Qualification Specification

Highfield Level 2 Certificate in Computerised Payroll (RQF)

Qualification Number: 603/6425/7

Version 1   August 2020

Contents

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Introduction

This qualification specification is designed to outline all you need to know to offer this qualification at your centre. If you have any further questions, please contact your account manager.

Qualification regulation and support

The Highfield Level 2 Certificate in Computerised Payroll has been developed and is awarded by Highfield Qualifications and sits on the Regulated Qualifications Framework (RQF). The RQF includes those qualifications regulated by Ofqual and CCEA Regulation.

Key facts

Qualification number:	603/6425/7
Learning aim reference:	60364257
Credit value:	23
Assessment method:	Portfolio of evidence
Guided learning hours (GLH):	198
Total qualification time (TQT):	230

Qualification overview and objective

The objective of this qualification is to prepare learners to progress to a qualification in another subject area and/or to give learners personal growth and engagement in learning.

The qualification is suitable for learners who have completed the Level 1 Award in Computerised Payroll and are looking to specialise their payroll skills. The qualification can be taken by learners preparing to enter employment or by those who are already in employment.

Entry requirements

To register on to this qualification, learners are required to be 16 years of age or above.

It is advised that learners have a minimum of entry-level 3 in literacy and/or numeracy, or equivalent.

Guidance on delivery

The total qualification time for this qualification is 230 hours, of which 198 are recommended as guided learning hours.

TQT is an estimate of the total number of hours it would take an average learner to achieve and demonstrate the necessary level of attainment to be awarded with a qualification, both under direct supervision (forming guided learning hours) and without supervision (all other time). TQT and GLH values are advisory and assigned to a qualification as guidance.

Guidance on assessment

This qualification is assessed through the completion of a portfolio of evidence. Learners must achieve all the pass criteria across all units to be awarded a pass.

Centres must take all reasonable steps to avoid any part of the assessment of a learner being undertaken by any person who has a personal interest in the result of the assessment.

Guidance on quality assurance

Highfield Qualifications require centres to have in place a robust mechanism for internal quality assurance. Internal quality assurance must be completed by an appropriately qualified person and that person must not have been involved in any aspect of the delivery or assessment of the course they are quality assuring.

Recognition of prior learning (RPL)

Centres may apply to use recognition of prior learning or prior achievement to reduce the amount of time spent in preparing a learner for assessment. For further information on how centres can apply to use RPL as described above, please refer to the Recognition of Prior Learning (RPL) Policy in the members' area of the Highfield website. This policy should be read in conjunction with this specification and all other relevant Highfield documentation.

Assessor requirements

Highfield Qualifications recommends that nominated assessors for this qualification meet the following:

- hold a relevant subject area qualification or experience
- hold, or be working towards, a recognised assessing qualification, which could include any of the following:
    - Level 3 Award in Assessing Competence in the Work Environment
    - Level 3 Certificate in Assessing Vocational Achievement
    - A1 Assess Learner Performance Using a Range of Methods
    - D32 Assess Learner Performance and D33 Assess Learner Using Different Sources of Evidence
- maintain appropriate continued professional development for the subject area

Internal Quality Assurance (IQA) requirements

Highfield Qualifications recommends that internal quality assurers for this qualification meet the following:

- have occupational experience or hold a relevant subject area qualification
- hold, or be working towards, a recognised internal quality assurance qualification, which could include any of the following:
    - Level 4 Award in the Internal Quality Assurance of Assessment Processes and Practice
    - D34
- maintain appropriate continued professional development for the subject area

Reasonable adjustments and special considerations

Highfield Qualifications has measures in place for learners who require additional support. Please refer to Highfield Qualifications' Reasonable Adjustments Policy for further information/guidance.

ID requirements

It is the responsibility of the centre to have systems in place to ensure that the person taking an assessment is indeed the person they are claiming to be. All centres are therefore required to ensure that each learner's identification is checked before they undertake the assessment. Highfield Qualifications recommends the following as proof of a learner's identity:

- a valid passport (any nationality)
- a signed UK photocard driving licence
- a valid warrant card issued by HM forces or the police
- another photographic ID card, e.g. employee ID card, student ID card, travel card, etc.

If a learner is unable to produce any of the forms of photographic identification listed above, a centre may accept another form of identification containing a signature, for example, a credit card. Identification by a third-party representative, such as a line manager, human resources manager or invigilator, will also be accepted.

For more information on learner ID requirements, please refer to Highfield Qualifications' Core Manual.

Progression opportunities

On successful completion of this qualification, learners may wish to continue their development by undertaking one of the following qualifications:

- Highfield Level 2 Certificate in Providing Financial Services (RQF)
- Highfield Level 2 Certificate in Principles of Business and Administration (RQF)
- Highfield Level 2 Diploma in Business Administration (RQF)
- Financial Services Apprenticeships

Useful websites

- www.highfieldqualifications.com

Appendix 1: Qualification structure

To complete the **Highfield Level 2 Certificate in Computerised Payroll (RQF)**, learners must complete the six units contained within the mandatory group.

Mandatory group

Unit reference	Unit title	Level	GLH	Credit
F/618/3882	Understand the fundamental elements of employment legislation and payroll processing	2	35	4
J/618/3883	Understand the principles of statutory payments and deductions	2	28	3
L/618/3884	Calculate gross pay for different payroll periods	2	32	4
R/618/3885	Understand the importance of following computerised payroll procedures	2	28	3
Y/618/3886	Process payroll using computerised payroll software effectively	2	45	5
F/502/4625	Spreadsheet software	2	30	4

Appendix 2: Qualification content

Unit 1: Understand the fundamental elements of employment legislation and payroll processing
Unit number: F/618/3882
Credit: 4
GLH: 35
Level: 2

Learning Outcomes	Assessment Criteria
The learner will	*The learner can*
1. **Understand how employment rights legislation and data protection can impact on the processing of payroll data**	1.1 Identify relevant **employment legislation** in relation to employees 1.2 Outline the main responsibilities of the employer in relation to employment legislation 1.3 Identify the employer's responsibilities in relation to payroll under data protection legislation 1.4 Outline what would constitute **personal data** in relation to payroll 1.5 Identify a **legal document** that must be kept by the employer as proof of identity 1.6 State **how long payroll documents should be kept** by the employer
2. **Understand what information is needed to prepare an employee payroll record**	2.1 Identify what information is required to set-up an employee payroll record 2.2 State the purpose of a National Insurance number and the employee's responsibility to retain their NI number 2.3 Explain the correct procedures for checking and obtaining a National Insurance number 2.4 Explain how payroll records should be prepared for a new employee with a P45 or leavers statement 2.5 Explain **how payroll records should be prepared for a new employee** without a P45 or leavers statement 2.6 State the purpose of **legislative submissions**, including when they should be submitted

3. Understand the correct procedure when terminating employment	3.1 Explain what procedures are required when finalising a leaver's employment
	3.2 Identify which payments may be included in the leaver's final gross pay
	3.3 Identify any deductions that may be taken from a leaver's net pay
	3.4 Describe what information should be included in a leaver's payroll record
	3.5 Describe what should be entered on a P45 for a leaver

Amplification: The following amplification provides guidance for centres on coverage and depth for each of the emboldened areas within the assessment criteria. Centres should ensure that all amplification is covered as part of their teaching and learning strategies.

1.1 Employment legislation
- o Employment law
- o Equality Act 2010
- o National Living Wage
- o National Minimum Wage
- o Working time regulations

1.4 Personal Data
- o Name
- o Date of birth
- o Contact details
- o Address
- o Health information
- o Financial information

1.5 Legal document
- o Passport
- o Work permit

1.6 How long payroll documents should be kept
- o 3 years

2.5 How payroll records should be prepared for a new employee
- o Emergency tax code

2.6 Legislative submissions
- o Employer alignment submission
- o Employer payment summary

Unit 2: Understand the principles of statutory payments and deductions
Unit number: J/618/3883
Credit: 3
GLH: 28
Level: 2

Learning Outcomes	Assessment Criteria
The learner will	*The learner can*
1. **Understand statutory payments**	1.1 Describe the **basic employment conditions** an employee must fulfil to receive the following statutory payments: • Statutory Sick Pay (SSP) • Statutory Maternity Pay (SMP) • Statutory Paternity Pay (SPP) • Statutory Adoption Pay (SAP) 1.2 Outline the tax and NIC implications of SSP, SMP and SPP payments for both the employer and employee 1.3 Identify where to find guidance on the appropriate rates of pay in relation to SMP, SPP and SAP 1.4 Explain how an employer can reclaim SSP payments 1.5 Explain how pension contributions should be calculated for both the employer and the employee 1.6 Define **key terms** in relation to statutory payments 1.7 State the importance of maintaining accurate records in relation to statutory payments
2. **Understand how to process student loan repayments**	2.1 Explain the process involved in calculating an employee's student loan repayments 2.2 Describe what authority is needed to start and stop student loan deductions 2.3 Identify who student loan deductions should be paid to
3. **Understand the principles of the PAYE and NIC systems**	3.1 Explain how the PAYE system works 3.2 Explain how the following standard and non-standard tax codes should be used: • BR • NT

Learning Outcomes	Assessment Criteria
The learner will	*The learner can*
	0T - D0 - D1 3.3 Identify examples of both pre-tax and post-tax deductions and explain the differences between them 3.4 Explain how standard suffix tax codes should be used both cumulatively and non-cumulatively 3.5 Identify the correct authority needed to change an employee's tax code 3.6 Explain why NI contributions are made and who should make them 3.7 Explain the purpose of NI thresholds 3.8 Describe when NI categories A, C, H and M should be used 3.9 Identify the correct authority needed to apply category C deductions and the implications of incorrect use

Amplification: The following amplification provides guidance for centres on coverage and depth for each of the emboldened areas within the assessment criteria. Centres should ensure that all amplification is covered as part of their teaching and learning strategies.

1.1 Basic employment conditions
- Length of service
- Lower earnings thresholds
- National Insurance Contributions

1.6 Key terms
- Period of Incapacity for Work (PIW)
- Waiting Days
- Qualifying Days

Unit 3: Calculate gross pay for different payroll periods
Unit number: L/618/3884
Credit: 4
GLH: 32
Level: 2

Learning Outcomes	Assessment Criteria
The learner will	*The learner can*
1. **Understand which payments constitute gross pay and how these should be calculated for different payroll periods**	1.1 Describe **how basic gross pay is calculated** for employees paid weekly or monthly 1.2 Describe how basic gross pay is calculated for **non-standard payroll periods** 1.3 Explain how overtime hours are calculated from given information 1.4 Outline any **additional payments** that may be included in gross pay 1.5 Identify temporary and permanent changes to rates of pay
2. **Be able to accurately calculate payments that constitute gross pay**	2.1 Calculate basic gross pay accurately for employees paid weekly or monthly 2.2 Calculate basic gross pay accurately for non-standard payroll periods 2.3 Check overtime rates and calculate payable overtime hours accurately 2.4 Calculate any additional payments that may be included in gross pay accurately 2.5 Identify temporary changes to rates of pay and apply these accurately, including lump-sum payments 2.6 Identify any permanent changes in rates of pay and apply these accurately 2.7 Identify any retrospective changes in rates of pay and apply these accurately, ensuring back-payments are calculated correctly 2.8 Establish an employee's entitlement to **statutory payments** and apply these correctly

Amplification: The following amplification provides guidance for centres on coverage and depth for each of the emboldened areas within the assessment criteria. Centres should ensure that all amplification is covered as part of their teaching and learning strategies.

1.1 How basic gross pay is calculated
   o   Hours worked

- Pay rate
- Overtime rate

1.2 Non-standard payroll periods
- Daily
- Fortnightly

1.4 Additional payments
- Holiday pay
- Commission/bonus payments
- Unsocial hours/shifts

2.8 Statutory payments
- Sick pay
- Maternity/paternity pay
- Adoption pay

Unit 4: Understand the importance of following computerised payroll procedures
Unit number: R/618/3885
Credit: 3
GLH: 28
Level: 2

Learning Outcomes	Assessment Criteria
The learner will	*The learner can*
1. **Understand the potential risks associated with computerised payroll systems and how to keep data secure**	1.1 Identify relevant **legislation and guidelines** relating to data protection 1.2 Explain the requirements of confidentiality, data protection and system security 1.3 Identify potential security risks that may threaten the performance of computerised payroll systems and explain how they can be minimised 1.4 Identify potential physical health risks when using computerised systems and explain how they can be minimised 1.5 Outline the importance of following organisational guidelines and procedures to ensure data is kept secure and confidential 1.6 Describe why it is important to back up and store data securely
2. **Understand the correct procedures when using computerised software**	2.1 Explain the importance of ensuring that software is updated in line with any changes issued by the tax authority or software company 2.2 Outline the advantages and disadvantages of positive and negative payrolls in relation to computerised systems 2.3 Explain the organisation's procedures and timelines for initiating, making and monitoring payments when using a computerised system
3. **Understand the correct procedures for submitting information in line with statutory requirements**	3.1 Identify the minimum employee data needed for processing payroll 3.2 Outline the procedures for submitting payroll data at each pay period 3.3 Outline the importance of the processing date

Learning Outcomes	Assessment Criteria
The learner will	*The learner can*
	3.4 Outline the procedures for reclaiming reimbursements of statutory additions to pay where applicable
	3.5 Explain why a submission may fail and the steps to take to overcome this

Amplification: The following amplification provides guidance for centres on coverage and depth for each of the emboldened areas within the assessment criteria. Centres should ensure that all amplification is covered as part of their teaching and learning strategies.

1.1 Legislation and guidelines
- o Data Protection Act 2018
- o General Data Protection Regulation (GDPR)

Unit 5: Process payroll using computerised payroll software effectively
Unit number: Y/618/3886
Credit: 5
GLH: 45
Level: 2

Learning Outcomes	Assessment Criteria
The learner will	*The learner can*
1. Be able to correctly process employee information	1.1 Enter and maintain company data in accordance with company policy 1.2 Create and maintain records for all employees, including starters and leavers, producing reports when necessary 1.3 Update employee records accordingly for all **legislative rates and parameters** and changes to employment status

2. Be able to process payroll accurately for different pay periods, following organisational procedures	2.1 Update employee records prior to the payroll being run
	2.2 Apply the correct tax code for an employee
	2.3 Process pre-tax deductions correctly
	2.4 Process a variety of tax codes accurately, including:
	   • Standard suffix codes operated on a cumulative and non-cumulative basis
	   • BR code operated on a cumulative basis
	   • NT, 0T, D0, D1
	2.5 Process relevant NI categories correctly, including A and C
	2.6 Process all other **necessary and authorised data**
	2.7 Complete the processing of payroll, following organisational timescales, ensuring the processing date is correct

3. Be able to produce relevant pay period reports	3.1 Produce appropriate **reports**, ensuring all information is accurate 3.2 Produce internal period end returns, following organisational timescales 3.3 Run statutory and non-statutory reports for a leaver
4. Be able to back up, restore and update payroll systems when necessary	4.1 Create a permanent back-up and store this safely following organisational procedures

Learning Outcomes	Assessment Criteria
The learner will	*The learner can*
	4.2 Restore previous pay period data from a back-up

Amplification: The following amplification provides guidance for centres on coverage and depth for each of the emboldened areas within the assessment criteria. Centres should ensure that all amplification is covered as part of their teaching and learning strategies.

1.3   Legislative rates and parameters
- o   PAYE rates
- o   Tax codes
- o   National Insurance rates and parameters
- o   Pay rates (hourly rates, etc.)
- o   Overtime rates
- o   Non-statutory deductions

2.6 Necessary and authorised data
- o   Holiday pay
- o   Statutory payments
- o   Pension contributions
- o   Pre-tax and Post-tax voluntary deductions
- o   Student loan repayments

3.1 Reports
- o   Employee payroll records
- o   External agency reports
- o   Payroll summaries

Unit 6: Spreadsheet software
Unit number: F/502/4625
Credit: 4
GLH: 30
Level: 2

Learning Outcomes	Assessment Criteria
The learner will	*The learner can*
1. Use a spreadsheet to enter, edit and organise numerical and other data	1.1 Identify what numerical and other information is needed in the spreadsheet and how it should be structured 1.2 Enter and edit numerical and other data accurately 1.3 Combine and link data across worksheets 1.4 Store and retrieve spreadsheet files effectively, in line with local guidelines and conventions where available
2. Select and use appropriate formulas and data analysis tools to meet requirements	2.1 Identify which tools and techniques to use to analyse and manipulate data to meet requirements 2.2 Select and use a range of appropriate functions and formulas to meet calculation requirements 2.3 Use a range of tools and techniques to analyse and manipulate data to meet requirements
3. Select and use tools and techniques to present and format spreadsheet information	3.1 Plan how to present and format spreadsheet information effectively to meet needs 3.2 Select and use appropriate tools and techniques to format spreadsheet cells, rows, columns and worksheets 3.3 Select and format an appropriate chart or graph type to display selected information 3.4 Select and use appropriate page layout to present and print spreadsheet information 3.5 Check information meets needs, using spreadsheet tools and making corrections as necessary 3.6 Describe how to find errors in spreadsheet formulas 3.7 Respond appropriately to any problems with spreadsheets