



Handbook

PBC2 – VTCT (Skillsfirst) Level 2 Certificate in Payroll for
Business (RQF)

603/3189/6

Version 2.0

About VTCT (Skillsfirst)

VTCT is a market-leading Awarding, Assessment and End-point Assessment (EPA) Organisation offering vocational and technical qualifications in a range of 'services to people' sectors.

The VTCT group of companies are comprised of three innovative awarding brands: VTCT, iTEC and Skillsfirst. Together they have over 2,500 approved centres in over 40 countries across the world.

The qualifications suite offered by VTCT (Skillsfirst) spans a range of sectors including Childcare, Business Services, Health & Social Care, Recruitment and Social Media.

For more information visit us at www.vtct.org.uk and www.skillsfirst.co.uk, contact our dedicated Customer Support Team via email at customersupport@vtct.org.uk and customerservices@skillsfirst.co.uk or call 0121 270 5100

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1 Qualification at a glance

Qualification title	VTCT (Skillsfirst) Level 2 Certificate in Payroll for Business (RQF)
Qualification number	603/3189/6
Product code	PBC2
Age range	There are age limits attached to learners undertaking this qualification as this qualification is not approved for learners under the age of 16.
Credits	23
Total Qualification Time (TQT)	230
Guided Learning (GL) hours	109
Assessment	To be awarded this qualification, learners must successfully achieve the following assessments: <ul style="list-style-type: none">• Portfolio of evidence
Entry requirements	There are no formal entry requirements for learners undertaking this qualification; however, centres must ensure that learners have the potential and opportunity to gain evidence for the qualification in the work place.
Support materials	Support materials can be found on the website (if applicable)

2 Qualification information

2.1 Qualification aim and design

This qualification provides the necessary skills for the learner to carry out a range of basic day-to-day computerised payroll routines and activities using commercially available computerised payroll software. It is designed to help the learner to become a professional payroll administrator, or to build on their achievement of the Level 1 Award in Payroll for Business (RQF).

The qualification covers the fundamentals of employment legislation for payroll, starters, leavers and employee payroll records, Statutory Sick Pay, Statutory Maternity Pay and a basic Pension Scheme, calculation of gross pay and net pay, attachment of earnings orders, computerised payroll theory and skills and spreadsheet software. Achievement of this qualification could lead to employment as a Payroll Administrator, Assistant Accountant, Payroll Supervisor or other similar job roles.

2.2 Progression opportunities

On completion of the Level 2 Certificate in Payroll for Business (RQF), learners may progress into employment or onto the following Skillsfirst qualifications:

- VTCT (Skillsfirst) Level 2 Certificate in Computerised Accounting for Business (RQF)
- VTCT (Skillsfirst) Level 3 Diploma in Computerised Accounting for Business (RQF)
- VTCT (Skillsfirst) Level 3 Diploma in Computerised Finance for Business (RQF)

or similar higher level qualifications.

2.3 The skills council for the finance sector

2.3.1 Financial Skills Partnership (part of Skills for Justice)

The Level 2 Certificate in Payroll for Business (RQF) is based on the units approved by the Financial Skills Partnership who are the skills council for the financial sector. Their contact details are:

1st Floor, Unit C
Meadowcourt Business Park
4 Hayland Street
Sheffield
S9 1BY

Phone 0114 284 1930
E: info@sfjuk.com

This handbook provides details of the assessment strategy, which centres will need to apply in order to assess and quality assure the Level 2 Certificate in Payroll for Business (RQF) and includes the:

- occupational expertise of those who assess performance, and moderate and verify assessments
- continuous professional development
- summary of assessment methods

3 Qualification structure

To be awarded the VTCT (Skillsfirst) Level 2 Certificate in Payroll for Business (RQF) learners must achieve all mandatory units. All **23** credits must be achieved, of which a minimum of **4** credits must be from optional units.

The minimum TQT required to achieve this qualification is **230**.

Product code	Unit title	Level	Credit	Unit reference number
Mandatory units (Group M): 19 Credits				
CAB17	Termination of employment	2	1	F/505/1243
CAB18	Fundamentals of employment legislation for payroll	2	2	F/505/1274
CAB19	Calculate gross pay	2	3	H/505/1235
CAB20	Elements of gross pay	2	2	K/505/1236
CAB21	Computerised payroll theory	2	2	L/505/1276
CAB22	Statutory and non-statutory payments and additions	2	3	M/505/1254
CAB23	Composition of an employee payroll record	2	2	Y/505/1233
IT208	Spreadsheet software	2	4	F/502/4625

Product code	Unit title	Level	Credit	Unit reference number
Optional units (Group O): Minimum of 4 credits				
CAB24	Computerised payroll skills	2	4	Y/505/1278
CAB36	Benefits and risks of using payroll software	2	4	F/616/8654

4 Centre requirements

4.1 Resources

Centres must possess the physical resources needed to support the delivery of the programme and the assessment of knowledge and skills, which should therefore be of industry standard. Where specific resources are required these have been indicated in individual units.

4.2 Occupational expertise of deliverers, assessors, and moderators/internal verifiers

Staff delivering this qualification must be able to demonstrate that they meet the following occupational expertise requirements. They should:

- be occupationally competent to make assessment judgements about the broad use of computerised payroll techniques either in the workplace or in Realistic Working Environments (RWE); and occupationally competent to make assessment judgements about the quality of assessment and the assessment process
- be occupationally knowledgeable in the area(s) for which they are delivering training. This knowledge must be at least to the same level as the training delivered.
- have credible experience of providing training.

Assessors and internal verifiers must hold the relevant and equivalent qualifications (such as D32, D33, A1, A2 or Level 3 TAQA for assessors and D34, V1 or Level 4 TAQA for internal verifiers), or be working towards an appropriate TAQA or equivalent qualification. Centre staff should have verifiable relevant experience and current knowledge of the occupational working area at, or above, the level they are assessing or verifying. This experience and knowledge must be of sufficient depth to be effective and reliable when judging learner competence or verifying assessment processes and decisions. This could be verified by:

- curriculum vitae and references
- possession of a relevant qualification
- records of continuous professional development
- corporate membership of a relevant professional institution

Centre staff may undertake more than one role, e.g. tutor and assessor or internal verifier, but must never internally verify their own assessments.

4.3 Employer direct model

Where employers opt for an 'employer direct' model, the qualification requirements for assessors and internal verifiers may be waived.

The employer direct' model is where colleagues, supervisors and/or managers in the workplace are involved in the assessment process. Under this model, the employer, with the agreement of Skillsfirst may choose between:

- achieving the appropriate approved qualifications for assessment/verification
- or
- demonstrating that their (the employer's) training and development activity undertaken to prepare, validate and review these assessment roles, maps 100% to the National Occupational Standards which these qualifications are based on. The mapping process **must** be agreed by Skillsfirst as providing the equivalent level of rigour and robustness as achievement of the approved assessment/verification qualification.

Each application to use the employer direct model will be considered on an individual organisation and qualification basis and agreed by the qualification regulators, including the sector skills council. Prospective organisations must be able to confirm that their in-house practices conform to the requirements of the standards in association with Skillsfirst.

4.4 Continuous professional development (CPD)

Centres are responsible for ensuring that assessors and IVs plan and maintain their CPD. Centres are expected to support their assessors and IVs in ensuring that their knowledge remains current of the occupational area and of best practice in delivery, mentoring, training, assessment and verification, and that it takes account of any national or legislative developments. Centres may have generic criteria and personnel specifications in addition to the above.

4.5 Total Qualification Time (TQT)

Each qualification has a Total Qualification Time (TQT) value based on the total number of hours learning required to achieve it. The TQT value reflects the number of supervised learning hours required to achieve the knowledge and assessment requirements, plus the length of time a learner would need to take to achieve the skills and capabilities to be deemed competent. All RQF qualifications are subject to an evaluation process to determine their fitness-for-purpose.

5 Assessment

5.1 Summary of assessment methods

For this qualification, learners will be required to provide a portfolio of evidence for each unit.

5.2 Assessment principles

Units will be achieved through the acquisition of evidence by the learner and submission to their assessor. Units may be assessed through a number of different sources and forms, which must meet the requirements of assessment criteria.

- Assessment should normally be at the learner's workplace, but where the opportunity to assess across the range of standards is unavailable other comparable working environments may be used, following agreement from the External Verifier.
- A holistic approach towards the collection of evidence should be encouraged, assessing activities generated by the whole work experience rather than focusing on specific tasks.
- Assessors can only assess in their acknowledged area of occupational competence.
- Assessors and IVs will be registered with their centre and be accountable to the organisation for their assessment practice.
- Health and safety of customers/clients and employees must be maintained throughout the assessment process and if any person carrying out assessment or verification activities does not feel that there is due regard to health and safety then that person should refuse to continue with the activity(ies) until satisfied that due regard to health and safety is being taken.

5.3 Characteristics of assessment

There are two types of assessment for the Level 2 Certificate in Payroll for Business (RQF). These are skills and knowledge.

To achieve the skills units, you are advised to work through the textbook with the support of your tutor and complete the self-test activities at the end of each of the lessons. Once you feel you are ready, you can then ask your tutor/assessor to provide you with the final skills test for this unit.

The remaining units are assessed using an electronically-marked questionnaire and can be taken at the end of each section of learning.

You may produce evidence from a range of sources which should be recorded in some form. A record of evidence will confirm to your tutor/assessor their confidence in your competence and breadth and depth of knowledge and understanding in being able to competently meet the functional requirements of all the units.

Your tutor/assessor will need to be assured that you can:

- meet all the learning outcomes of a unit
- pass all the assessment criteria of a unit

Your tutor/assessor may request additional evidence if they are not satisfied with the evidence you present. If this occurs, it may need to be agreed in partnership with you and your tutor/assessor.

5.4 Recognition of prior learning (RPL)

RPL recognises how the contribution of a learner's previous experience could contribute to a qualification. Should any opportunities for RPL be identified, it is important that a complete process of recognising prior experience and learning is undertaken, by ensuring that:

- it covers relevant or appropriate experience for previous activities, as well as accredited learning and qualifications
- it is incorporated into the assessment planning, with details of how this will take place
- mapping of prior learning to the national occupational standards to identify gaps is documented and auditable
- assessment methods or processes for recognising prior experience and learning, are documented and made available to the external verifier
- the audit trail covers the whole process and methodology of RPL
- the authenticity and currency of presented evidence is established by the assessor

In considering the appropriateness of any single piece of **evidence**, the following should be considered:

- **Content** – the degree to which the content of any previous accredited learning meets the requirements of the national occupational standards against which it is being presented as evidence.
- **Performance and knowledge** – the degree to which the previous learning covered both performance and knowledge. Some learning will only have offered and tested the latter, in which case RPL will only recognise the meeting of knowledge requirements. Performance will require further assessment. Although unlikely, the reverse (performance tested but not knowledge) could be true in which case knowledge and understanding would need further assessment.
- **Relevance of context** – the degree to which the context of the learning gained and assessed, relates to the current context of learner's work roles. If the context was different, assessors will need to satisfy themselves of learners' ability to transfer the learning gained into their current setting.
- **Currency** – how recently the learning was gained. Learners would need to demonstrate current knowledge and understanding of areas such as legislation, policy and practice etc., which may have changes since the previous learning programmes were undertaken.
- **Authenticity** – how the ownership of the evidence is established to ensure it was generated by the learner.

6 Units

Unit Handbook

CAB17 – Termination of employment

Unit reference number: F/505/1243

Level: 2

Guided Learning (GL) hours: 2

Unit aim

The aim of this unit is to provide the learner with the opportunity to gain an understanding of what constitutes a leaver, the amendments to make to a leaver's final pay and the statutory requirements when processing a leaver.

Learning outcomes

There are three outcomes to this unit. The learner will:

LO1 Understand what constitutes a leaver

LO2 Know the amendments to make to a leaver's final pay

LO3 Understand statutory requirements when processing a leaver

Unit content

Evidence requirements

Learners will be required to provide a portfolio of evidence indicating that they have met all the unit outcomes and assessment criteria.

Endorsement of the unit by a sector or other appropriate body

This unit is endorsed by Financial Skills Partnership, the skills council for the financial sector

Learning outcomes

Learning Outcome	Assessment Criteria
LO1 Understand what constitutes a leaver	1.1 Describe the term 'leaver'

Learning Outcome	Assessment Criteria
LO2 Know the amendments to make to a leaver's final pay	2.1 List additional payments to leaver's final gross pay
	2.2 List changes that may be made to voluntary deductions for a leaver's final pay-run

Learning Outcome	Assessment Criteria
LO3 Understand statutory requirements when processing a leaver	3.1 State the necessary entries to be made on a leaver's payroll record
	3.2 State the necessary entries to be made on a P45 for a leaver
	3.3 Explain why payroll data is retained

CAB17 Document History

Version	Issue Date	Changes	Role
v1.0	20/01/2023	Re-branded	Compliance Manager

Unit Handbook

CAB18 – Fundamentals of employment legislation for payroll

Unit reference number: F/505/1274

Level: 2

Guided Learning (GL) hours: 8

Unit aim

The aim of this unit is to enable the learner gain the underpinning knowledge and understanding of what payroll information needs to be prepared and kept by law, data protection legislation in relation to payroll and the general principles of employment rights legislation

Learning outcomes

There are three outcomes to this unit. The learner will:

LO1 Know what payroll information is to be prepared and kept by law

LO2 Understand data protection legislation in relation to payroll

LO3 Know the general principles of employment rights legislation

Unit content

Evidence requirements

Learners will be required to provide a portfolio of evidence indicating that they have met all the unit outcomes and assessment criteria.

Assessment guidance

Locations of **relevant payroll information** could include:

- contracts of employment
- employer
- finance department

Employment rights legislation in relation to employees will include:

- pay advice
- national minimum wage
- holiday entitlement
- sickness

Endorsement of the unit by a sector or other appropriate body

This unit is endorsed by Financial Skills Partnership, the skills council for the financial sector

Learning outcomes

Learning Outcome	Assessment Criteria
LO1 Know what payroll information is to be prepared and kept by law	1.1 Identify a payroll document which contains personal employee information
	1.2 Identify a legal employment or payroll document to be kept by the employer
	1.3 State how long payroll documents should be kept by the employer

Learning Outcome	Assessment Criteria
LO2 Understand data protection legislation in relation to payroll	2.1 Identify what constitutes reliable and useable personal data, data security and security practice in relation to payroll
	2.2 Identify where you would find relevant payroll information
	2.3 Outline employer responsibilities in relation to payroll, under data protection legislation and accepted security practice

Learning Outcome	Assessment Criteria
LO3 Know the general principles of employment rights legislation	3.1 Give an example of employment rights legislation in relation to employees
	3.2 Identify how you would find relevant guidance on employment rights legislation
	3.3 Outline the main responsibilities of the employer in relation to employment rights legislation

CAB18 Document History

Version	Issue Date	Changes	Role
v1.0	20/01/2023	Re-branded	Compliance Manager

Unit Handbook

CAB19 – Calculate gross pay

Unit reference number: H/505/1235

Level: 2

Guided Learning (GL) hours: 12

Unit aim

The aim of this unit is to provide the learner with the opportunity to gain an understanding of how to determine basic pay for different payroll periods and how to calculate additional payments and overtime payable from given information. The learner will also gain an understanding of how to implement permanent changes to rates of pay from given organisational information and to implement relevant statutory additions to pay when entitlement has been determined.

Learning outcomes

There are five outcomes to this unit. The learner will:

LO1 Determine basic pay for different payroll periods

LO2 Calculate overtime payable from given information

LO3 Calculate additional payments from given information

LO4 Implement permanent changes to rates of pay from given organisational information

LO5 Implement relevant statutory additions to pay when entitlement has been determined

Version 1.0

Unit content

Evidence requirements

Learners will be required to provide a portfolio of evidence indicating that they have met all the unit outcomes and assessment criteria.

Assessment guidance

Given information could include:

- timesheets
- basic hourly rates
- weekly salaries

Non-standard periods would include:

- daily
- four weekly

Given organisational information could include:

- pay scales
- cost of living rises
- performance enhanced pay
- promotion,
- changes in working situations

Endorsement of the unit by a sector or other appropriate body

This unit is endorsed by Financial Skills Partnership, the skills council for the financial sector

Learning outcomes

Learning Outcome	Assessment Criteria
LO1 Be able to determine basic pay for different payroll periods	1.1 Calculate accurately, basic gross pay for weekly paid employees from given information
	1.2 Calculate accurately basic gross pay for monthly paid employees from given annual salaries
	1.3 Calculate accurately gross pay for non-standard periods

Learning Outcome	Assessment Criteria
LO2 Be able to calculate overtime payable from given information	2.1 Check rates of overtime payable against agreed information and limits
	2.2 Calculate accurately, overtime hours payable from given information
	2.3 Calculate accurately the value of overtime payments due including lump sum payments

Learning Outcome	Assessment Criteria
LO3 Be able to calculate additional payments from given information	3.1 Apply commission payable from given information
	3.2 Apply bonus payments from given information
	3.3 Calculate accurately unsocial hours and shift payments
	3.4 Calculate accurately holiday pay from given information
	3.5 Apply temporary changes to rates of pay and salaries for: <ul style="list-style-type: none"> • lump sum payments • negative payroll situations

Learning Outcome	Assessment Criteria
LO4 Be able to implement permanent changes to rates of pay from given organisational information	4.1 Apply any additional permanent changes in rates of pay from given organisational information
	4.2 Apply changes to rates of pay retrospectively ensuring accuracy in back payments

Learning Outcome	Assessment Criteria
LO5 Be able to implement relevant statutory additions to pay when entitlement has been determined	<p>5.1 Verify that the correct statutory payment has been applied to gross pay when entitlement has been established for:</p> <ul style="list-style-type: none"> • statutory sick pay • statutory maternity pay • statutory adoption pay • statutory paternity pay

CAB19 Document History

Version	Issue Date	Changes	Role
v1.0	31/01/2023	Re-branded	Compliance Manager

Unit Handbook

CAB20 – Elements of gross pay

Unit reference number: K/505/1236

Level: 2

Guided Learning (GL) hours: 6

Unit aim

The aim of this unit is to provide the learner with the opportunity to gain an understanding of what constitutes basic pay for different payroll periods, the principles of calculating overtime payments, what constitutes gross pay from additional payments and the need and procedures to make temporary and permanent changes to rates of pay.

Learning outcomes

There are four outcomes to this unit. The learner will:

LO1 Understand what constitutes basic pay for different payroll periods

LO2 Understand the principles of calculating overtime payments

LO3 Know what constitutes gross pay from additional payments

LO4 Understand the need and procedures to make temporary and permanent changes to rates of pay

Unit content

Evidence requirements

Learners will be required to provide a portfolio of evidence indicating that they have met all the unit outcomes and assessment criteria.

Assessment guidance

Given information could include:

- timesheets
- basic hourly rates
- weekly salaries

The learner **must** describe **three** of the **additional payments** which may constitute gross pay:

- bonuses
- commission payments on sales
- unsocial hours and shift payments
- productivity payments
- piece rates
- holiday pay
- lump sum payments
- statutory payments

Types of **temporary and permanent changes** could include:

- pay scales
- cost of living rises
- performance enhanced pay
- promotion
- changes in working situations

Endorsement of the unit by a sector or other appropriate body

This unit is endorsed by Financial Skills Partnership, the skills council for the financial sector.

Learning outcomes

Learning Outcome	Assessment Criteria
LO1 Understand what constitutes basic pay for different payroll periods	1.1 Explain how basic gross pay for weekly paid employees is calculated from given information
	1.2 Explain how basic gross pay for monthly paid employees is calculated from given annual salaries
	1.3 Explain what is meant by positive and negative payrolls

Learning Outcome	Assessment Criteria
LO2 Understand the principles of calculating overtime payments	2.1 Explain how payable overtime hours are determined payable from given information e.g. timesheets
	2.2 Describe other types of payments which are derived from set rates

Learning Outcome	Assessment Criteria
LO3 Know what constitutes gross pay from additional payments	3.1 Describe additional payments which may constitute gross pay
	3.2 Explain why changes to rates of pay and salaries may need to be applied to take account of: <ul style="list-style-type: none"> • unsocial hours • overtime • piece rates

Learning Outcome	Assessment Criteria
LO4 Understand the need and procedures to make temporary and permanent changes to rates of pay	4.1 Describe any temporary and permanent changes that may be made in rates of pay

CAB20 Document History

Version	Issue Date	Changes	Role
v1.0	31/01/2023	Re-branding	Compliance Manager

Unit Handbook

CAB21 – Computerised payroll theory

Unit reference number: L/505/1276

Level: 2

Guided Learning (GL) hours: 8

Unit aim

The aim of this unit is to enable the learner gain the underpinning knowledge and understanding of potential health and safety and security risks, the organisational procedures for processing payroll in a computerised environment and the statutory requirements for submitting information. It will also enable the learner to understand how to maintain the security of data within a computerised environment.

Learning outcomes

There are four outcomes to this unit. The learner will:

LO1 Understand potential health and safety and security risks

LO2 Maintain the security of data within a computerised environment

LO3 Understand organisational procedures for processing payroll in a computerised environment

LO4 Understand the statutory requirements for submitting information

Unit content

Evidence requirements

Learners will be required to provide a portfolio of evidence indicating that they have met all the unit outcomes and assessment criteria.

Assessment guidance

Risks to data could include:

- from individuals, such as incompetence, theft, viruses or unauthorised access
- hardware and software
- the internet
- disasters and unforeseen events

Endorsement of the unit by a sector or other appropriate body

This unit is endorsed by Financial Skills Partnership, the skills council for the financial sector

Learning outcomes

Learning Outcome	Assessment Criteria
LO1 Understand potential health and safety and security risks	1.1 Identify a range of risks to data
	1.2 Explain the need to carry out visual safety checks before starting up the computer system, and be responsible for that environment
	1.3 Identify ways to minimise security risks
	1.4 Explain the health and safety risks in using it systems
	1.5 Explain the health and safety responsibilities of the employer in the context of a computerised workplace

Learning Outcome	Assessment Criteria
LO2 Maintain the security of data within a computerised environment	2.1 Describe the procedures for maintaining the security and confidentiality of personal data and of all other information
	2.2 Explain the importance of storage of data and the back-up procedures of all other information

Learning Outcome	Assessment Criteria
LO3 Understand organisational procedures for processing payroll in a computerised environment	3.1 Explain the importance of ensuring that the software is updated in line with any changes issued by the tax authority or software company
	3.2 Explain the advantages and disadvantages of positive payrolls when using a computerised system
	3.3 Explain the advantages and disadvantages of negative payrolls when using a computerised system
	3.4 Explain the organisation's procedures and timelines for initiating, making and monitoring payments when using a computerised system

Learning Outcome	Assessment Criteria
LO4 Understand the statutory requirements for submitting information	4.1 Outline the importance of the processing date
	4.2 Identify the minimum employee data needed for processing the payroll
	4.3 Outline the procedures for submitting payroll data at each pay period
	4.4 Outline the procedures for reclaiming reimbursements of statutory additions to pay where applicable
	4.5 Explain why a submission may fail and how successful submission can be achieved

CAB21 Document History

Version	Issue Date	Changes	Role
v1.0	31/01/2023	Re-branded	Compliance Manager

Unit Handbook

CAB22 – Statutory and non-statutory payments and additions

Unit reference number: M/505/1254

Level: 2

Guided Learning (GL) hours: 12

Unit aim

The aim of this unit is to enable the learner gain an understanding of the principles of the PAYE system, National Insurance system, Student Loan deductions, Statutory Sick Pay (SSP), Statutory Maternity Pay (SMP) and Statutory Adoption Pay (SAP).

Learning outcomes

There are six outcomes to this unit. The learner will:

- LO1 Understand the principles of the PAYE system
- LO2 Understand the principles of the National Insurance system
- LO3 Understand the principles of Student Loan deductions
- LO4 Understand the principles of Statutory Sick Pay (SSP)
- LO5 Understand the principles of Statutory Maternity Pay (SMP)
- LO6 Understand the principles of Statutory Adoption Pay (SAP)

Unit content

Evidence requirements

Learners will be required to provide a portfolio of evidence indicating that they have met all the unit outcomes and assessment criteria.

Endorsement of the unit by a sector or other appropriate body

This unit is endorsed by Financial Skills Partnership, the skills council for the financial sector

Learning outcomes

Learning Outcome	Assessment Criteria
LO1 Understand the principles of the PAYE system	1.1 Identify: <ul style="list-style-type: none"> • two pre-tax deductions • two post-tax deductions
	1.2 Outline the differences between pre-tax and post-tax deductions
	1.3 Explain how the PAYE system works
	1.4 Describe a likely scenario for the use of a standard suffix tax code used: <ul style="list-style-type: none"> • cumulatively • non-cumulatively
	1.5 Distinguish between the terms cumulative and non-cumulative when used in relation to the PAYE system
	1.6 Describe a likely scenario for the use of the following tax codes: <ul style="list-style-type: none"> • BR • NT • OT • D0 • D1
	1.7 Identify one example of the authority needed to change an employee's tax code

Learning Outcome	Assessment Criteria
LO2 Understand the principles of the National Insurance system	2.1 Explain the purpose of NICs
	2.2 Explain the use of NI thresholds
	2.3 Explain when you would use NI Category A
	2.4 Explain when you would use NI Category C and the implications of its use
	2.5 Explain the authority needed to implement Category C deductions, and the implications of using it without authority

Learning Outcome	Assessment Criteria
LO3 Understand the principles of Student Loan deductions	3.1 Explain how an employee's student loan repayments are calculated for the pay period
	3.2 Identify where student loan deduction amounts are recorded
	3.3 Give an example of statutory authorisation to both commence and stop student loan deductions
	3.4 State who student loan deductions are paid to and how

Learning Outcome	Assessment Criteria
LO4 Understand the principles of Statutory Sick Pay (SSP)	4.1 Describe the conditions that employee must satisfy to be eligible to receive SSP
	4.2 Define the terms: <ul style="list-style-type: none"> • Period of Incapacity for Work (PIW) • Waiting Days • Qualifying Days
	4.3 Illustrate the principle of linked PIWs
	4.4 State the tax and NIC implications for SSP payments
	4.5 Describe how an employer can reclaim SSP payments

Learning Outcome	Assessment Criteria
LO5 Understand the principles of Statutory Maternity Pay (SMP)	5.1 Describe the basic employment and earnings conditions that employee must satisfy to be eligible to receive SMP
	5.2 State where the appropriate rates of a mother's entitlement to SMP during her maternity leave can be found
	5.3 State the tax and NIC implications for SMP payments

Learning Outcome	Assessment Criteria
LO6 Understand the principles of Statutory Adoption Pay (SAP)	6.1 Describe the basic employment and earnings conditions that employee must satisfy to be eligible to receive SAP
	6.2 State where the appropriate rates of an adopter's entitlement to SAP during their adoption leave, can be found

CAB22 Document History

Version	Issue Date	Changes	Role
v1.0	31/01/2023	Re-branded	Compliance Manager

Unit Handbook

CAB23 – Composition of an employee payroll record

Unit reference number: Y/505/1233

Level: 2

Guided Learning (GL) hours: 6

Unit aim

The aim of this unit is to enable the learner gain an understanding of the information required to set up a payroll record for a new employee and the procedure for aligning employer data with HMRC records. The learner will also gain knowledge of how to complete a P11 deduction sheet or equivalent, for a new employee and how to deal with income tax forms for a new employee.

Learning outcomes

There are four outcomes to this unit. The learner will:

LO1 Know the information required to set up a payroll record for a new employee

LO2 Know how to complete a P11 deduction sheet or equivalent, for a new employee

LO3 Know how to deal with income tax forms for a new employee

LO4 Understand the procedure for aligning employer data with HMRC records

Unit content

Evidence requirements

Learners will be required to provide a portfolio of evidence indicating that they have met all the unit outcomes and assessment criteria.

Endorsement of the unit by a sector or other appropriate body

This unit is endorsed by Financial Skills Partnership, the skills council for the financial sector

Learning outcomes

Learning Outcome	Assessment Criteria
LO1 Know the information required to set up a payroll record for a new employee	1.1 Prepare a checklist to show the information required to complete an employee payroll record for a new employee
	1.2 Indicate on a checklist where would obtain the information

Learning Outcome	Assessment Criteria
LO2 Know how to complete a P11 deduction sheet or equivalent, for a new employee	2.1 Outline the information required to complete an employee record with both personal and other details of a new employee
	2.2 Outline the purpose of a national insurance number and the employee's responsibility to retain their National Insurance number
	2.3 Outline the procedure for checking or obtaining a National Insurance Number

Learning Outcome	Assessment Criteria
LO3 Know how to deal with income tax forms for a new employee	3.1 Explain the composition of form P45
	3.2 Explain the procedure you should follow for a new employee with a P45
	3.3 Explain the procedure you should follow for a new employee who does not have a P45

Learning Outcome	Assessment Criteria
LO4 Understand the procedure for aligning employer data with HMRC records	4.1 Explain the purpose of, and when to submit the Employer Alignment Submission
	4.2 Explain why a submission may fail and how a successful submission can then be achieved

CAB23 Document History

Version	Issue Date	Changes	Role
v1.0	31/01/2023	Re-branded	Compliance Manager

Unit Handbook

IT208 – Spreadsheet software

Unit reference number: F/502/4625

Level: 2

Guided Learning (GL) hours: 30

Unit aim

This unit is about the skills and knowledge required by an IT user to select and use a wide range of intermediate spreadsheet software tools and techniques to produce, present, and check spreadsheets that are at times non-routine or unfamiliar. It covers recording data in rows and columns, performing calculations with numerical data and presenting information using charts and graphs.

Learning outcomes

There are three outcomes to this unit. The learner will:

LO1 Use a spreadsheet to enter, edit and organise numerical and other data

LO2 Select and use appropriate formulas and data analysis tools to meet requirements

LO3 Select and use tools and techniques to present and format spreadsheet information

Unit content

Evidence requirements

Learners will be required to provide a portfolio of evidence indicating that they have met all the unit outcomes and assessment criteria.

Assessment guidance

Spreadsheet software tools and techniques will be described as 'Intermediate' because:

- the range of data entry, manipulation and outputting techniques will be at times non-routine or unfamiliar;
- the tools, formulas and functions needed to analyse and interpret the data requires knowledge and understanding (for example, mathematical, logical, statistical or financial); and
- the user will take some responsibility for setting up or developing the structure and functionality of the spreadsheet

Any aspect that is unfamiliar may require support and advice from others.

Details of the relationship between the unit and relevant national occupational standards (if appropriate)

Unit maps fully to competences outlined in IT User National Occupational Standards version 3 (2009)

Endorsement of the unit by a sector or other appropriate body

This unit is endorsed by Council for Administration (CfA), the sector skills council for business and administration.

Learning outcomes

Learning Outcome	Assessment Criteria
LO1 Use a spreadsheet to enter, edit and organise numerical and other data	1.1 Identify what numerical and other information is needed in the spreadsheet and how it should be structured
	1.2 Enter and edit numerical and other data accurately
	1.3 Combine and link data across worksheets
	1.4 Store and retrieve spreadsheet files effectively, in line with local guidelines and conventions where available

Learning Outcome	Assessment Criteria
LO2 Select and use appropriate formulas and data analysis tools to meet requirements	2.1 Identify which tools and techniques to use to analyse and manipulate data to meet requirements
	2.2 Select and use a range of appropriate functions and formulas to meet calculation requirements
	2.3 Use a range of tools and techniques to analyse and manipulate data to meet requirements

Learning Outcome	Assessment Criteria
LO3 Select and use tools and techniques to present and format spreadsheet information	3.1 Plan how to present and format spreadsheet information effectively to meet needs
	3.2 Select and use appropriate tools and techniques to format spreadsheet cells, rows, columns and worksheets
	3.3 Select and format an appropriate chart or graph type to display selected information
	3.4 Select and use appropriate page layout to present and print spreadsheet information
	3.5 Check information meets needs, using spreadsheet tools and making corrections as necessary
	3.6 Describe how to find errors in spreadsheet formulas
	3.7 Respond appropriately to any problems with spreadsheets

IT208 Document History

Version	Issue Date	Changes	Role
v1.0	31/01/2023	Re-branded	Compliance Manager

Unit Handbook

CAB24 – Computerised payroll skills

Unit reference number: Y/505/1278

Level: 2

Guided Learning (GL) hours: 25

Unit aim

The aim of this unit is to enable the learner to be able to process information on starters, leavers and changes to current employees, process payroll accurately on a pay period basis and back up and update systems when required.

Learning outcomes

There are three outcomes to this unit. The learner will:

LO1 Be able to process information on starters, leavers and changes to current employees

LO2 Be able to process payroll accurately on a pay period basis

LO3 Be able to back up and update systems when required

Unit content

Evidence requirements

Learners will be required to provide a portfolio of evidence indicating that they have met all the unit outcomes and assessment criteria.

Assessment guidance

PAYE, NIC parameters and rates, and statutory payments:

- tax codes
- national insurance rates
- attachment of earnings
- non-statutory deductions
- pay rates
- overtime rates
- advanced holiday pay
- net payments

Authorised data:

- pay
- overtime
- bonuses
- expenses
- pre-tax and post-tax voluntary deductions

Endorsement of the unit by a sector or other appropriate body

This unit is endorsed by Financial Skills Partnership, the skills council for the financial sector.

Learning outcomes

Learning Outcome	Assessment Criteria
LO1 Be able to process information on starters, leavers and changes to current employees	1.1 Set up and maintain company information
	1.2 Create a record for a new employee, producing reports as necessary
	1.3 Complete the records for a leaver producing reports as necessary
	1.4 Update records for all PAYE, NIC parameters and rates, and statutory payments in accordance with instructions

Learning Outcome	Assessment Criteria
LO2 Be able to process payroll accurately on a pay period basis	2.1 Update all employee records prior to the payroll being run
	2.2 Input all the necessary authorised data
	2.3 Run the payroll, in accordance with organisational timescales, checking results conform to expected limits
	2.4 Produce reports to include payslips and payment summaries and ensure they are accurate and complete
	2.5 Run internal period end returns, with required report runs, in accordance with all relevant time scales

Learning Outcome	Assessment Criteria
LO3 Be able to back up and update systems when required	3.1 Make a permanent back-up and store this safely according to organisational guidelines
	3.2 Restore previous pay period data from a back-up

CAB24 Document History

Version	Issue Date	Changes	Role
v1.0	31/01/2023	Re-branded	Compliance Manager

Unit Handbook

CAB36 – Benefits and risks of using payroll software

Unit reference number: F/616/8654

Level: 2

Guided Learning (GL) hours: 25

Unit aim

The aim of this unit is to enable the learner to gain the underpinning skills, knowledge and understanding of how to set up, operate and process information through a computerised payroll system, use payroll software security, compare the features of payroll software to manual bookkeeping and describe the advantages and disadvantages to users of different types of payroll software.

Learning outcomes

There are four learning outcomes to this unit. The learner will:

LO1 Know how to set up, operate and process information through a computerised payroll system

LO2 Know the features of payroll software compared to manual bookkeeping

LO3 Understand the advantages and disadvantages to users of different types of payroll software

LO4 Know how to use payroll software security

Unit content

Evidence requirements

Learners will be required to provide a portfolio of evidence indicating that they have met all the unit outcomes and assessment criteria.

Assessment guidance

The **'ease of use' features** should include:

- integrated software
- tools and wizards
- help functions
- different report layouts (charts, tables)

Reports should include:

- real-time financial position
- analysis of income and expenses

Differences between 'off the shelf' and bespoke software should include:

- cost
- levels of support for users
- timeframe for development
- range of functions used by business frequency and ease of updates
- level of training required to use software
- type of subscription

Differences between traditional payroll and cloud software should include:

- cost
- levels of support for users
- range of functions used by business
- frequency and ease of updates
- upgrade capacity
- level of training required to use software
- access from multiple devices
- type of subscription
- access to internet

Learning outcomes

Learning Outcome	Assessment Criteria
LO1 Know how to set up, operate and process information through a computerised payroll system	1.1 Describe how to set up a computerised payroll system
	1.2 Describe how to set up employee records and payroll data in a computerised payroll system
	1.3 Describe how to enter details of gross pay into the computerised payroll system
	1.4 Describe how to process the payroll
	1.5 Describe how to back up and/or restore payroll data
	1.6 Identify the statutory requirements for submitting information

Learning Outcome	Assessment Criteria
LO2 Know the features of payroll software compared to manual bookkeeping	2.1 Describe the features of payroll software that allow increased speed and automation
	2.2 Describe the 'ease of use' features included in payroll software
	2.3 Explain the benefits of being able to import and export data to and from other programs
	2.4 Explain the advantages of reports that may be produced in payroll software

Learning Outcome	Assessment Criteria
LO3 Understand the advantages and disadvantages to users of different types of payroll software	3.1 Compare the differences between 'off the shelf' and bespoke software
	3.2 Compare the differences between traditional payroll and cloud software

Learning Outcome	Assessment Criteria
LO4 Know how to use payroll software security	4.1 Describe the potential threats to data security
	4.2 Explain how to protect payroll software against threats

CAB36 Document History

Version	Issue Date	Changes	Role
v1.0	31/01/2023	Re-branded	Compliance Manager

PBC2 Document History

Version	Issue Date	Changes	Role
V2.0	31/01/2023	Formatting and re-branding. No content amendment.	Data Administrator