INSTITUTE OF ACCOUNTANTS AND BOOKKEEPERS

Qualification Specification

IAB Level 1 Award in Computerised Payroll

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iab.org.uk

Document history

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Introduction

The objective of this Qualification Specification is to provide an overview of the IAB Level 1 Award in Computerised Payroll.

This document includes the aim, size, level, structure and content, including learning outcomes and assessment criteria.

There is guidance relating to the centre approval requirements, delivery and assessment for this qualification, and details of grading criteria and the grading of units.

Purpose of the qualification

This qualification aims to provide learners with a comprehensive range of knowledge and skills that will be used as a payroll processor for various businesses. On successful completion, the learner will have the knowledge and skills to:

- Act as an introduction to payroll record keeping and processing, giving learners the necessary skills to record financial payroll transactions in a computerised environment and in line with Real-Time Information requirements.
- Assess their competence in carrying out a range of basic day-to-day payroll routines using a computerised payroll system. The activities will include calculating pay data and processing that data, including contributions to work-based pension schemes, using day-to-day payroll processing skills.
- Provide learners with the necessary underpinning knowledge and skills to assess the implications of maintaining accuracy when performing any payroll tasks in a computerised environment
- Understand the importance of security and confidentiality in performing payroll tasks in a computerised environment.

Learners who complete this qualification will know and understand the services, advice, and guidance offered to businesses by HMRC, NICO, and other payroll agencies. Furthermore, they will have acquired the skills to prepare, check and use source documents from which the payroll is processed using a computerised payroll system as required under Real Time Information requirements.

As learners progress and complete this qualification, they will have developed the skills that will enable them to gather the required information in order to prepare an employee's payroll record using commercially available software. Learners will process the payroll accurately, producing the net pay due to the employee and updating all internal payroll records. Furthermore, they will produce a range of reports detailing payroll information.

Target learners

This qualification is aimed at learners who wish to gain an introduction to payroll processing using commercially available payroll software and gain a formal qualification, either from the point of no previous knowledge or having worked in a

payroll environment with no accredited payroll qualification.

Learners considering a career as a self-employed practitioner will find the qualification invaluable as a starting platform, as will business owners who would like to be actively involved in gathering and processing payroll data and keeping payroll records for the business.

Entry requirements

The entry requirements below are for guidance only as applicants may apply with various backgrounds and qualifications.

Approved IAB Centres are responsible for checking applications against the following entry requirements and ensuring learners can fulfil the demands of the qualification before registration.

There are no formal entry requirements for the Level 1 Award in Computerised Payroll qualification. However, it is recommended that prospective learners have acquired basic skills in both numeracy and literacy prior to starting their studies in this subject area.

Progression

Learners who have completed this qualification may progress to several other level one qualifications offered by the IAB, for example, the IAB level 1 Award in Computerised Bookkeeping. Alternatively, learners may articulate onto the IAB Level 2 Award in Computerised Payroll.

Qualification size, level and structure

The Office of Qualifications and Examinations Regulation (Ofqual), and CCEA regulate qualifications, examinations, and assessments in England, and Northern Ireland. The IAB Level 1 Award in Computerised Payroll is a vocationally-related qualification on the Ofqual and CCEA Register of Regulated Qualifications.

Qualification size

The Total Qualification Time (TQT) and Guided Learning Hours (GLH) for this qualification are as follows:

Total Qualification Time (TQT)	Guided Learning Hours (GLH)
80 hours	60 hours

TQT, including GLH, is calculated by considering the different activities that learners would typically complete to achieve and demonstrate the learning outcomes of the qualification.

Individual learners' requirements and individual teaching styles mean there may be variation in the actual time taken to complete a qualification.

Values for TQT, including GLH, are estimates.

Some examples of activities that can contribute to TQT include:

- independent and unsupervised research/learning
- unsupervised e-learning
- unsupervised e-assessment
- unsupervised coursework
- watching a pre-recorded podcast or webinar
- unsupervised work-based learning
- all GLH.

Some examples of activities that can contribute to GLH include:

- classroom-based learning supervised by a teacher
- work-based learning supervised by a teacher
- live webinar or telephone tutorial with a teacher in real time
- e-learning supervised by a teacher in real time
- all forms of assessment that take place under the immediate guidance or supervision of a teacher, supervisor, tutor or other appropriate provider of education or training.

Qualification level

This qualification is at Level 1 on the Register of Regulated Qualifications in England and Northern Ireland.

IAB qualifications comply with level descriptors set by Ofqual, which are divided into two categories:

- knowledge and understanding
- skills.

The descriptors below set out the generic knowledge and skills associated with the typical holder of a qualification at that level.

Knowledge descriptor The learner:	**Skills descriptor** The learner can:
• has basic factual knowledge of a subject and/or knowledge of facts, procedures, and ideas to complete well-defined routine tasks and address simple problems • is aware of aspects of information relevant to the area of study or work.	• use basic cognitive and practical skills to complete well-defined routine tasks and procedures • select and use relevant information • identify whether actions have been effective.

Qualification structure

The qualification is made up of two mandatory units. The structure, units, sizing information and assessment types for the IAB Level 1 Award in Computerised Payroll are set out in the following table.

Unit title	GLH	Assessment method
Principles of Computerised Payroll Preparation	20	Sage Business Cloud online practical assignment (3 hours)
Computerised Payroll	30	
Total	60	

Assessment, achievement and grading

Methods of assessment

The assessment is delivered online via the Sage platform using software provided as part of the registration for this qualification. Self-test activities and a practice simulation and test are provided for the purposes of practice and revision. These practice tests are not timed and can be undertaken as many times as the learner chooses. Once the practice simulation and test is passed, the learner can attempt the live assessment. The live assessment is timed.

Non-programmable calculators are required to complete the assessments.

Delivering assessments

The IAB 'Assessment Delivery Policy' applies to all IAB qualifications and assessments and must be followed by approved centres to ensure that IAB assessments are delivered in accordance with the requirements.

A copy of this policy is made available to centres upon approval. The policy can also be requested from the IAB Awarding Organisation team at ao@iab.org.uk.

Marking and moderation

Marking is completed automatically by the Sage platform against the relevant assessment criteria and mark scheme. Moderation is a process undertaken following the marking of assessments prior to a result being released to learners. Moderation acts as a filter, which ensures that an assessment outcome (for example a mark and / or grade) is fair, valid, and reliable. Moderation ensures that the mark scheme was applied correctly, all parts of the assessment were marked and that the marks were totalled and recorded correctly

Achievement and grading

To achieve the qualification, learners must take and pass the online practical assignment. To pass the assessment, the learner must achieve a minimum of 70%.

There are no grade scales – learners will receive either a pass or a fail result.

Certification

Upon confirmation of achievement of the two mandatory units, the learner will receive an IAB Level 1 Award in Computerised Payroll certificate. The certificate will carry the full name of the learner as registered.

Reasonable adjustment

As an Awarding Organisation, the IAB has a duty not to discriminate against individuals in relation to conferring qualifications regarding the protected characteristics set out in the Equality Act 2010. The IAB will take steps when developing specifications, identifying the assessment criteria, and drafting assessment content to minimise the impact on individuals with differing protected characteristics.

The duty of the IAB to make a reasonable adjustment will apply where assessment arrangements would put a learner who has a disability or learning need at a substantial disadvantage compared to a learner who does not have a disability or learning need. In such circumstances, the IAB must take steps to mitigate that disadvantage.

Please refer to the Centre Area of the IAB website www.iab.org.uk for a copy of the policy and associated procedure.

Results enquiries and appeals

Please refer to the Centre Area of the IAB website www.iab.org.uk for further information about the process, procedures and policies for making a results enquiry and/or an appeal.

Unit specifications

The unit specifications (*see* below) indicate the content, in terms of learning outcomes and assessment criteria, of each of the two mandatory units within the Level 1 Award in Computerised Payroll qualification.

All the learning outcomes and assessment criteria must be covered by providers when delivering the qualification. Each live assessment covers a selection of the unit learning outcomes and assessment criteria and full coverage is achieved across the live assessment variations.

The content of the assessments is subject to ongoing review by the IAB and changes periodically.

Unit	Principles of Computerised Payroll Preparation		
Level	1		
GLH	10	TQT	20

Learning Outcomes	Assessment Criteria
1 Understand what constitutes basic pay for different payroll periods	1.1 Outline how basic gross pay for weekly paid employees is calculated from given information, i.e. timesheets, basic hourly rates, weekly salaries 1.2 Outline how basic gross pay for monthly paid employees is calculated from given annual salaries
2 Understand the principles of calculating overtime payments	2.1 Outline how payable overtime hours are determined from the given information 2.2 Outline how to calculate an overtime rate of pay from given hourly rates of pay
3 Know the difference between statutory and voluntary deductions	3.1 Identify two types of statutory deductions 3.2 Identify two voluntary deductions 3.3 Outline the authority needed before making voluntary deductions
4 Understand the principles of the PAYE system	4.1 Explain briefly how the PAYE system works 4.2 Give an example of the use of a standard suffix tax code used cumulatively 4.3 Give an example of the use of a standard suffix tax code used non-cumulatively 4.4 Give an example of the use of tax code BR 4.5 Define the terms cumulative and non-cumulative when used in relation to the PAYE system
5 Understand the principles of the National Insurance system	5.1 State the purpose of the NICs 5.2 State two parties liable to make NI contributions 5.3 Outline the use of the NI thresholds 5.4 Give an example of when you would use NIC Category A 5.5 Give an example of when you would use NIC Category C and the implications of its use 5.6 Give an example of the authority needed to implement Category C deductions
6 Understand the procedures for completing starters and	6.1 Outline the procedures relating to the completion of internal records for:

	leavers information	• starters • leavers 6.2 Outline the information required to be submitted to the tax authority for: • starters with a P45 or equivalent • starters without a P45 or equivalent 6.3 Outline the procedures relating to leavers
7	Understand the internal procedures for finalising the payroll	7.1 Outline the composition and use of a payroll summary 7.2 Identify different forms of payment for wages 7.3 Outline the completion and purpose of a cash analysis for the payroll of wages
8	Understand the HMRC reporting requirements	8.1 Explain the importance of the processing date 8.2 Identify the minimum employee data requirements needed to process payroll 8.3 Outline the procedure for submitting payroll data for each pay period

Unit	Computerised Payroll		
Level	1		
GLH	30	TQT	50

Learning Outcomes	Assessment Criteria
1 Be able to set up a computerised payroll system using commercially available payroll software	1.1 Enter company data and legislative parameters into commercial payroll software in accordance with company policy 1.2 Maintain the company data and legislative parameters in accordance with company policy 1.3 Enter basic information in relation to banking and pension provision
2 Be able to set up employee records and payroll data on a computerised payroll system	2.1 Create employee records within the payroll software from given information, e.g. HR information, contract of employment, P45 2.2 Maintain up-to-date employee's payroll records, ensuring that the employee has correctly authorised all changes, employer or statutory body, including income tax codes changes, rates of pay etc. 2.3 Produce a range of reports relating to the employee's details, pay and deductions
3 Be able to enter details of gross pay into the computerised payroll system	3.1 Enter elements of basic gross pay for weekly and monthly paid employees from given information, e.g. timesheets, summaries, salary information, hourly rates 3.2 Enter overtime details from the given information 3.3 Enter basic holiday pay as a separate gross pay element
4 Be able to process the payroll	4.1 Check the processing date is correct and amend if necessary for: • RTI purposes • processing the payroll accurately 4.2 Process gross pay in accordance with company policy and legislative requirements ensuring all payments and deductions are taken into consideration 4.3 Process the final pay for a leaver 4.4 Produce internal period end reports, including payslips and payroll summaries 4.5 Complete the processing of the payroll for the period 4.6 Prepare payroll data in a format suitable for

	submission to the relevant tax authority 4.7 Produce form P45 or equivalent leaving statement for a leaver
5 Be able to back up and/or restore payroll data	5.1 Back-up and restore payroll data 5.2 Produce evidence of backing-up and restoring by saving/printing Back-up and Restore log
6 Know the statutory requirements for submitting information	6.1 Explain the importance of the processing date in relation to preparing and submitting the payroll data 6.2 Identify the minimum employee data required in order to process the payroll 6.3 Outline the procedure for submitting the payroll data at each pay period

Sample assessments

The IAB has deliberately not included sample assessment questions within this qualification specification. Self-test activities and a practice simulation and test are provided on the Sage platform for the purposes of practice and revision. These practice tests are not timed and can be undertaken as many times as the learner chooses.

Delivering IAB qualifications

Staffing and physical resource requirements for centres

The IAB, in line with regulatory requirements, has a Centre Agreement in place which covers the two-way obligations between the IAB as the Awarding Organisation and each centre delivering our qualifications. A key section of this agreement is to ensure a professional approach to the delivery of teaching, learning and assessment, leading to the best learner experience.

Each centre engaged with the IAB is required to ensure viable levels of staffing, managerial and financial resources are in place to enable it to effectively and efficiently deliver the qualifications as required by the Awarding Organisation.

Quality assurance

Any centre approved to offer IAB qualifications is subject to a rigorous quality assurance regime to ensure compliance with the requirements set out in the Centre Agreement and any regulatory conditions. This regime includes, but is not limited to, policy and procedure review, performance review, on-site monitoring visits and virtual interviews to assess how well that centre operates in delivering IAB qualifications.

IAB policies and procedures

Policies and procedures are in place to provide a framework and outline the IAB's approach and objectives for key areas along with defined processes to be followed. These documents ensure credibility, compliance, consistency, and quality in the design, delivery, and awarding of qualifications. Relevant policies are issued to approved centres alongside Centre Agreements. These can also be accessed by contacting our awarding organisation team via ao@iab.org.uk

Examples of the Policies that can be found include, but are not limited to:

- Adverse Effects
- Anti-Bribery and Anti-Corruption
- Assessment Delivery
- Complaints
- Conflict of interest

- Contingency Plan
- Enquiries and appeals
- Equality, Diversity and Inclusion
- Malpractice and Maladministration
- Plagiarism, Collusion and Cheating
- Reasonable Adjustments
- Recognition of Prior Learning
- Results and Certification
- Sanctions
- Special Considerations
- Withdrawal of approval

Centres delivering IAB qualifications should refer to the relevant policy for guidance as appropriate.

Equality and diversity

The IAB is committed to ensuring an inclusive, safe and welcoming environment for all learners undertaking its qualifications. Our Equality, Diversity and Inclusion Policy requires all learners to have equal opportunity to access our qualifications and assessments, and our qualifications to be awarded in a way that is fair to every learner.

Approved centres delivering IAB qualifications must have a policy relating to equal opportunities, diversity and inclusion to ensure a positive learning environment is provided to all learners. This is reviewed and assessed as part of our monitoring process which may include on-site inspections.

Contact us

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