

Payroll processing checklist

This isn't an exhaustive list but should act as a reminder of the main things you need to do

✓ General

- Are there any changes to employee data to enter into your payroll records, e.g. change of address?
- Have you entered the hours normally worked by your employee?

✓ Pay and deductions

- Are there any salary changes this month? E.g. new NMW hourly rates? Overtime? Additional pay items?
- Are there any tax code updates?
Have you received any Student Loan start or stop notices?
- Are there any new Attachment of Earnings etc. to be processed?
- Are there any additional deductions to process? Under or overpayments to correct?
- Check pay and deductions details carefully.
 - Is employee's net pay as you would expect?
 - If the employee is due a tax refund – does that make sense in light of their pay and tax to date?

✓ Auto-enrolment

- Do you need to assess any employees for auto-enrolment/send any auto-enrolment letters?
- If applicable, have you checked for any changes to pension contribution levels?
- If applicable, have you sent your pension data to the pension provider?

✓ Starters

- Are there any new employees to process?
 - Do you have full and complete new employee data, such as their date of birth and National Insurance number?
 - Where applicable, have you added their payroll year to date figures from their P45 to your payroll records and verified the 'total tax to date' amount?
 - If necessary, do you have a completed 'starter checklist'?
 - Remember to add the start date to your FPS (RT2 if paper filing)

✓ Leavers

- Are there any leavers to process?
 - If so, is there any outstanding holiday to be calculated?
 - Do you need to adjust pay for actual days/hours worked in the final period?
 - Make sure you add the leaving date to your FPS (RT2 if paper filing)
 - Remember to give your employee a P45 (you do not need to send this to HMRC)

✓ Leave

- Has your employee taken any holiday?
 - If so, make sure holiday records are up to date.
- Has your employee taken any time off sick – are they entitled to SSP?
 - If required, have they provided you with a self-certificate/doctors certificate?
- Has your employee started any parental leave – are they entitled to SMP etc.?
 - Do you have their MATB1 form (or equivalent?)

✓ **RTI Submissions**

- Complete FPS and/or EPS as necessary (RT2/RT5 if paper filing)
 - Remember you still need to tell HMRC even if you've not paid any employees
 - Do you need to tick the 'Irregular payment' indicator?
 - Do you need to claim the National Insurance Employment Allowance?
 - Have you reclaimed any statutory parental pay you are owed?
 - If online filing, do you need to complete a late reporting reason field?
- If this is the final submission of the year, have you ticked 'Final submission of the year'?
 - Remember to give your employee their end of year forms at the appropriate times, e.g. P60 by 31st May, P11D by 6 July.
 - Do you need to do anything for the new tax year, e.g. increase L suffix tax codes?
- If online filing, has the submission actually gone to HMRC? Have you received an error message/confirmation of receipt?

✓ **Final tasks**

- Have you issued your employee with a payslip/sent it electronically and paid them?
- Do you need to keep any payroll processing reports for your records?
- Do you need to make any payments of PAYE to HMRC?