

# Pension Payroll Automation

**Nick Meredith**

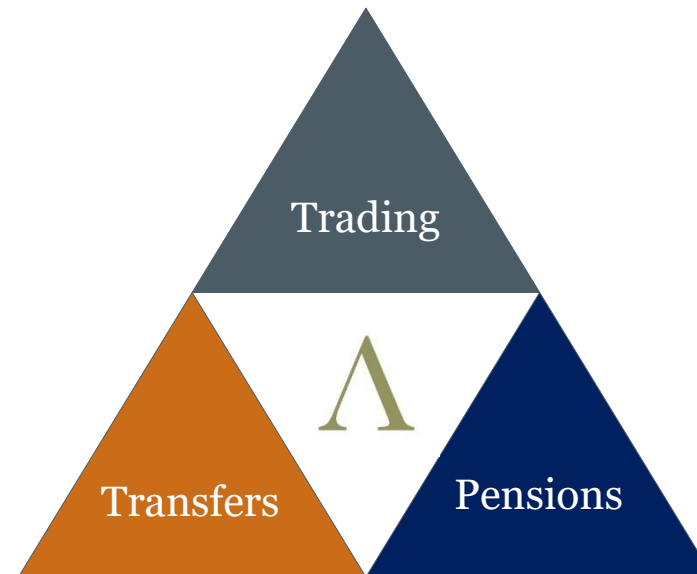
Chief Architect

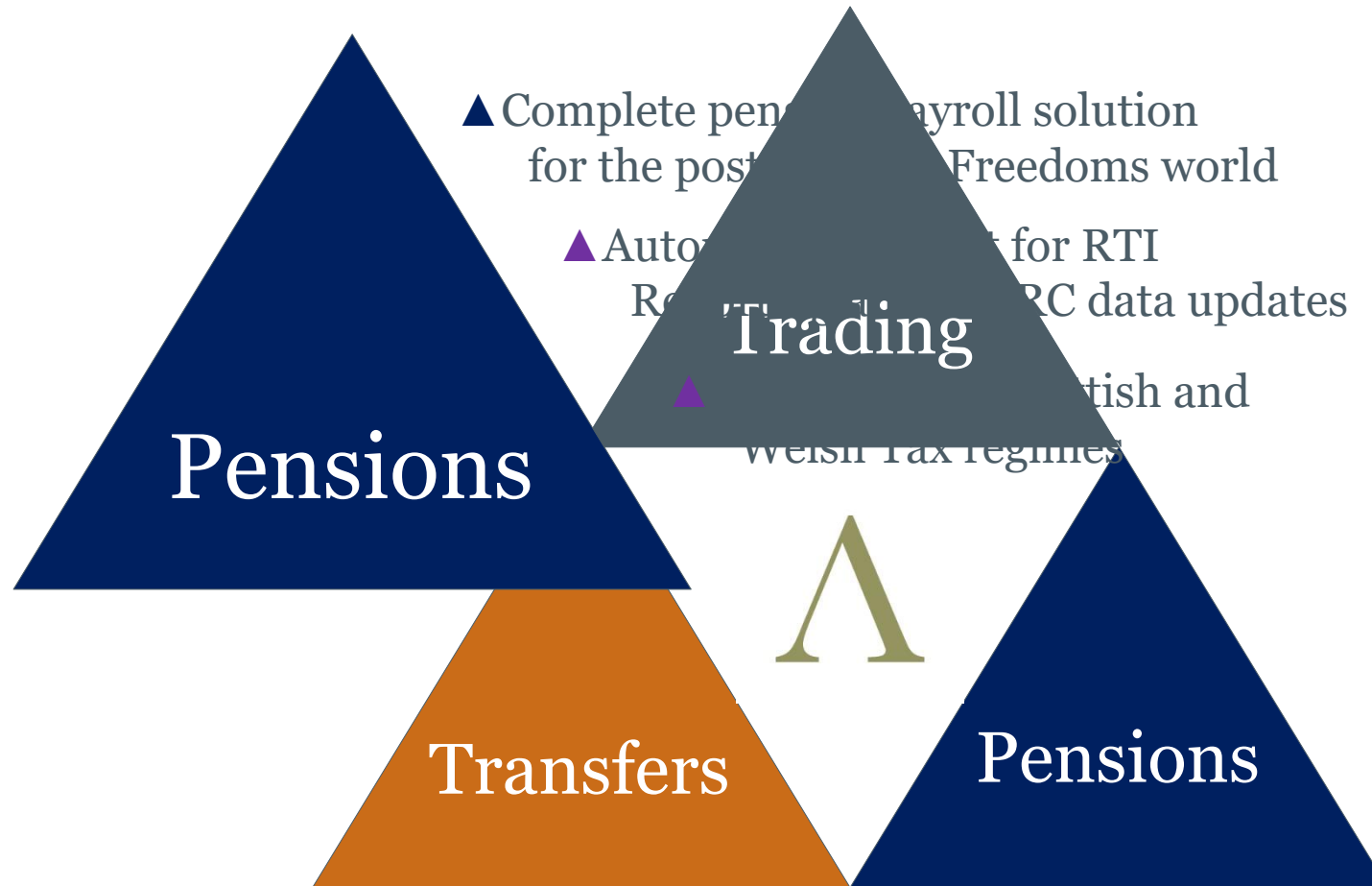
19 September 2018





- Altus component-based approach:
  - Specialised solutions for a specific business capability
  - Designed to dovetail with other systems
- Altus products cover:
  - Trading and Settlement
  - Transfers and Re-registration
  - Pension Payroll and HMRC Reporting







- Flexi-Access SIPP offering
  - Monthly payroll process
  - General purpose payroll system
- Old payroll process:
  - Took 2 days to complete
  - Involved over 15 manual steps
  - Many line-by-line
  - Often using paper sources
  - Inflexible and unable to scale
  - Error prone





- Collaboration with Altus
  - Implementation of dedicated Pension Payroll solution
  - Integrated with Platform
- New payroll process:
  - Fully automated with no paper
  - Cycle duration reduced from 2 days to 2 hours
  - Cycle frequency increased from monthly to weekly
  - Real time ‘what if’ for customer queries
  - 30% increase in volumes
  - Overall admin effort reduced



# Pension Payroll Demonstration



**Altus Pensions Gateway**

Payment: PAY000100000

Status: Reported

**Calculation Workings**

**Pre-Tax Deductions**

There are no pre-tax deductions

**Tax Treatment Decisions**

The nature of the pension holder doesn't indicate any special tax treatment (they are not a charity, etc)  
The payment type ('Regular', of category 'FlexiAccess') doesn't indicate any special tax treatment, so using the standard HMRC calculations  
Tax code 1185L (W1M1), because that is the tax code on the payment account, and there are no overriding circumstances

**Tax Code Implications**

The tax code indicates a UK tax domicile  
The tax code is not flat-rate  
The tax code is 'week 1 / month 1'

**Frequency, Period, and Year-To-Date Positions**

Pay frequency is CalendarMonthly, and the payment date (25/09/2018) is in tax month 6  
Previous taxable gross pay YTD in this employment (£0), plus previous taxable gross pay YTD in previous employments (£0), gives previous taxable gross pay YTD of £0  
Previous tax paid YTD in this employment (£0), plus previous tax paid YTD in previous employments (£0), gives previous tax paid YTD of £0

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**Payment Summary**

Pension: 12345  
Reference: PAY000100000  
Payment Method: Cheque  
After Leaving Reported:

**Amounts**

Gross Amount: £1,000.00  
Tax Deducted: £2.20  
Net Amount: £997.80  
Tax Code: 1185L

**Pre Payment**

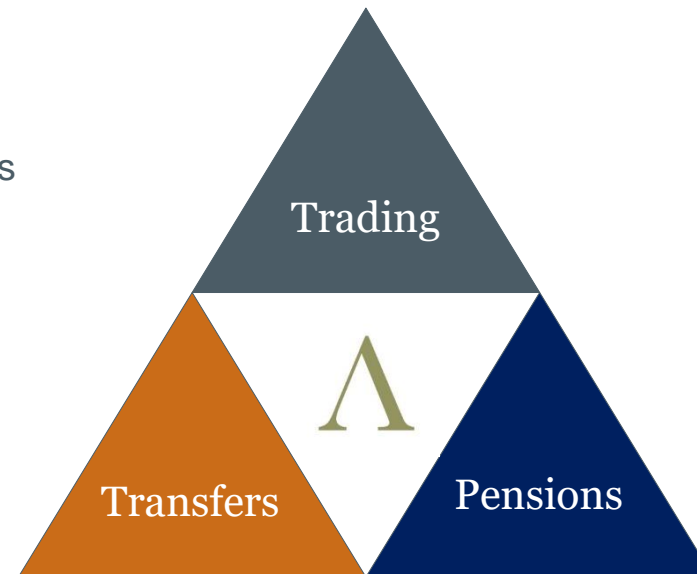
Total Pay YTD: £0.00  
Taxable Pay YTD: £0.00  
Net Pay YTD: £0.00  
Tax Due YTD: £0.00  
Tax Paid YTD: £0.00  
Outstanding Tax Amount: £0.00

**Aggregated Payment**

Reference: AGG000100000  
Gross Amount: £1,000.00  
Tax Deducted: £2.20  
BACS Sub-Reference:   
Is Reclaim:   
Net Amount: £997.80



- Good automation delivers:
  - Operational cost savings
  - Operational consistency and scalability
  - Most importantly, a better service for clients
- Requires more than just making a process automatic:
  - Operational oversight
  - Exception visibility and handling
  - Flexibility to change with the business
  - Interfaces to support other business functions





# Thank you.

**Nick Meredith**

Chief Architect

+44 (0)1225 438 000  
[altus.co.uk/businesssystems](http://altus.co.uk/businesssystems)