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www.miracle-dynamics.com

welcome to the miracle newsletter

It seems we have just gone through what is probably the largest change in Payroll since 1944 – RTI! Our software stood up very well and we have had some positive feedback from our customers. However we did receive nearly 5,000 calls to our help desk in four weeks! Many of the calls were regarding the HMRC website.

We do know that all of our direct customers have processed their year-ends successfully and I would like to take this opportunity to thank my staff who worked long hours to ensure that we had a successful year end. They really are the best bunch of guys I have ever worked with.

What did become apparent to us was that those organisations who invested in RTI training and consultancy actually sailed through the process. Those who didn't put in the groundwork and were ill prepared did end up having a lot of issues.

Therefore we are advising customers to learn from past mistakes when it comes to the New Pension Regulations. We do need to warn you that it is a much more complex process than RTI and we feel that most sites will require up to 5 days consultancy. Please contact us to discuss the new regulations to ensure a smooth implementation.

Best Regards

Alan Frost

Miracle Customer Conference

3rd & 4th July 2013

Coombe Abbey, Binley



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We promise a mixture of solid practical advice and some good old fashioned fun!

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Hopefully all of our customers should have received an invitation to our Customer Conference on 3rd and 4th July at Coombe Abbey in Binley, Warwickshire. The event is the first of its type for Miracle and we have a packed agenda and fun evening planned. Please note that numbers are limited and we will be taking bookings on a first come first served basis, so make sure you book your place early!

Our event starts on 3rd July with dinner and entertainment and an overnight stay. Our main conference starts at 10.00am the following morning and we aim to finish around 4.00pm.

We have been very lucky to secure some great speakers for the event and you will be able to attend 3 practical workshops from a choice of 9 sessions.

The cost of the event is £255 per person and this includes dinner, drinks, entertainment, accommodation, breakfast, lunch and refreshments. We promise that the event will be a mixture of solid practical advice and some good old fashioned fun!

Why should you attend?

- Learn about new legislation and how it affects your Miracle solution
- Network with other Miracle Users
- Meet the Miracle Team
- Learn about new products and technologies
- Opportunity to book a 30 minute meeting with key Miracle staff
- Attend 3 workshops from a choice of 9 covering Payroll, HR and Workforce Management
- Meet with CIPP, HMRC and the Pension Regulator
- See the NAV2013 version of Miracle



Morning Agenda

Welcome - Alan Frost of Miracle

RTI Update - Phil Nilson of HMRC

Pension Update - Neil Esslemont of The Pension Regulator

NAV2013 - Andrew Wyld of Microsoft

MyExpensesOnline – Expense Management Solution - Richard Coope of MyExpensesOnline

Breakout Sessions

You will be able to attend 3 breakout sessions in the afternoon. Each stream has a choice of 3 and there is an additional Progress session.

Stream 1 - Payroll

- eDoc Deposit
- Accumulators – What can they do for you?
- Flexible Pay Analysis

Stream 2 - Workforce Mangement

- MiracleTime
- Feedback Time & Attendance
- MiracleFleet

Stream 3 – HR

- MyExpensesOnline
- Pension Update continued
- NEST

How to book

- Visit the events section on our website and complete the booking form on the Customer Conference Page
- Call the office on 0845 634 5015 and speak to Sheila Wallett or Stacy Reynolds
- Or email sales@miracle-dynamics.com

Ask Alison?



Alison Firth, one of our Senior Consultants shares some handy hints and tips with you, we hope you find them useful.

HMRC Courses - Want to brush up on your payroll skills? Confused about statutory payments or calculating PAYE? HMRC offer free courses that anyone can attend. Details can be found on the HMRC website or by contacting your Tax Office.

Enterprise Users - Are you making full use of the reporting functionality? Do you need Excel reports or mail-merge letters? Enquiries, Flexible Pay Analysis and Document Link are available to help you.

Name & Address labels - Don't forget these are available in MiraclePay Enterprise and MiraclePay Lite.

New Pension Regulations - Did you know that the statutory pension letters can be emailed using MiraclePay Enterprise with Miracle eDocs.

Customer Photos

Many thanks to those customers who sent us photographs to use for wall art in our office! If you would like to receive a lovely collection of Thorntons chocolates, we are currently collecting customer photographs to have printed onto canvases to use in a montage. We are looking for photographs with your company name on it, for example your company building with your name or logo or perhaps a photo of the product your business sells.

Any photos sent in will receive some Thorntons chocolates as a thank you. Please send your images or photographs to amanda.sibley@miracle-dynamics.com.



Did you know that you could manage your employee time and attendance requirements with Miracle?

Managing one of your most expensive resources – your employees, can be a daunting and time consuming task. That's why many businesses today are looking towards time and attendance solutions to help them manage all aspects of employee attendance data, saving valuable time and money.

With MiracleTime, your organisation could successfully manage all aspects of employee time and attendance. The solution is fully integrated with the rest of your Miracle solution and provides seamless integration between MiraclePay and MiraclePeople.

MiracleTime is a powerful management tool which will help to significantly reduce payroll time and costs whilst providing valuable data at the click of a button. The benefits of an integrated solution are measurable and the seamless integration between modules means less data duplication, streamlined data input and a greatly reduced probability of errors.

Features

- A year planner provides a comprehensive visualisation of an employee's attendance pattern
- Flexible working and shift pattern definitions
- User defined attendance rules. Sessions, daily thresholds, weekly thresholds and combined structures supported
- Dynamic links to MiraclePeople and MiraclePay will ensure employee absence management and pay structures are updated online
- Input manually or via time and attendance devices. Proximity, swipe and touch screen devices are all supported
- Matrix security management control by company, by division or reporting group
- Working time directive supported

Time & Attendance Functions

- Comprehensive attendance capture. Planned and unplanned absence and attendance management
- Clocking machine maintenance, including 'in' 'out' and 'both' identifiers. Support for use of 'raw' clockings
- Definition of working and nonworking patterns
- Flexible overtime structures - pre-shift, post-shift and midshift available
- Definition of shift rules - 'start', 'end' and 'break' rules are completely tailorable
- Management override capabilities are supported
- Dynamic integration to MiraclePay, attendance rules applied to automatically update employee pay details
- Exception reporting non-attendance, missed-clocking treatments, shift rule contraventions, etc.
- Badge/employee ID card printing
- Access control

Benefits

- Increases productivity
- Reduces labour intensive tasks
- Accuracy will be greatly improved
- Number of errors will decrease
- Admin time and costs associated with dealing with multiple shift patterns, holidays and overtime will be reduced
- Managers can view employee hours at a glance giving them tighter control over their workforce
- Access to T&A data can reduce unnecessary overtime
- Resources can be assigned more effectively
- Ability to see staff whereabouts decreases time spent scheduling resources
- Ability to view resources being used at a click of a button ensures there is adequate cover to carry out all operations
- Ability to monitor staff absence gives greater visibility, which in turn should help to reduce absences

Using MiracleTime to handle time and attendance requirements will help to make the task easier, less time consuming and more accurate. All your payroll data for each period can be easily collated helping to streamline the process creating a more efficient payroll.

If you would like further information on MiracleTime, please contact our sales team on 0845 634 5015 or email sales@miracle-dynamics.com.

Employing Migrant Workers –

Ensure compliance and understand your responsibilities

It's HR's job to ensure that the right systems are in place for employing migrant workers legally. There have been some recent high profile cases where large fines have been issued to employers who failed to comply with their legal obligations and the message from the Home Office is clear that the focus on compliance will only increase.

If an employer is found to be employing an illegal worker, they could be fined up to £10,000 for each illegal worker and could even face up to 2 years in prison. The UK Border Agency (UKBA) will not hesitate to take action against employers or academic institutions, whatever their size, who fail to comply with their licence obligations.

So how do you ensure your organisation only employs people who are allowed to work in the UK? In the first instance employers must ensure that the appropriate right to work checks are carried out on all new employees regardless of nationality before they start work. You will need to ensure you correctly carry out checks on acceptable documents, repeat document checks at least once every 12 months and check to see if a person has a restriction on the type of work and the amount of hours they can work.

The documents that are acceptable for proving someone has the right to work in the UK are split into two lists. These lists are called List A and List B. You should always refer to these lists to make sure that you ask for the correct documents. If you visit the UKBA website, they have various guides and checklists that you can follow. Always ensure you only accept original documents.

Once you have ascertained the documents you need to check, you need to ensure any photographs are consistent with the appearance of the person, check the date of birth is consistent across all documents and it matches with the appearance of the person, check expiry dates of any limited leaves and check any UK government endorsements such as Biometric Residence Permits, stamps, stickers and visas.

Assure yourself that all the documents provided are genuine, have not been tampered with and belong to the holder. If you have been provided with two documents with different names, request a further document to verify, such as a

marriage certificate or a divorce decree absolute.

Once you have obtained the relevant documents and are happy that they are genuine, you need to take copies of the relevant pages in a format which cannot be altered at a later stage. There are rules and guidelines on copying and storing the information, so again refer to the UKBA website for clarification.

It is also the responsibility of the employer to keep a history of contact details for migrant workers and they should be able to produce any documents for migrants the Home Office considers relevant, for example, details of the recruitment process.

Employers also have a duty to report migrant workers who do not start work on the anticipated date, who are absent without permission, whose employment has ended and employees who cease to be sponsored. Systems need to be put into place to ensure HR are informed of such events.

There are circumstances when you will need to use the Employer Checking Service to verify a person's right to work in the UK where an individual has:

- an outstanding application or appeal which was made at the correct time;
- presented an Application Registration Card (ARC) which states that the holder is allowed to work; or
- presented a Certificate of Application issued to or for a family member of an EEA or Swiss national which states that the holder is allowed to work.

In all these cases you must receive positive confirmation of a person's right to work from the UKBA Employer Checking Service before you employ them. You should keep copies of the documents relating to the check and the confirmation of right to work.

So after thinking about all the steps you need to take to employ a migrant worker, you of course need to understand who you can employ, the type of work they are able to do and for how long. This will depend on their immigration status. Restrictions have been placed on nationals from certain countries and as an employer it is in your interest to be aware of any conditions that may affect your lawful employment of a worker. Again there are guidelines you can follow on the UKBA website.

For those employers with an immigration licence, it is a good time to consider whether your processes comply with Home Office standards. Having a licence means employers are authorised to sponsor employees under the points based immigration system and must have appropriate HR systems and processes in place to comply with their sponsorship duties, which are a condition of the licence.

After considering and planning all these steps, employers then need to take into account that they must avoid racial discrimination. When carrying out checks, employers need to know how to steer clear of unlawful discrimination in recruitment whilst trying to prevent illegal working. It's important to point out that the majority of employers and migrants in the UK are law-abiding and do wish to comply with their legal obligations.

The Home Office can carry out unannounced compliance visits at any time and it usually falls to HR to ensure all these relevant systems and processes are in place. The consequences for non-compliance can be severe, so prevention is certainly better than the cure!

For further detailed information on what you need to do as an employer, visit the UKBA website.

NI numbers issued without suffixes

HMRC have reported that they have issued a number of National Insurance numbers (NINOs) with the final letter missing, following NINO Verification Requests and RTI Full Payment Submissions made by employers with missing or incorrect NINOs.

HMRC have advised employers to use the NINO that was sent back but enter the space bar instead of the suffix. For example, use the space bar rather than trying to truncate the number to eight characters. They are asking that employers do not guess which letter (A, B, C or D) should be used. They are investigating the situation further and would like to highlight that using a National Insurance number without a suffix (A, B, C or D) should be the exception and used in this scenario only.



Samantha Mann, MAAT, MCIPP Dip

Welcome to Samantha Mann our Guest Writer from the CIPP

(The Chartered Institute of Payroll Professionals)

Samantha is the Senior Policy and Research Officer at the CIPP. Sam joined the CIPP team with over 30 years of experience working in payroll in the SME sector.



Real Time Information (RTI) did our preparations result in total success - aka - how is RTI working out for you?

Love it or loath it, it is a little early to establish the success or failure of Real Time Information (RTI).

In fact, and in all fairness, after almost 70 years of Pay As You Earn (PAYE) some would argue that the success of this system, from an employer's viewpoint at least, has yet to be proven. However, we can begin to examine the effectiveness of our real time preparations and ask ourselves whether, with the benefit of hindsight, would or could, we have done things differently? Specifically we will be taking a look at:

- The 3 way relationship, between employer, payroll software & HMRC
- HMRC guidance in preparation of, and throughout a year of transition
- Personality type and the impact it has on our coping mechanisms!

So what has changed?

Without dwelling on the technical changes too much, one of the most significant impacts that RTI has had on the payroll function is that of the relationship between the employer, their payroll software and HMRC.

Who to turn to first?

Using software in order to process our payroll is not new, quite the opposite in fact, however thanks to RTI there are effectively almost no employers now who could operate their payroll without using some form of payroll software. Whether that is a basic software product or a product that offers a greater range of flexibility and options.

So what - that's not new for us - I hear you say? You are right, however, when it

came to preparing for real time, did you first look to your software provider to hear what the changes would be or did you look instead to HMRC guidance and then turn to see how your software had adapted to these changes?

Expectations and the reality

Depending on which route you took could very much have impacted on your planning and your expectations of RTI and therefore your perception of how well real time is working for you now.

An example of this would be the requirement for an employer to submit a Full Payment Submission on or before the date that a payment of earnings is to be made to an employee. An immediate issue arose as to what to do in the event of a mistake e.g. an employee is underpaid and an additional amount needs to be paid - how should that balance be paid as it's an extra admin burden to require an FPS and what if the software doesn't allow for a supplementary payment? Some software allows for a supplementary payment but some don't - HMRC needed to recognise this variance and include suitable solutions for both.

HMRC Guidance

It was inevitable really that the guidance being issued by HMRC was never going to be able to keep up with demand or the pace of change during the pilot year and onwards into this 'year of transition'. Much criticism has been and continues to be levied towards HMRC on the subject of guidance. This is unlike the introduction of Online filing, which came with the timely production of a hard copy guide to help the payroll industry understand and react to the changes being introduced with

online filing of end of year returns.

On the contrary RTI saw no such guide, long serving guidance such as the E13 and CWG2 have been adapted to take account of real time impacts but have yet to really 'embrace' the true changes that have been brought about.

In the meantime - you have your software payroll provider and it is their contact details and website that maybe should be added to the number one section of your favourites list, with HMRC taking a number two position - at least for the time being (assuming that isn't already the case!)

Glass half full?

Whether your glass is half full or half empty - it still needs a top up! Our attitudes towards life will inevitably impact on how we perceive our success with RTI or otherwise.

The CIPP recently undertook a light-hearted survey, aimed at commemorating in a small way, the final year for the Employer Annual Return form P35. The survey posed three questions/statements:

- You know that it is 20th May because....
- How has this tax year end differed for you?
- Share with us your most distinctive memory of tax year end experiences.

Whilst aimed at being light hearted it was really looking to see how our members were dealing with what promised to be an extremely challenging time for those of us working within the Payroll industry, the processing of tax year end along with the go-live of one of the biggest changes to impact on PAYE in almost 70 years.

What struck us most amongst the responses that we received was how differently our members viewed this time of the year - as you would expect many (34%) were smiling for the first time since January which is always good news - but

almost 21% were lying down in a darkened room. The majority, on 20th May were either on holiday or out buying shoes (38% and 9% respectively), which I think might be the payroll industry's equivalent of a teenage shoulder shrug as if to say 'whatever'?

Overwhelmingly though 60% had found this year to be a challenge; juggling the newness of real time whilst closing down the old tax year using the traditional methods. But the following two statements demonstrate more than any other how our attitudes affect our experiences:

"This year has been the worst on record" versus "This year has been challenging but exciting trying out something new. It has been an opportunity to cleanse the payroll and ensure that all the information is spot on" I am hoping that as you read this article you are the proud owner of that latter statement – or could have been if you had completed the survey?

And so - what next?

Hindsight is a wonderful preparation aid but, sadly, it comes all too late in the planning process! It does however come in handy for future projects (have you begun to think about Auto Enrolment yet?)

However you have found the first few weeks of RTI to be, don't forget to take the time to review your progress, after all, you have worked hard to plan for RTI and so you should take the time to conclude the process with a review to ask yourself what lessons could be learned?

It is fair to say that whilst some commentators have suggested that cracks are beginning to show with real time, we would suggest that it is still a little too early to make that call. Have there been teething problems - yes, will there be more - undoubtedly, is the system perfect - no, but it wasn't before and so I will leave you with an excellent quote that came out of our survey which I think epitomises the inherently optimistic nature of those of us working within the payroll industry - an industry after all where the only constant is change.

"Being locked in the office because no-one realised I was working late and not caring as I just carried on working through the night. It was bliss!"

Samantha Mann, CIPP Senior Policy & Research Officer

Competition time



Competition Winner

For our June competition, we would like the answer to the following question:
What is the American Pekin Duck otherwise known as?

The first correct answer picked out the hat will win a prize of their choice from the following:

- IPOD 5th Generation 16MB
- Kindle Fire
- Case of Wine
- £100 Amazon Voucher
- £100 John Lewis Voucher

Congratulations to our April Winner, Chris Hardy of RecyCoal who sent in the following jokes:

Donald Duck walks in to a chemist and asks for some condoms. The cashier asks if she should put them on his bill?, Donald Duck replies " No thanks I'd thuffocate!

Two ducks walking down a street, suddenly one trips over. The duck gets up and says to the other, that was big quack! **Chris chose the Amazon voucher as his prize**

New Starters

As our business continues to expand, we have taken on the following new starters. We would like to welcome them to Miracle and wish them every success in the future with their new roles.

Amanda Gurney

Amanda Gurney joins Miracle as a Junior Payroll Assistant assisting Ros on the bureau. Amanda will be responsible for processing monthly and weekly payrolls along with some administration duties relating to the bureau.

Prior to joining Miracle, Amanda worked for a Microsoft Dynamics NAV end-user as a Payroll Assistant, therefore has experience of our payroll software. Amanda's knowledge of Miracle and her excellent customer services skills will make her a great fit for our team. Amanda has also been studying accountancy in her spare time.

Su Copley

Su Copley joins Miracle as the new Helpdesk Manager, where she will be responsible for managing the helpdesk to ensure it resolves calls from both our customers and resellers. She will also assist and support our delivery teams.

Su joins us with over twenty years experience in Payroll, Finance and Accounting, has strong leadership skills and is used to working to tight deadlines.

Prior to joining Miracle, Su worked for Sun Life Financial of Canada as a Payroll Analyst. She had a hands-on role running a payroll for 450 pension payments. During her time at Sun Life, Su was also a Payroll Manager and was involved in RTI.



Incorrect tax codes issued from HMRC

Real Time Information: Submissions creating new employments and tax codes

HMRC have clarified the status on completing Employer Alignment Submissions and Full Payment Submissions, where an employer:

- has submitted only part of their employee payroll on their Employer Alignment Submission (EAS) and subsequently includes the remainder of their employees on a subsequent Full Payment Submission (FPS), or
- submits their EAS in parts, but does not indicate on the first EAS that they will be submitting in parts, HMRC treats the first part as the full alignment submission, or
- an employer uses their first FPS to align (rather than an EAS) and does not include all employments on that first FPS

Once alignment is complete, any live employments not included by the employer will be ceased with a date of leaving of 5 April 2013.

HMRC have investigated this issue and identified that in all the examples they have seen, when the employer sends a subsequent FPS, HMRC will create a new employment. That new employment record will not contain any benefits from the individual employee's tax code. Therefore, the tax code that is issued for the new employment will be incorrect. Employers should not operate the incorrect codes. They should continue to use the previous code.

If an employer or an employee receives a tax code where the benefits have been removed, they should get in touch with HMRC's Taxes Helpline on 0845 300 0627 to get the benefits added back in and the code corrected.

Employers should ensure that they send HMRC details of all employees on their payroll, or, if they are sending their EAS in parts, indicate how many parts they will be sending.

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

All of the training courses detailed below are for our Enterprise product.

June

4th and 5th - MiraclePay Standard Training Course
 6th - Flexible Pay Analysis Masterclass
 20th & 21st - MiraclePeople Standard Training Course
 24th - P11D Training Course
 25th & 26th - MiraclePeople Advanced Training Course
 27th and 28th - MiraclePay Advanced Training Course

July

3rd - Customer Conference Dinner and Entertainment (PM Only) - Binley, Warwickshire
 4th - Customer Conference - Binley, Warwickshire
 9th & 10th - MiraclePeople Standard Training Course
 18th - Pension Seminar
 24th - MiracleTime Training Course
 25th & 26th - MiraclePay Standard Training Course

August

13th - HR Disciplinary Process Masterclass
 14th & 15th - MiraclePeople Advanced Training Course
 29th & 30th - MiraclePay Advanced Training Course

September

5th - Pension Seminar
 10th - P11D Training Course
 11th & 12th - MiraclePeople Standard Training Course
 26th & 27th - MiraclePay Standard Training Course

October

15th - MiracleTime Training Course
 16th & 17th - MiraclePeople Advanced Training Course
 29th - Entitlements Masterclass
 30th & 31st - MiraclePay Advanced Training Course

November

13th & 14th - MiraclePeople Standard Training Course
 21st - Pension Seminar
 28th & 29th - MiraclePay Standard Training Course

New Appointment - Lisa Tilburn, Professional Services Manager

We are delighted to announce the promotion of Lisa Tilburn to Professional Services Manager. As we are planning significant growth over the next two years, we will need to expand our Service Delivery Team. Lisa will help us to manage this growth and will be

responsible for the delivery of projects and the bureau operation. Lisa was previously a Senior Consultant and has been with the company for three years. We would like to wish Lisa the best of luck with her new position.



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