



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

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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

The screenshot shows the BFT payroll application interface. At the top, there are several tabs: 'iPayroll Main Planning View', 'ADD New Employee.xlsx', 'New Cost Coding Combination.xlsx', 'VIRE Payroll.xlsx', 'iPayroll FTE', 'iPayroll Other Employee Details', 'Payroll Updates.xlsx', and 'oPayroll Ledger'. Below the tabs, there are dropdown menus for 'Employee ID Split' (set to 'All Members'), 'All Members' (set to 'All Members'), 'Columns' (set to 'Month Payroll'), and 'Context' (set to 'Payroll Cost'). The main data table has the following structure:

	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).

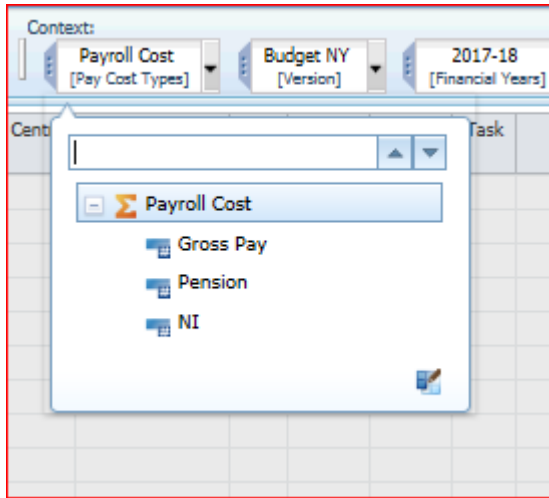
Rows:		Columns:		Context:													
Employee ID Split [Employee ID Split]		All Members [Pay Element]		Month Payroll [Month Payroll]		Payroll Cost [Pay Cost Types]			Budget NY [Version]			2017-18 [Financial Year]					
		FTE Plan	Last Month Actual Cost	Profile	Year TOTAL	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
KELLY LM 2344904	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

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.



Rows: Employee ID Split [Employee ID Split] Pay Element [Pay Element] Columns: Month Payroll [Month Payroll] Context: Gross Pay [Pay Cost Types] Budget NY [Version] 2017 [Financial]

	FTE Plan	Last Month Actual Cost	Profile	Year TOTAL	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
KELLY LM 2344904	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
	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
	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
	SMP OFFSET	0.0	-668		-8,015	-668	-668	-668	-668	-668	-668	-668	-668	-668	-668	-668
2344904-BX4060-50110-58129	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
	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
	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
	SMP OFFSET	0.0	-668	Manual	-8,015	-668	-668	-668	-668	-668	-668	-668	-668	-668	-668	-668

- Manual
- Equal
- Term Time
- Summer On

Rows: Employee ID Split [Employee ID Split] Pay Element [Pay Element] Columns: Month Payroll [Month Payroll] Context: Gross Pay [Pay Cost Types] Budget NY [Version] 2017 [Financial]

	FTE Plan	Last Month Actual Cost	Profile	Year TOTAL	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
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
	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
	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
	SMP OFFSET	0.0	-668		0	0	0	0	0	0	0	0	0	0	0	0
2344904-BX4060-50110-58129	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
	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
	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
	SMP OFFSET	0.0	-668	Manual	0	0	0	0	0	0	0	0	0	0	0	0