

Case Study 24: How to remover a maternity pay offset projection

By Diana Boxall

Background

Maternity pay is a complex area, individual circumstances and choices impact the amounts due too much to make a universal algorithm effective. Therefore the BFT payroll application does **not** attempt to project the progression and completion of maternity pay and parental leave. There are some excel calculation models in existence, ask your BFT Champion, or check on the "useful documents" section of the website.

The projection BFT presents for an employee on maternity leave is

- Salary, Employer's NI & Pension as pay costs, (also the FTE) on for the original role before maternity
- SMP offset as a credit (negative amount) to reduce the cost of employment to the appropriate maternity pay level

For Example:

This employee is showing as a net payment of £2,460 per month

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Employee ID Split [Employee ID Split]	All Members								s: onth Payr Ionth Payre						со]		ell Cost st Types]			
		FTE Plan	Last Month Actual Cost	Profile	Year TOTAL	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul			
	Total of Pay Element	1.4	2,295		29,291	2,344	2,344	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460			
	Recurrent	1.4	2,295		29,291	2,344	2,344	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460			



This is actually composed of a higher salary of around £3k, reduced by SMP offset of around £1k (see the yellow highlighted row in the screen shot below).

All Members [Pay Element]					Month Pay							ayroll Cost		Budget N [Version]		2017-18 [Financial Ye
	FTE Plan	Last Month Actual Cost	Profile	Year TOTAL	Aug	San	Oct	Nov	Dec	120	Fab	Mar	Apr	May	hun	Jul
Total of Pay Element	1.4	2,295		29,291	2,344	2,344	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460
Recurrent	1.4	2,295		29,291	2,344	2,344	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460
ADDITIONAL SALARY	1.0	2,913		36,543	2,971	2,971	3,060	3,060	3,060	3,060	3,060	3,060	3,060	3,060	3,060	3,060
EMPLOYERS NI AND APPRENTICESHIP LEVY	0.0	171		1,933	151	151	163	163	163	163	163	163	163	163	163	163
EMPLOYERS PENSION	0.0	324		4,173	334	334	350	350	350	350	350	350	350	350	350	350
SALARY	0.4	0		0	0	0	0	0	0	0	0	0	0	0	0	0
SMP OFFSET	0.0	-1,113		-13,359	-1,113	-1,113	-1,113	-1,113	-1,113	-1,113	-1,113	-1,113	-1,113	-1,113	-1,113	-1,113
		[Pay Element] FTE Plan Total of Pay Element 1.4 Recurrent 1.4 ADDITIONAL SALARY 1.0 EMPLOYERS NI AND APPRENTICESHIP LEVY 0.0 EMPLOYERS PENSION 0.0 SALARY 0.4	[Pay Element] FTE Plan Last Month Actual Cost Total of Pay Element 1.4 2,295 Becurrent 1.4 2,295 ADDITIONAL SALARY 1.0 2,913 EMPLOYERS NI AND APPRENTICESHIP LEVY 0.0 171 EMPLOYERS PENSION 0.0 324 SALARY 0.4 0	[Pay Element] FTE Plan Last Month Actual Cost Profile Total of Pay Element 1.4 2,295 Recurrent 1.4 2,295 ADDITIONAL SALARY 1.0 2,913 EMPLOYERS NI AND APPRENTICESHIP LEVY 0.0 171 EMPLOYERS PENSION 0.0 324 SALARY 0.4 0	All Members [Pay Element] FTE Plan Last Month Actual Cost Profile Pear TOTAL Total of Pay Element 1.4 2,295 29,291 Recurrent 1.4 2,295 29,291 ADDITIONAL SALARY 1.0 2,913 36,543 EMPLOYERS NI AND APPRENTICESHIP LEVY 0.0 171 1,933 EMPLOYERS PENSION 0.0 324 4,173 SALARY 0.4 0 0	All Members [Pay Element] Month Pay [Month Pay FTE Plan Last Month Actual Cost Profile Year TOTAL Aug Total of Pay Element 1.4 2,295 29,291 2,344 Recurrent 1.4 2,295 29,291 2,344 ADDITIONAL SALARY 1.0 2,913 36,543 2,971 EMPLOYERS NI AND APPRENTICESHIP LEVY 0.0 1171 1,933 151 EMPLOYERS PENSION 0.0 324 4,173 334 SALARY 0.4 0 0 0	All Members [Pay Element] Month Payroll (Month Payroll Month Payroll Month Payroll (Month Payroll Month Payroll Month Payroll (Month Payroll Month Payroll (Month Payroll Month Payroll Aug Sep Total of Pay Element 1.4 2,295 29,291 2,344 2,344 © Recurrent 1.4 2,295 29,291 2,344 2,344 ADDITIONAL SALARY 1.0 2,913 36,543 2,971 2,971 EMPLOYERS NI AND APPRENTICESHIP LEVY 0.0 171 1,933 151 151 EMPLOYERS PENSION 0.0 324 4,173 334 334 SALARY 0.4 0 0 0 0	All Members [Pay Element] Month Payroll FTE Plan Last Month Actual Cost Profile Year TOTAL Aug Sep Oct Total of Pay Element 1.4 2,295 29,291 2,344 2,344 2,460 © Recurrent 1.4 2,295 29,291 2,344 2,460 ADDITIONAL SALARY 1.0 2,913 36,543 2,971 3,060 EMPLOYERS NI AND APPRENTICESHIP LEVY 0.0 1.71 1.933 151 151 SALARY 0.4 0 0 0 0 0	All Members [Pay Element] Month Payroll (Month Payroll] Month Payroll (Month Payroll] Month Payroll (Month Payroll] Total of Pay Element 1.4 2,295 29,291 2,344 2,344 2,460 2,460 © Recurrent 1.4 2,295 29,291 2,344 2,460 2,460 ADDITIONAL SALARY 1.0 2,913 36,543 2,971 2,971 3,060 EMPLOYERS NI AND APPRENTICESHIP LEVY 0.0 171 1,933 151 163 163 EMPLOYERS PENSION 0.0 324 4,173 334 350 350 SALARY 0.4 0 0 0 0 0	All Members [Pay Element] Month Payroll [Month Payroll] Month	All Members [Pay Element] Month Payroll (Month Payroll] Month Payroll (Month Payroll] Month Payroll (Month Payroll] Month Payroll Total of Pay Element 1.4 2,295 29,291 2,344 2,344 2,460 3,060	All Members [Pay Element] Month Payroll [Month Payroll] Month	All Members (Pay Element) Month Payroll (Month Payroll) Wonth Payroll (Month Payroll) Wonth Payroll (Month Payroll) Payroll Cost (Pay Cost Type) Total of Pay Element 1.4 2,295 Pofile Page 29,291 2,344 2,344 2,460	Month Payroll Variable All Members [Payr Blement] Month Actual Cost Profile Profile Pear TOTAL Aug Sep Oct Nov Dec Jan Feb Mar Apr Total of Pay Element 1.4 2,295 29,291 2,344 2,460	All Members [Pay Element] Month Payroll (Month Payroll] Month Payroll (Month Payroll] Month Payroll (Month Payroll] Payroll Cost (Pay Cost Types) Payroll Cost (Payroll Cost (Pa	All Members (Pay Element) Payroll (Month Payroll (Month Payroll (

SMP offset is a recurrent pay element. The actual cost entry is £1,113, therefore the BFT projection follows the standard projection treatment for recurrent pay elements and repeats the same £ amount in each subsequent month in the projections (which for the Budget exercise will be January going forward for the next 18 months).

This may well need removing/amending for the end of the maternity period.

Steps to remove SMP Offset

- 1. Pick SMP OFFSET on the relevant cost code combination on Gross salary (note it you are adding SMP offset display zeros first)
- 2. Click on the down arrow by the "Payroll Cost" box and select Gross pay. This will open up yellow input as long as the other conditions have been met-cost centre not roll-up level, cost combination not total employee etc. Refer to *Case Study 1 How to ensure yellow input cells are available in payroll planning* if there are any problems





3. Delete the SMP offset by selecting a manual profile, which will both open out the yellow monthly columns and delete the values put in by the BFT projection. The planner can then ensure that the offset occurs in the required months by inputting a number if necessary.



Employee ID Split [Employee ID Split] Pa [Employee ID Split]		Column		Context: Gross Pay [Pay Cost Types] Budget NY 20 [Version] Ext{States}													
		FTE Plan	Last Month Actual Cost	Profile	Year TOTAL	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
	Total of Pay Element	0.0	1,080		6,567	1,115	1,115	1,168	1,168	1,168	1,168	1,168	1,168	-668	-668	-668	-668
KELLY LM 2344904	Recurrent	0.0	1,080		6,567	1,115	1,115	1,168	1,168	1,168	1,168	1,168	1,168	-668	-668	-668	-668
	ADDITIONAL SALARY	0.0	1,748		14,582	1,783	1,783	1,836	1,836	1,836	1,836	1,836	1,836	0	0	0	0
	SMP OFFSET	0.0	-668		-8,015	-668	-668	-668	-668	-668	-668	-668	-668	-668	-668	Jun -668 -668 -668 -668 -668 -668 0	-668
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	B Recurrent	0.0	1,080		6,567	1,115	1,115	1,168	1,168	1,168	1,168	1,168	1,168	-668	-668	-668	-668
	1,836	0	0	0	0												
	SMP OFFSET	0.0	-668	Manual	-8,015	-668	-668	-668	-668	-668	-668	-668	-668	-668	-668	-668	-668
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		FTE Plan	Last Month Actual Cost	Profile	Year TOTAL		_			_							
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□ KELLY LM 2344904	Total of Pay Element	0.0	1,080		14,582	1,783	1,783	1,836	1,836	1,836	1,836	1,836	1,836	0	0	0	0
	Recurrent	0.0	1,080		14,582	1,783	1,783	1,836	1,836	1,836	1,836	1,836	1,836	0	0	0	0
-) KELLT LPI 2344904	ADDITIONAL SALARY	0.0	1,748		14,582	1,783	1,783	1,836	1,836	1,836	1,836	1,836	1,836	0	0	0	0
	SMP OFFSET	0.0	-668		0	0	0	0	0	0	0	0	0	0	0	0	0
2344904-8X4060-50110-58129	Total of Pay Element	0.0	1,080		14,582	1,783	1,783	1,836	1,836	1,836	1,836	1,836	1,836	0	0	0	0
	Recurrent	0.0	1,080		14,582	1,783	1,783	1,836	1,836	1,836	1,836	1,836	1,836	0	0	0	0
	ADDITIONAL SALARY	0.0	1,748		14,582	1,783	1,783	1,836	1,836	1,836	1,836	1,836	1,836	0	0	0	0
	SMP OFFSET	0.0	-668	Manual	0	0	0	0	0	0	0	0	0	0	0	0	0