

New Childcare Tax Relief

From April 2005 employers can pay up to £50 a week, free from tax and National Insurance contributions, towards an employee's childcare costs.

This legislation replaces the current system of National Insurance relief available through the use of childcare vouchers.

If you are offering childcare vouchers as part of a benefits package to your employees, you should think about alerting the employees concerned to the fact that their chosen childcare may not qualify for the tax/NIC relief. Please check our website for updates on this situation or call us on 01424 739239 or email us at payroll@pro-pay.co.uk.

National Minimum Wage NEW from 1 October 2004

£4.85
per hour for workers 22 +

£4.10
per hour for workers 22 +
in accredited training

£4.10
per hour for workers 18-21
...and a new rate of

£3.00
per hour for workers 16-17



ONLINE BACS

All our clients who pay their salaries by BACS will be receiving information about the implementation of BACSTEL-IP. BACSTEL-IP is a completely new way of accessing BACS payment services using the Internet.

There are many benefits to the system, but probably the most important is its enhanced level of security. Users can track the progress of a file submission and receive faster pay confirmation.

Please complete the forms when you receive them as the account holder. The banks will need contact details when issuing reports etc. Please contact us if you have any queries on this matter.



Employers in the Dark over Dismissal

On 1 October 2004 new dismissal, disciplinary and grievance procedures come into effect.

Most companies are unaware of the changes, which require employers to follow a standard notification and consultation procedure before dismissing a member of staff.

At an employment tribunal after October 1st any employer shown not to have followed the process will automatically lose an unfair dismissal case. The tribunal will also punish the employer for failing to follow the procedures with a further fine of 10% to 50% of the award. Many smaller firms who do not offer staff up-to-date contracts may also face a fine.

If you are concerned that this issue may affect you, please contact Anne-Marie on 01424 739239 or email her at annemarie@pro-pay.co.uk

www.pro-pay.co.uk

We are delighted to announce that Pro-Pay scooped a best website award from an international forum of payroll and HR professionals. The judges were particularly impressed by how the site was 'tailored to match the needs of various sectors'.



FINANCE CORNER

STOP PRESS NEWS!

The range and variety of key financial considerations facing employers is massive and with frequent legislative changes the burden is even greater. A good example is stakeholder pensions. The law requires businesses that employ five or more people to have a stakeholder pension scheme in place. Severe penalties of up to £50,000 are possible if you are found in breach of this requirement. The employer has a number of responsibilities including making all employees aware of the scheme and offering them a chance to join it.

If you are yet to make stakeholder pensions available to your staff as a matter of urgency please contact our associate company within the Ashdown Hurrey Group Spectrum Financial Services Ltd on 01323 411333.

Payroll making a difference in communities

More than £87 million is distributed to charities each year from payroll giving and over 8,000 employers of all sizes have schemes in place for the benefit of employees. Being able to make such a scheme available to employees is recognised to be good business practice.

Because the donation is deducted from pay before tax is calculated, the effect is to encourage individuals to give a little bit more than they would usually consider. A donation of £5 each month only costs an employee paying basic rate tax £3.90. At the higher rate of tax the cost is only £3.00.

Putting a payroll giving scheme in place is very simple. There has never been a better time to introduce payroll giving as the Government is making a grant available to all SMEs (employers with up to 500 employees) and a further donation will be allocated to the charities chosen by employees when the scheme is promoted in the workplace.

For more information on Payroll Giving, the Grants available and how to set up a scheme please call us on 01424 739239 or email info@pro-pay.co.uk

If you are in the Brighton area on 28 October, come and meet us at our stand at Inside-Ex taking place at Brighton Racecourse.

Don't forget...

The UK's first National Giving Week from October 18-24. The week aims to increase the level of all charitable giving in the UK by highlighting the different ways of supporting the work of charities.

To find out more call 01732 520121 or visit www.nationalgivingweek.org