

**Capital Gold Payroll**  
**(4.08.04)**

**Release Notes**  
**August 2020/November 2020**



Capital Gold Payroll (4.08.04)  
November 2020

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## Monthly Collection Reconciliation (MCR)

Teachers' Pension have changed the way they want to receive data regarding employees' pension, service, and salary, and from April 2020 have introduced a pilot for Monthly Collection Reconciliation. From October 2021, this will be the only accepted format. We are adding functionality to the software which will allow you to produce a submission using the current Monthly Data Collection (MDC) process or the new Monthly Collection Reconciliation (MCR).

Requirements:

- An Automatic Enrolment Suite licence must be present
- MS Excel must be installed (although not MS97 or 2010 – Teachers' Pension template does not work with these)
- When registering for MCR you may be asked for details of your software vendor. Should this be the case, please see the required information below:

Contact Name:	Customer Services
Payroll Provider:	Pegasus Software
Email:	customer.services@pegasus.co.uk

The new Monthly Collection Reconciliation process will allow you to:

- Create a CSV file that is automatically uploaded into the Monthly Collection Reconciliation template
- Generate the total using functions within the spreadsheet
- Save as a CSV file
- Upload the CSV file to Teachers' Pension

Who/what is included in the file:

- Only employees who are in Teachers' Pension within the selected fund
- Each service line will start with an A, unless you are updating a previously submitted service line and it will then display U. Pegasus will only use A service lines
- If there is a change in circumstances, for instance a change in salary you will need to split the service line in Excel where necessary, once it has been exported to the MCR template
- Annual full-time salary and part time salary paid will be the pensionable salary, and will need to be entered manually
- Overtime will be the total of any rates with an overtime factor for the selected month
- EEs and ERs contributions
- For local authorities (LA's), if an employee has more than one contract and is employed in more than one establishment with the LA, a service line will be reported in separate files for each establishment. If the employee is under non-local authorities and has more than one contract, the service lines need to be merged using concurrent service guidelines – it will be necessary to split/merge the service lines where necessary once you have exported to the MCR template

To cater for the Teachers' Pension MCR, various enhancements have been added to the software.

## File Output

Under **Pension | Configure Pension Fund | Add New** or **Edit**, on the **Output Files** tab, we have added a new **File Output** to the dropdown, **Teachers' Pension MCR**.

## Payment Method

Also, on the **Pension | Configure Pension Fund | Add New** or **Edit**, on the **Output Files** tab, we have added a **Payment Method** drop-down list including:

- BACS
- DirectDebit
- CHAPS
- FasterPayments
- Cheque

This field will only be visible if **File Output** is set to **Teachers' Pension MCR**.

## Employee Details

On the **Employee | Alter Current Employee | Pensions** tab, under the **Teachers' Pension Output File Fields** section, we have added the following fields:

- Role Identifier
- Administrative NI Number

In the same section, a new option **Part time irregular – not employed** has been added to the **Full** or **Part Time** drop-down list.

### Role Identifier

The first field identifies the member's contract of employment at the employer, which the row of data relates to. This field is limited to 15 characters.

The second field identifies the member's individual job role under the contract of employment at the employer, which the row of data relates to. This field is limited to 20 characters.

Both fields for the **Role Identifier** must be complete before attempting to send your Monthly Collection Reconciliation, along with the **NI number** or **Administrative NI Number**.

### Administrative NI Number

This field is for the 9-character reference number supplied by Teachers' Pension. This is for members who do not have, or do not know their National Insurance number.

This field will only be visible if in **Employee Details | Auto Enrol | Pension Fund** the employee has a Teachers' Pension fund selected and **File Output** is set to **Teachers' Pension MCR**.

## Creating the Monthly Collection Reconciliation

To create the Monthly Collection Reconciliation (MCR) file:

1. From the **Pension** menu, select **Create Pension File**
2. From the **Select File to Create** screen, choose **Teachers' Pension MCR**
3. Click **OK**
4. Choose **Select Period, Who to Include** and the **Pension Fund** (if you have more than one)

5. The **Local Authority Number** and **Establishment Number** will be populated for you depending on the **Pension Fund** you select
6. Click **Next** to start the process
7. This **Confirmation** screen shows a Summary of the file contents including
  - Total Employer Contributions
  - Total Employee Contributions
  - Total number of employees included in the file
8. Click **Print** for a hard copy of the information.
9. To generate the file, click **Create File**

The file will be saved in the MCR |<Company ID> folder within the program folder and will be in Excel format. E.g. C:\Pegasus\Gold Payroll\MCR\0001. The name of the file will be MDC<month><year>.xls. When you open the file (you will need to enable macros if asked) you will see it is already in the correct format for Teachers' Pension. You can add/remove/change the data as you need and then upload to Teachers' Pension in the way you do now. If you need help at this point, click the **View Instructions** button at the top of the spreadsheet.

## Import/Export

The Import and Export fields in the software have been updated to include the new Teachers' Pension fields:

- Pension – Role Identifier
- Pension – Role Identifier Part 1
- Pension – Role Identifier Part 2
- Pension – Administrative NI Number

## Quick Report Writer

The new **Pension - Role Identifier** and **Pension – Administrative NI Number** fields have also been added to the **Quick Report Writer | Auto Enrolment – Standard** section.

## Audit

The Audit process will also now include the **Pension - Role Identifier** and **Pension – Administrative NI Number** fields.

## Create Pension File

On the **Pension | Create Pension File | Select File to Create** screen, we have added **Teachers' Pension MCR**.

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**Important:** when creating the Teachers' Pension MCR, the data will be exported into the Teachers' Pension MCR template in Excel format. It is important that you save any amendments as CSV for upload to Teachers' Pension.

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## Termination Payments, Sporting Testimonials and AEOs

Following the installation of this update, Termination Payments and Sporting Testimonials will be excluded from attachable earnings, as per legislation.

## Scottish Widows Contributions File

The Scottish Widows Contributions file has been updated in line with their specification. The following fields have been added:

- Employee pensionable salary for pay period
- Employee net regular contribution percentage
- Employer regular contribution percentage

## Department Name

The Company | Configure Departments | Department Name and Employee Details | General | Department fields have been increased to a 60-character limit.

## National Minimum Wage Notification

A warning has been added to **Payroll | Do/Redo Payroll** to notify you if employee rates are lower than the National Minimum Wage or National Living Wage. The warnings will be displayed if:

- Company | Payroll Calendar | Work Period is configured

And

- Company | Company Options | Payroll | National Minimum Wage Warnings | Enable warnings is selected

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**Please Note:** You will need to check if an apprentice should be on an apprentice rate of the National Minimum Wage/National Living Wage for their age.

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## Sick Pay Daily Rate

### Company Details

Under **Company | Alter Payments / Deductions**, we have created a new **Sick Days** deduction. This has been added to enable Sick days to be deducted from salary automatically and can be enabled/disabled per employee.

### Employee Details

To enable you to set up a daily rate to reduce salary by sick pay, on the **Employee Details | SSP** tab, a new **Salary Reduction** section has been added, containing two new fields:

- Daily Rate
- Reduce Salary by Sick Days

If, on the **Employee Details | Salary** tab, in the **Salary** section the **Period** value is zero, the **Salary Reduction** fields will be disabled.

With the **Daily Rate** entered and **Reduce Salary by Sick Days** ticked, when you go to **Payroll | Do/Redo Payroll**, the employee's gross pay will be reduced by the number of sick days in the period.

If sick days have been entered into the **Employee | Absence Diary**, when calculating payroll, the **Sick Days** deduction will be added automatically.

If **Reduce Salary by Sick Days** is selected, the following will occur:

- The system will check how many sick days are due – for instance if a sick day in the diary is an SSP qualifying day
- The system will take the valid sick days and multiply by the Daily Rate, resulting in the **Sick Days** value for the period
- If the employee has a **Sick – Part Day** in the work period, the SSP Day deduction will be increased by half of the **Daily Rate**

## Examples

### 5-day week

Annual Salary	£20,000
Monthly Salary	£1666.66
Daily Rate (£20,000/52/5) – 52 weeks, based on a 5-day week	£76.92
7 Sick Days in the period, based on SSP Qualifying Days. Sick Days deduction = 7 * £76.92	£538.44

### 3-day week

Annual Salary	£16,000
Monthly Salary	£1,333.33
Daily Rate (£16,000/52/3) – 52 weeks, based on a 3-day week	£102.56
4 Sick Days in the period, based on SSP Qualifying Days. Sick Days deduction = 4 * £102.56	£410.24

The following locations in the software have been updated to include the new fields:

- Audit log
- Quick Report Writer
- Global Changes



## **Coronavirus Job Retention Scheme (CJRS)**

Further to the Government's announcement recently, confirming the extension of the Furlough Scheme until March 2021, we have updated the software allowing you to continue claiming for the extended period. The rules for the extended period, up until 31<sup>st</sup> January 2021 are as they were in August:

- The Government will pay 80% of wages (up to a cap of £2,500) for the hours an employee is furloughed
- Employers are responsible for paying Employer's National Insurance and Pension contributions for the hours an employee is furloughed

The Government are going to review the Scheme in January so further advice will follow with regards to claiming for February and March.

We have updated the spreadsheet provided in August, which allowed you to process flexible Furlough, and have updated the guidance to reflect the latest changes.