



## **Case Study 6: How to manage a “paid as claimed” or “overtime” provision**

**By Ruth Connor & Diana Boxall**

Sometimes there are pay costs which are best budgeted as a lump provision which will then be utilised by a number of individuals across the year. These can be managed using the facility BFT offers to analyse by pay elements.

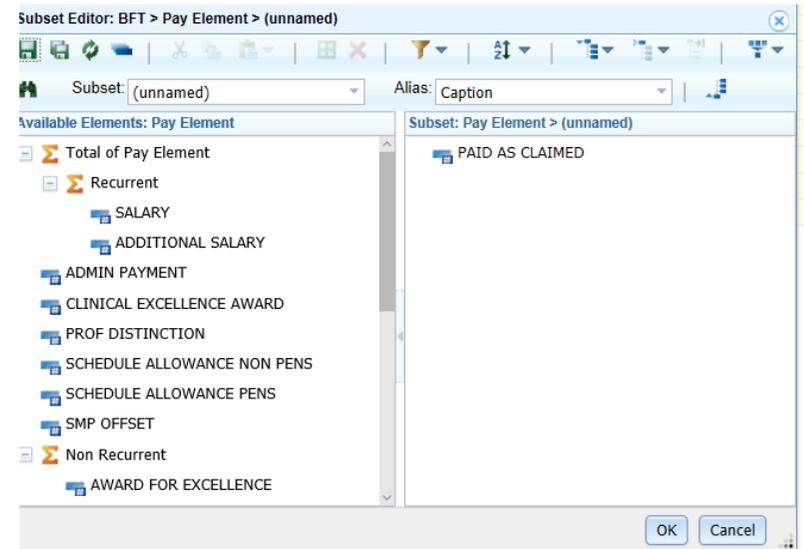
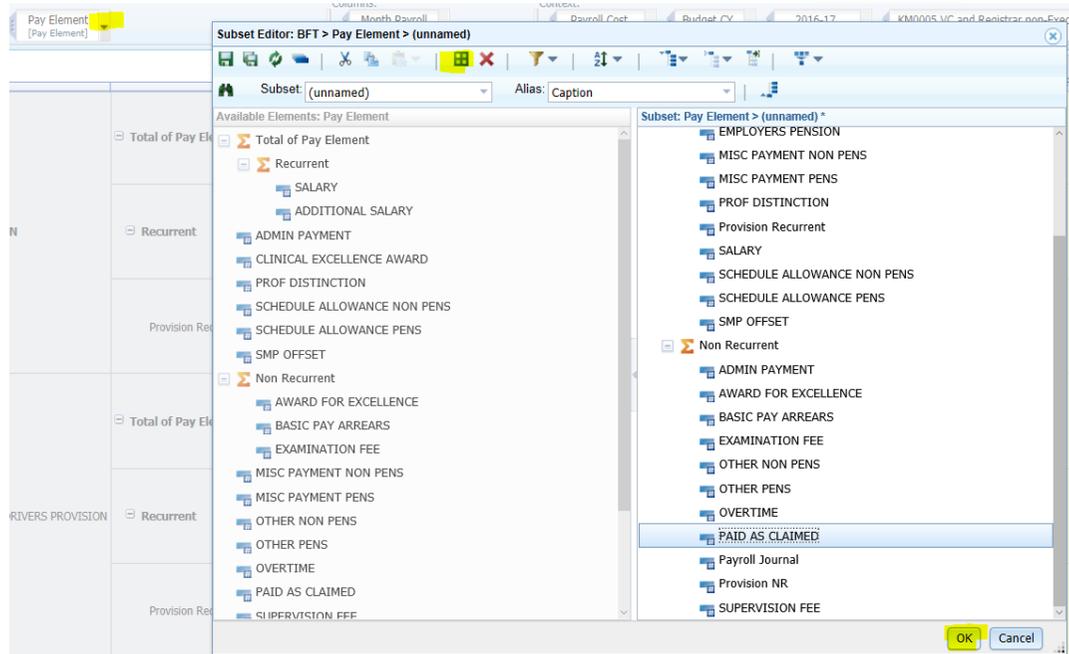
In the Student Administration department there are a number of exam invigilators who put in claims each month (at unpredictable and varied amounts). There is therefore a lump provision budget of £15,000 set an equal profile of £1,250 per month.

Therefore in preparing the Q2 forecast Ruth needs to review the utilisation against this budget for the first half year, and make a forecast for the second half

### **First, Assess how much has been spent YTD**

To assess the utilisation of this provision across the first six months Ruth can re-sort the main planning screen to show only “paid as claimed” amounts, using the subset editor from within the pay element box that forms part of the “rows” selection

1. Click on the down arrow on the “pay element” box
2. in the right hand section of the sub editor select “paid as claimed”,
3. Click on the green square icon to keep only that element
4. Press ok



You will then go to the main screen and see only “paid as claimed” payments.



ion Scheme		College	Total FY Budget	Total YTD Budget	YTD Actual	YTD Variance	FTE Budget	FTE Actual	FTE Plan	Last Month Actual Cost	Profile	Year TOTAL	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Total of Employee ID Split		PAID AS CLAIMED	0	0	6,334	-6,334	0.0	0.0	0.0	2,079		6,334	761	913	1,729	564	287	2,079	
Existing Employees		PAID AS CLAIMED	0	0	6,334	-6,334	0.0	0.0	0.0	2,079		6,334	761	913	1,729	564	287	2,079	
BA...		PAID AS CLAIMED	0	0	1,223	-1,223	0.0	0.0	0.0	250		1,223	151	51	530	96	145	250	
BUNTON DB 2010879		PAID AS CLAIMED	0	0	43	-43	0.0	0.0	0.0	43		43	0	0	0	0	0	0	43
CHARLES SR 2015052		PAID AS CLAIMED	0	0	130	-130	0.0	0.0	0.0	43		130	86	0	0	0	0	0	43
CLURRE G 2014681		PAID AS CLAIMED	0	0	333	-333	0.0	0.0	0.0	199		333	0	86	48	0	0	0	199
COOPER A 2018804		PAID AS CLAIMED	0	0	43	-43	0.0	0.0	0.0	43		43	0	0	0	0	0	0	43
COMLEY RG 2007789		PAID AS CLAIMED	0	0	275	-275	0.0	0.0	0.0	130		275	94	0	51	0	0	0	130
CROFT JS 2014662		PAID AS CLAIMED	0	0	130	-130	0.0	0.0	0.0	130		130	0	0	0	0	0	0	130
DE LORDE KC 2012603		PAID AS CLAIMED	0	0	148	-148	0.0	0.0	0.0	99		148	0	0	48	0	0	0	99
DORRIS M 2009438		PAID AS CLAIMED	0	0	537	-537	0.0	0.0	0.0	91		537	0	247	199	0	0	0	91
EDWARD A 2344528		PAID AS CLAIMED SALARY EXCHANGE	0	0	130	-130	0.0	0.0	0.0	43		130	43	0	43	0	0	0	43
EDWARDS SE 2012580		PAID AS CLAIMED	0	0	449	-449	0.0	0.0	0.0	96		449	0	148	205	0	0	0	96
GOMEZ LS 2207824		PAID AS CLAIMED	0	0	741	-741	0.0	0.0	0.0	202		741	99	99	145	148	48	202	
GODDALL PA 2344547		PAID AS CLAIMED SALARY EXCHANGE	0	0	648	-648	0.0	0.0	0.0	43		648	43	86	259	173	43	43	
GOLD HA 2205177		PAID AS CLAIMED	0	0	577	-577	0.0	0.0	0.0	333		577	48	96	0	48	51	333	
HARRIS-WILSON S 2012585		PAID AS CLAIMED	0	0	51	-51	0.0	0.0	0.0	51		51	0	0	0	0	0	0	51
KEIRINSON AC 2202802		PAID AS CLAIMED	0	0	43	-43	0.0	0.0	0.0	43		43	0	0	0	0	0	0	43
LORTTT AJ 2012584		PAID AS CLAIMED	0	0	48	-48	0.0	0.0	0.0	48		48	0	0	0	0	0	0	48
PEERS G 2205443		PAID AS CLAIMED	0	0	301	-301	0.0	0.0	0.0	0		301	99	0	202	0	0	0	0
SEMPLE PE 2012633		PAID AS CLAIMED	0	0	196	-196	0.0	0.0	0.0	48		196	96	0	0	51	0	0	48
WATLEY PL 2356542		PAID AS CLAIMED SALARY EXCHANGE	0	0	43	-43	0.0	0.0	0.0	43		43	0	0	0	0	0	0	43
W...		PAID AS CLAIMED	0	0	247	-247	0.0	0.0	0.0	99		247	0	99	0	48	0	0	99

Total incurred YTD for paid as claimed= £6,334  
spread over the individuals shown

Total Budgeted provision for the full year is £15,000, so £8,666 unspent. Ruth can now put in a forecast alongside each individual. But bear in mind that:-



- a) It is not possible to vire the original budget from one line “provision” to the many employees who are utilising it (budget virement can only be pointed at one individual)
- b) The claims per individual per month look very variable, so an individual forecast is unlikely to be accurate.

**Better** then to put in a forecast for the balance of the year on his original provision – and the position for the annual forecast is even clearer if the forecast is made on the paid as claimed pay element

		Total FY Budget	Total YTD Budget	YTD Actual	YTD Variance	FTE Budget	FTE Actual	FTE Plan	Last Month Actual Cost	Profile	Year TOTAL	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Comm
NewProvision PROVISION FOR EXAM INVIGILATORS	Total of Pay Element	0	0	0	0	0.0	0.0	0.0	0		8,674	0	0	0	0	0	0	1,444	1,444	1,446	1,446	1,446	1,446	
	Recurrent	0	0	0	0	0.0	0.0	0.0	0		10	0	0	0	0	0	0	0	0	2	2	2	2	
	Non Recurrent	0	0	0	0	0.0	0.0	0.0	0		8,664	0	0	0	0	0	0	1,444	1,444	1,444	1,444	1,444	1,444	
	PAID AS CLAIMED	0	0	0	0	0.0	0.0	0.0	0		8,664	0	0	0	0	0	0	1,444	1,444	1,444	1,444	1,444	1,444	
K90050 50200 00000 NewProvision PROVISION FOR EXAM INVIGILATORS	Total of Pay Element	0	0	0	0	0.0	0.0	0.0	0		8,674	0	0	0	0	0	0	1,444	1,444	1,446	1,446	1,446	1,446	
	Recurrent	0	0	0	0	0.0	0.0	0.0	0		10	0	0	0	0	0	0	0	0	2	2	2	2	
	Non Recurrent	0	0	0	0	0.0	0.0	0.0	0		8,664	0	0	0	0	0	0	1,444	1,444	1,444	1,444	1,444	1,444	
	PAID AS CLAIMED	0	0	0	0	0.0	0.0	0.0	0		8,664	0	0	0	0	0	0	1,444	1,444	1,444	1,444	1,444	1,444	
	Provision NR	0	0	0	0	0.0	0.0	0.0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	

As a further hint for the 2017/18 budget the budgeted “provision” could be created within the Non recurrent section of the pay elements on the “paid as claimed” pay element, which would make the budget variances even tidier (note that to make this happen a NewProvision would have to be created initially, and given a zero value, then the “paid as claimed” line added.)



Create a provision but with zero value (or rather value £0.01)

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 | oPayroll Ledger Summary

Please select leaf level Cost Centre

Cost Centre: K90050 Registry - E&A

Year	Start Period	Version	Name	Job Title	Person or Provision	Element	Grade and Stage	Amount £	FTE	Natural Account	SOF	Staff Classification	Pension Scheme	College Affiliation
2016-17	Feb	Q2 Forecast	Provision for Exam invigilators	Lump provision	Provision	Provision NR	N/A	0	0	50200 Support Staff - Administration	00000 Default	DC - Office/Cl		None

<==== Press ENTER on any change =====>      <=== Press ENTER after each selection in these fields ===>

Then go into the main screen, unsuppress zeros by unticking

Suppress Zero Values

Suppress Zeros on Rows

Suppress Zeros on Columns

and create an entry in the second half of the year on the "paid as claimed" pay element



Entries “paid as claimed” will attract a small amount of NI apprenticeship levy projected cost,

The paid as claimed will therefore be spread across many lines in YTD and one line in the projection part of the year.

		Total FY Budget	Total YTD Budget	YTD Actual	YTD Variance	FTE Budget	FTE Actual	FTE Plan	Last Month Actual Cost	Profile	Year TOTAL	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
<b>Total of Employee ID Split</b>		0	0	6,334	-6,334	0.0	0.0	0.0	2,079		14,998	761	913	1,729	564	287	2,079	1,444	1,444	1,444	1,444	1,444	1,444
<b>Existing Employees</b>		0	0	6,334	-6,334	0.0	0.0	0.0	2,079		6,334	761	913	1,729	564	287	2,079	0	0	0	0	0	0
BA	BROWN S 2011700	0	0	1,223	-1,223	0.0	0.0	0.0	250		1,223	151	51	530	96	145	250	0	0	0	0	0	0
BL	BYRON BB 20118678	0	0	43	-43	0.0	0.0	0.0	43		43	0	0	0	0	0	43	0	0	0	0	0	0
CL	CLARK SR 20119052	0	0	130	-130	0.0	0.0	0.0	43		130	86	0	0	0	0	43	0	0	0	0	0	0
CL	CLARK G 20118061	0	0	333	-333	0.0	0.0	0.0	199		333	0	86	48	0	0	199	0	0	0	0	0	0
CC	CAMPBELL A 20118804	0	0	43	-43	0.0	0.0	0.0	43		43	0	0	0	0	0	43	0	0	0	0	0	0
CC	CAMPBELL DG 20027789	0	0	275	-275	0.0	0.0	0.0	130		275	94	0	51	0	0	130	0	0	0	0	0	0
CF	CHIFFIN S 20114662	0	0	130	-130	0.0	0.0	0.0	130		130	0	0	0	0	0	130	0	0	0	0	0	0
DI	DUNN NG 2017633	0	0	148	-148	0.0	0.0	0.0	99		148	0	0	48	0	0	99	0	0	0	0	0	0
DC	DUNN M 2005439	0	0	537	-537	0.0	0.0	0.0	91		537	0	247	199	0	0	91	0	0	0	0	0	0
EE	EMERY A 2004538	0	0	130	-130	0.0	0.0	0.0	43		130	43	0	43	0	0	43	0	0	0	0	0	0
ET	EMERY SE 2012580	0	0	449	-449	0.0	0.0	0.0	96		449	0	148	205	0	0	96	0	0	0	0	0	0
GA	GARDNER LS 2007824	0	0	741	-741	0.0	0.0	0.0	202		741	99	99	145	148	48	202	0	0	0	0	0	0
GA	GARDNER PA 2004547	0	0	648	-648	0.0	0.0	0.0	43		648	43	86	259	173	43	43	0	0	0	0	0	0
GA	GARDNER MA 2005377	0	0	577	-577	0.0	0.0	0.0	333		577	48	96	0	48	51	333	0	0	0	0	0	0
HJ	HARRIS WJ 20112086	0	0	51	-51	0.0	0.0	0.0	51		51	0	0	0	0	0	51	0	0	0	0	0	0
KE	KELSON AC 2002884	0	0	43	-43	0.0	0.0	0.0	43		43	0	0	0	0	0	43	0	0	0	0	0	0
LC	LETT AJ 2012994	0	0	48	-48	0.0	0.0	0.0	48		48	0	0	0	0	0	48	0	0	0	0	0	0
PE	PERKINS G 2005443	0	0	301	-301	0.0	0.0	0.0	0		301	99	0	202	0	0	0	0	0	0	0	0	0
SI	SMITH PE 2017633	0	0	196	-196	0.0	0.0	0.0	48		196	96	0	0	51	0	48	0	0	0	0	0	0
W	WATLEY M 2006042	0	0	43	-43	0.0	0.0	0.0	43		43	0	0	0	0	0	43	0	0	0	0	0	0
W	WILSON SMITH GP 2012609	0	0	247	-247	0.0	0.0	0.0	99		247	0	99	0	48	0	99	0	0	0	0	0	0
<b>New</b>		0	0	0	0	0.0	0.0	0.0	0		8,664	0	0	0	0	0	0	1,444	1,444	1,444	1,444	1,444	1,444
<b>NewProvision PROVISION FOR EXAM INVIGILATORS</b>		0	0	0	0	0.0	0.0	0.0	0		8,664	0	0	0	0	0	0	1,444	1,444	1,444	1,444	1,444	1,444

For illustration the forecast has been put at £1,444 per month which means that the total forecast will be £15,000, the same annual total as the original budget.

If you click up on existing employees the position is summarised



		Activity	Task	Pension Scheme	College	Total FY Budget	Total YTD Budget	YTD Actual	YTD Variance	FTE Budget	FTE Actual	FTE Plan	Last Month Actual Cost	Profile	Year TOTAL	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Total of Employee ID Split	PAID AS CLAIMED					0	0	6,334	-6,334	0.0	0.0	0.0	2,079		14,998	761	913	1,729	564	287	2,079	1,444	1,444	1,444	1,444	1,444	1,444
Existing Employees	PAID AS CLAIMED					0	0	6,334	-6,334	0.0	0.0	0.0	2,079		6,334	761	913	1,729	564	287	2,079	0	0	0	0	0	0
New Employees	PAID AS CLAIMED					0	0	0	0	0.0	0.0	0.0	0		8,664	0	0	0	0	0	0	1,444	1,444	1,444	1,444	1,444	1,444

This case study is a paradigm for any “lump” budgets that correspond to different pay elements – overtime for example.