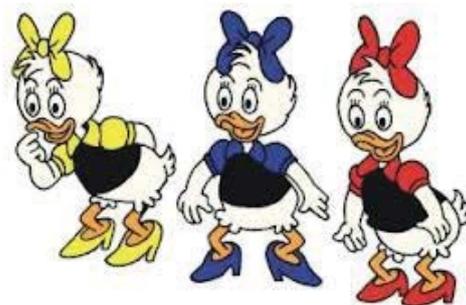
This was found in the section 'Late PAYE Reporting Reason' on page 36 of the Enterprise notes and in the 'Processing Year End' on page 22 of the Progress release notes. Well done to our Progress users Debbie Downard from Eveden and Terri Garty from Croydex. Well done also to our Enterprise users Andrea Millington from Brookson, Samantha Mead from Crest Plus, Paul Pearce from William Davis and Wendy Arnold from JSA.

We were feeling generous so sent chocolates to more than three customers!

Competition Time ...

For a chance to win from a choice of prizes, the question for our April competition is:

Name the ducks in the picture below and their famous Aunt



The first correct entry to be picked will win a prize of their choice from the following list:

- Kindle Fire
- Case of Wine
- £100 shopping voucher
- Nespresso Coffee Machine

Please send your entry to sales@miracle-dynamics.com before the end of Thursday 1st May.



Congratulations to Alison Firth now Ward

Huge Congratulations to Alison and Peter Ward on their marriage on Saturday 15th March. Alison is one of our Senior Consultants who writes our regular 'Ask Alison' column in our bi-monthly newsletters. Alison and Peter spent their honeymoon in San Francisco and New York. We would like to wish them all the luck and happiness in the world!



Mounting concerns over **'Abduktion'** at Securitas

There are mounting concerns over a mysterious case of 'Abduktion' at Securitas' head office in Uxbridge. On 30th January a "Mr Quacky" was reported missing by Nira Shah, PMO at Securitas House. The authorities were called in to investigate the matter further, however progress has been painfully slow. They are feeling despondent and believe that the case is not been treated with the seriousness it deserves.

Several suspects have however, been identified in the 'ducknapping' and it has been reported that they have been pulled in for questioning. Although there has been no official statement released, at this stage, our source at Securitas has been willing to talk and co-operate with the special Duckthority unit.

The background to this distressing story started with the arrival of Mr Quacky as aforementioned on 30th January. Mr Quacky was presented to Securitas as a Congratulations 'Go-Live' gift from Alan Frost, CEO of Miracle Dynamics alongside some duck chocolates. He soon became the pride and joy of the department and was placed with his two siblings and a few other friends. Mr Quacky appeared to have settled in well to his new surroundings, however it does seem that his arrival sparked some unwarranted interest and jealousy from the IT department.

When Shah of Securitas returned to her office the following day, she found to her complete horror that Mr Quacky had disappeared. Shah immediately mounted a thorough search of Securitas IT, and to her astonishment found that he had been forced into a dark drawer with little room to manoeuvre. The draw belonged to one of the suspects that has been pulled in for questioning, Kris Glover, the Enterprise Application Manager of Securitas. Shah's initial thoughts were that Glover had played a harmless prank, however after some thought Shah became quite upset

that Mr Quacky had been subjected to such a small confined space, with no food, no family and no love.

Later that day Shah left the office for lunch only to return and discover that Mr Quacky was missing again. Not only had Mr Quacky been 'ducknapped' but one of the duck chocolates had also disappeared. Shah became increasingly upset over this latest development in this sorry tale (tail!). Once again Shah launched a search for him and he was found several hours later unhurt in the server room, only to be taken again. He was finally found by the Helpdesk Manager, but in a twist to the case was oddly bound in bubble wrap. Behavioural experts have been called in to assess the 'ducknappers' profile. Similar cases have involved bubble wrap and this could lead to the possible identification of the mysterious 'abduktor'.

Although it appeared that Mr Quacky was returned safe and sound to his siblings and loved ones, it wasn't long before he vanished again, however sadly this time he has not been found. The 'Duckthorities' are now investigating further, however it seems that one of their key suspects is out of the country and therefore has not been questioned.

Securitas are keen to hasten the Duck's return and are continuing with their own investigations. In a CSI style inquiry, Shah employed some effective tactics to understand the motive behind the 'abduktion'. Could it be malicious duck handling, jealousy, greed, hunger, envy or just a love for ducks? All motives are being looked into it.



Mr Quacky was last seen on the evening of Tuesday 11th February at around 6.00pm. Securitas are running through security tapes, however it appears the 'abduktor' could be privy to the security system and did not leave any evidence. So the investigation continues. The IT department have all been pulled in for questioning, however deny all knowledge of the disappearance. The no. 1 suspect is currently taking a skiing holiday. Plans have been put into place to ensure he is immediately questioned upon his arrival back in the UK.

Shah is said to be heartbroken over Mr Quacky's disappearance, although she hasn't given up hope. When questioned by a reporter from the local newspaper Shah told him "Never deprive yourself of hope or a Duck - it may be all you have". After having worked on this particular case, a roving reporter from the local newspaper uncovered several more 'ducknapping' cases all involving the Miracle ducks. Alan Frost, CEO of Miracle has become increasingly concerned over



the popularity of these ducks and is in negotiations with Securitas themselves into how they can provide protection for them in the future. CCTV, Duck Monitoring, 24 hour Surveillance?

Alan Frost said "It started out with being a fun gimmick for our customers, however it seems that their popularity has increased and we are now very concerned over the safety of these ducks. It appears we have started a duck craze which has become somewhat of an obsession to many, we hope that Mr Quacky is returned safely, however we have dispatched another duck to Securitas. This duck is currently under secure escort. We know that Mr Quacky cannot be replaced and all measures are being put into place for his safe return.

Investigations are continuing, the team are said to be getting their ducks in a row. Alan Frost of Miracle believes that Securitas's investigations are gathering pace, in fact he says they are 'eggcellent'. Shah is said to be 'quacking up' under the pressure, everyone in the local community is rallying around her in an effort to keep her sane. A wanted poster and reward has also been placed in a bid to ensure his safe return.

Duck Competitiveness!

It appears that our customers are getting quite competitive over their **Miracle ducks!** Wendy Davies, Payroll Manager at Waterfall Services believes they have (by far!!) the best duck ever!! What do you think - can you beat the Waterfall duck???



The battle of Wits – Miracle does Countdown

In the show where contestants engage in a battle of wits and lexical dexterity, Miracle champion their brand all the way!

We would love to say we have influence over Channel 4, but it was Wendy Davies, Payroll Manager of Waterfall Services who spotted this Miracle. Well done Wendy!

P11D Deadline

After the end of the tax year you need to complete and send your expenses and benefits forms to HMRC. You need to submit a P11D or P9D form for each employee to whom you've provided expenses and benefits during the tax year, and one form P11D(b) to declare the overall amount of Class 1A National Insurance contributions (NICs) due on all the expenses and benefits you've provided.

All of these forms must be submitted to HM Revenue & Customs (HMRC) by 6th July and the easiest way to do this is with the Miracle P11D module.

The Miracle Enterprise P11D module can help you report on employee benefits and expenses and provides a means to capture the data required for year end reporting.

This can be done either as part of the employee's benefits as set up in the HR system or as a stand-alone option that feeds the payroll module. The P11D data can be sent to HMRC either in paper format or electronically via the Government's e-government gateway.

A printed copy for the employee and/or the employer's files can be produced independently of the HMRC submission. The P11D module is an optional add-on to MiraclePay and MiraclePeople Enterprise for Microsoft Dynamics NAV and includes the following functionality:

- Unlimited entries within each benefit type
- Free format report - HMRC approved
- On-line P11D filing
- Company cars
- Mileage allowances
- Living accommodation
- Company loans
- Medical care
- Assets
- Expenses

If you would like to find out more about the Miracle Enterprise P11D, please call our office on 0845 634 5015 or email sales@miracle-dynamics.com.



Miracle and BusinessHR announce **Strategic Partnership**

We are delighted to announce our strategic partnership with BusinessHR. BusinessHR provide a cost effective HR service which helps organisations to manage their staff within the law, whilst reducing the risk of a Tribunal claim.

Although we have been providing Payroll and HR solutions for over twenty five years now, we are often seen as a Payroll software and services organisation. Our HR solution, MiraclePeople is already a robust, feature rich product and our partnership with BusinessHR will put their knowledge and experience together with ours to drive increased market share with a progressive solution.

In addition to leveraging Knowledge Management, Miracle will work with BusinessHR to offer a HR advice and guidance portal solution to their customers. Business HR's portal will offer our customers 24x7 practical advice and templates for many HR documents.

We are excited about working with BusinessHR, their considerable experience in the HR arena will allow us to provide our customers with an unrivalled HR solution. We will be starting our relationship with a series of joint seminars, where we can combine our expertise and knowledge to share with our audience. Dates to be announced shortly.

BusinessHR will be contributing to our newsletter on a regular basis, we would like to thank Terry Edney for his contribution.

BusinessHR

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The **four keys to successful staff management** are accurate information, effective HR processes, sound HR policies and taking the right action at the right time.

”

Terry Edney BA (Hons) LLM FCIPD - CEO BusinessHR



Welcome to Terry Edney our Guest Writer from BusinessHR. Terry has been with BusinessHR since 1995 and has a vast amount of HR experience in sectors such as Retail, Petroleum and IT. Previous to joining Business HR, Terry was a HR Director for two leading IT companies.

He subsequently moved into executive management where he was involved in developing businesses in both the UK and the USA. Terry has also used his expertise to conduct HR and business development orientated consulting projects in the UK, Europe, the Middle East and the USA.

Terry holds a Bachelors degree in Business Finance, a Masters degree in Employment Law and is a Fellow of the Chartered Institute of Personnel and Development.

Successfully managing your staff and **avoiding legal issues**

Successfully managing staff and avoiding legal issues is a challenge for employers large and small.

To help its clients meet this challenge Miracle Dynamics has announced a strategic partnership with BusinessHR. The aim is to further enhance the HR service which Miracle provides to its customers by adding a resource which helps its clients manage their staff within the law.

Terry Edney, CEO of BusinessHR, explains their services and how working with Miracle will make additional expertise available to their customers.

The keys to handling the risk

Mention employment law to most managers and a look of fear comes across their face! That is where we come in, to support them and/or the HR department.

Although there are risks in employing staff there are three key steps for minimising it:

HR Documents: Hoping to win an employment tribunal claim without having the right HR policies, contracts, etc. in place is a little like an international rugby team giving the New Zealanders a 20 point lead and hoping to beat them!

The right process: Having the right policies and procedures in place is a start but you then have to follow them. This is often a frustration for managers but it is vital.

Acting reasonably: This is more difficult to define as there are no hard and fast rules except as laid down by case law. Taking expert advice can be essential to making sure you meet this requirement.

BusinessHR

Our service is designed to help employers to follow these three steps:

HR Documents: - Our starting point is to make sure our clients' HR documents, including their policies, contracts and employee handbook, are up-to-date and legally compliant. However, over time these documents will need further updating and so we regularly review them to keep them compliant.

It is also legally essential that many of the letters sent to employees contain the right information. Through our interactive website we ensure clients always have

access to up-to-date letter templates and our advisors are always on hand to provide further help.

The right process: There are three ways we help our clients to follow the right process.

- i. Our review of the HR documents will have put in place the right policies and procedures.
- ii. Our Advice Service, available by phone or email, advises clients on following their procedures.
- iii. Our interactive website contains step-by-step advice and other guidance to help employers.

Acting reasonably: This is where our experienced HR Advisors use their wealth of expertise and experience for the benefit of our clients. By providing clear, practical advice we help our clients take reasonable action to resolve any issues. Our clients tell us that not only do we help them reduce their risk of employee litigation but we save them time, as advice is quickly available, plus we reduce the stress that can arise when facing difficult situations. Through our consulting and training work we also help our clients achieve high performance within the law.

Our Clients

Since the year 2000 employers in many sectors including car hire, logistics, software, engineering, insurance broking, restaurants, crane hire, banking, international recruitment and specialist food distribution plus Oxbridge Colleges, care homes and charities have relied on BusinessHR to minimise their risk.

The size of our clients ranges from start-up, with a handful of staff, to distributed organisations with hundreds of employees.

Miracle Dynamics and BusinessHR

To successfully manage staff and achieve high performance requires two things; accurate information about the employees and taking the right action at the right time.

Together, Miracle and BusinessHR, can provide clients with this complete support. Miracle enables clients to retain accurate information on their staff and increasingly automate the internal HR processes. BusinessHR helps employers use this information to both motivate staff and handle any issues that arise. As CEO of BusinessHR I am delighted that together with Miracle we will be able to offer this unique, comprehensive HR support to both groups of customers.

**Terry Edney BA (Hons) LLM FCIPD
CEO BusinessHR**

Welcome to Martin Koch our Guest Writer from NEST.



Martin Koch is a relationship manager at NEST working with large intermediary groups. His role is to create a better understanding of the pension reforms and how NEST can help with automatic enrolment.

Prior to joining NEST, Martin held a senior position with a large pension provider in its Strategic Development Team, having worked in the industry for over 25 years.

Automatic enrolment – how's it going?

So far so good, but challenges ahead, says NEST

Pensions have been at the forefront of the news agenda this year and it's no wonder, as 2014 is the year when the volumes of employers affected by automatic enrolment really start to ramp up.

The government's workplace pension reforms are due to apply to tens of thousands of companies over the next twelve months, many of which have little or no previous experience of setting up pension schemes for their staff.

Our recent NEST Insight report, which draws together insights from original research by NEST and other bodies, such as the DWP, TPR, pension organisations and consumer groups, found that first year employers successfully navigated their way through the legislation largely thanks to their pensions experience and knowledge and by dedicating enough time to the project. So, whilst these large employers had help from providers and advisers, the success of the first year of automatic enrolment was due in large part to the effort, time and resources they dedicated to rolling out pensions across their workforce.

However, it wasn't all plain sailing. Many reported that implementing the duties took longer than expected. The research found that for 20 per cent of first year employers it took over 16 months to get ready, despite previously offering a pension scheme to at least some of their workers. Even with this level of preparedness and experience, 66 per cent said they found meeting their

duties more difficult than anticipated. 2014 sees a new set of employers meeting their duties and they may find it more difficult than their predecessors. NEST's research among this next wave of employers suggests they have three fundamental gaps to deal with as they meet their automatic enrolment challenges. Identified as the experience gap, knowledge gap and reality gap, compared with their predecessors second year employers may not be engaging with the detail of the reforms early enough in order to successfully manage their duties.

These employers may well need, and expect, a far greater level of support from financial advisers, accountants, payroll providers and the pensions industry alike. In fact, our research suggests that nine in 10 employers with more than 50 workers plan to seek advice on the choice of their scheme. And clearly the help employers are looking for doesn't just reside in provider selection, with 74 per cent having sought or intending to seek additional support. Many of these firms want assistance to help comply with the regulations and manage their scheme on an ongoing basis. So what do we mean by the experience gap, knowledge gap and reality gap?

The experience gap

Around a third of 2014 employers are likely to either not currently offer any pension scheme at all or just have a shell stakeholder scheme in place, while all 2013 employers had offered a pension. Only around half, 52 per cent, said that they had a good understanding of pensions compared with 96 per cent of earlier stagers.

The knowledge gap

The research suggests that not only do some employers lack knowledge about pensions, but they haven't engaged with the detail of the reforms – for example, only 53 per cent of employers staging between February and July 2014 are aware that they can postpone enrolments for up to 3 months, with only 12 per cent planning to do so. This compares with around half of 2013 stagers applying a waiting period. The employers NEST interviewed found it difficult to map out the process they intended to follow as they had limited knowledge of the details of the reforms.

The reality gap

Results from TPR's latest tracking survey with employers found that only one in 10 employers staging in 2014 say they plan to leave it as late as possible to comply. This plan to be ahead of their deadline is at odds with the insight that only 23 per cent of employers staging between February and July 2014 had both confirmed the provider they'll use and that they've done everything else they need to do in order to be ready to comply. This suggests that employers are not getting the message that they need to plan ahead, and are underestimating how much work is involved and how long implementation may take them.

So what can you do to get ready?

It is essential that employers engage with their payroll provider early and find out how they can help you meet your duties. Payroll has an essential role to play in automatic enrolment so speaking to your payroll provider early on in the process will stand you in good stead for meeting your duties. NEST has developed a suite of tools and guides on the NEST website which can help employers and advisers navigate their way through what they need to do. This includes NEST's countdown emails which remind employers what they need to do at different points prior to staging, starting about six months ahead of an employer's staging date.

However, employers need to ensure they understand what they have to do to comply with the regulations, and that their data is in order. For example, for each pay period they need to be able to categorise their workforce in terms of who is eligible to be automatically enrolled and potentially for different contribution levels and schemes. After a successful first year, all eyes will be on what happens next for automatic enrolment. The evidence suggests providers and advisers are gearing up to help, but employers need to start engaging with the detail of what they need to do in good time.



pennies
from
heaven



It's amazing what **big** change payroll can make from **little** change

Payroll takes **money back** with Pennies from Heaven

We are delighted to announce that MiraclePay Enterprise can now support the UK's largest small change payslip scheme. Join hundreds of other employers and turn small change into big change.

Miracle Dynamics has flown the flag for corporate responsibility by including a charitable giving scheme, Pennies from Heaven, in the end of year upgrade for MiraclePay Enterprise. This means that all users can now set up Pennies from Heaven, saving them time and money.

What is Pennies from Heaven (PFH)?

- PFH is a simple, affordable way for employees to give to charity.
- Employees sign up and then net pay is rounded down to the nearest pound with the pennies donated to charity. Earn £850.34 then 34p goes to charity.
- Donations can only be between 1p and 99p every time you are paid.
- Each employer nominates a charity/charities that all staff give to.
- It's about everyone being able to join in and collectively make a difference. By each of us doing something small together we can do something big
- All tax payers donations are eligible for 'gift aid' which means an additional 25% of the donation is added by the government.
- 100% of donations go to the chosen charities where a fee is paid to PFH

How has MiraclePay changed?

- Functionality has been added in the year end upgrade to handle the PFH scheme. A new option has been added to the pay item process list which can be applied to the Net Pay pay item which will collect the pennies from each employee's pay.
- Users can find information about the change in the release notes.
- Now all employers using MiraclePay Enterprise can join PFH without spending time and money on consultancy work.

How can my company set up the scheme?

- If your organisation is not offering PFH then please let them know of this opportunity to make a real difference to charities you care about.
- Contact PFH directly and they will approach the right people in your organisation or pass this article to colleagues in community / charity teams or those looking after HR rewards and benefits programmes.
- It can take as little as three weeks to get the scheme running.
- Payroll teams have been highly commended for championing the scheme themselves.
- Terms of the agreement need to be arranged with PFH directly

Is the scheme popular?

- YES! PFH is the UK's largest small change giving scheme for employees and pensioners and to date has raised

over 260,000,000 pennies for over 265 charities.

- In the last four years 70% more employers have joined the scheme and donations have increased by 56%.
- PFH is five times more popular than payroll giving.
- Over 172 employers run the scheme including The Bank of England, Barclays, Cadburys, Capital One, HSBC, NFU Mutual, LV, Palmer and Harvey, Skandia, TNT, WH Smith plus many County Councils and the UK's largest employer the NHS.

We're really pleased that we have been able to add this functionality as it can make a huge difference. We hope that many of our customers will want to join Pennies from Heaven. We'd be interested to hear if you do decide to set up the scheme.

Anthony Law, Managing Director of Pennies from Heaven said "The changes Miracle Dynamics have made really make it simple for employers to run Pennies from Heaven. We thank Miracle Dynamics and so will many benefiting charities in the future."

Anthony Law, Managing Director of Pennies from Heaven can be contacted at:

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It's a Miracle Baby Collection

We have now extended our 'It's A Miracle' baby range to include towels and hats as well as the bibs we previously offered. We have also updated the design to include guess what... ducks, of course!! We think they're really cute. If you, your family or any of your colleagues are expecting a baby, please let us know and we will send you a present of your choice. Please email sales@miracle-dynamics.com with your request.

Order yours today ...



Please note all our events will be taking place at our offices in Tewkesbury unless otherwise stated.

April

16th - MiraclePay Enterprise Pension Training Course

May

2nd - MiraclePay Enterprise P11D Standard Training Course

8th & 9th - MiraclePay Enterprise Standard Training Course

21st - MiraclePay Lite Pension Training Course

22nd - Pension Seminar

27th - MiraclePay Enterprise Pension Training Course

June

3rd - Miracle Enterprise Entitlement Training

4th - MiraclePay Enterprise P11D Standard Training Course

5th & 6th - MiraclePay Enterprise Standard Training Course

11th - MiraclePay Lite Pension Training Course

12th - MiraclePay Enterprise Pension Training Course

July

3rd & 4th - MiraclePay Enterprise Standard Training Course

10th - Pension Seminar

August

1st - MiraclePay Enterprise Payroll Reporting - Flexible Pay and Document Link

7th & 8th - MiraclePay Enterprise Standard Training Course

September

3rd - Miracle Enterprise Entitlement Training

4th & 5th - MiraclePay Enterprise Standard Training Course

11th - Pension Seminar

October

9th & 10th - MiraclePay Enterprise Standard Training Course

9th & 10th - Miracle exhibiting at CIPP Annual Conference, Wales

November

6th & 7th - Miracle Customer Conference - Heythrop Park, Oxon

12th - MiraclePay Enterprise Payroll Reporting - Flexible Pay and Document Link

December

4th & 5th - MiraclePay Enterprise Standard Training Course



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