Q3 2023/24 PAYROLL
INDUSTRY BRIEFING

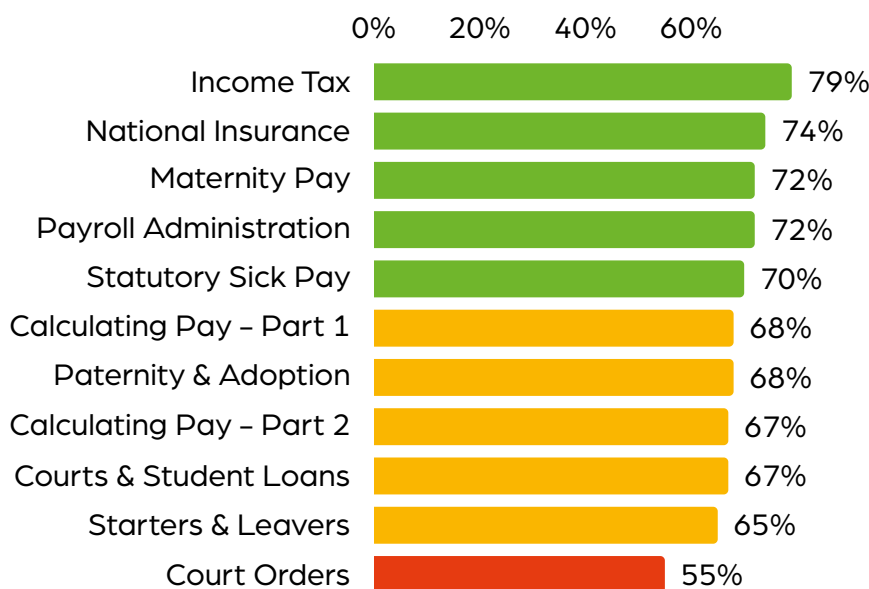## ENHANCING PAYROLL PROFICIENCY: BRIDGING THE GAP IN SSP, COURT ORDERS, AND STUDENT LOAN PROCESSING

Income Tax and N.I.C. remain the strengths of most payroll professionals. We are improving our expertise in niche areas, like Court Order Processing and student Loans, but overall, our expertise in payroll processing is starting to decline, with SSP expertise fairing the worst.

Introduction

In our first quarterly briefing on the UK's payroll knowledge and expertise we've compiled data from our online assessment platform (called ACT). By aggregating our results data over the last three quarters, we can see both the "state of the nation" and pick out trends in how our knowledge and expertise is developing.

What have we found? Well, our understanding of "bread & butter" subjects like Income Tax, N.I.C., Maternity Pay & Payroll Administration remains solid while niche/specialist areas like Court Order handling, or the processing of Student Loans, remain some of the lowest scoring areas in our assessments. This is a pattern our tutors have seen over the years, and it remains true today (see Chart 1: Payroll Expertise Q3 2023/24).

Chart 1: Payroll Expertise Q3 2023/24

This is our measure of "overall industry expertise": it is calculated as the overall percentage of correct answers given by all users sitting our Core 2023/24 Assessment.

What are these scores?

They show aggregate results from all users sitting our ACT online assessment between April 2023 and December 2023. The numbers are the % of correct answers given in each section of the assessment.

The gap between our least-well-understood subjects (like Court Orders) and our most-well-understood (Income Tax) is a substantial 25 percentage points. In general, payrollers still struggle in at least half of our subject areas: scoring below 70% in 6 out of the 11 modules.

However, the trends we are seeing over time are even more eye-opening (see Chart 2: How is our payroll expertise changing?). Just in our "go to" subjects like Income Tax and National Insurance our performance is declining. When we look back to Q1 of this same year we can see score have fallen in 9 out of the 11 subject areas assessed. In some cases, those falls are significant (an 18-point decline in results for Statutory Sick Pay, an 11-point drop for Income Tax and a 10-point drop in Paternity & Adoption).
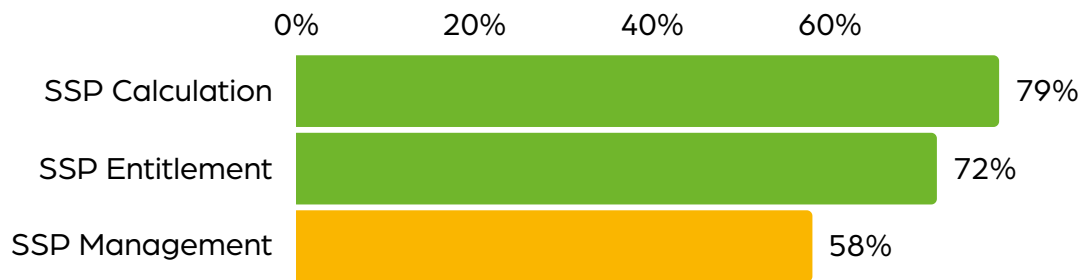
Chart 2: How is our payroll expertise changing?

Subject Area	Overall Score 23/24	Change from Q1 to Q3
Courts & Student Loans	67%	5%
Court Orders	55%	2%
Calculating Pay – Part 1	68%	−6%
Payroll Administration	72%	−7%
Starters & Leavers	65%	−7%
Maternity Pay	72%	−8%
National Insurance	74%	−8%
Calculating Pay – Part 2	67%	−10%
Paternity & Adoption	68%	−10%
Income Tax	79%	−11%
Statutory Sick Pay	70%	−18%

The only silver lining we've seen is an improvement in some niche areas, such as Court Order processing and Student Loan administration – although these are often the least well–understood, we have seen results in these areas improve over the last nine months.
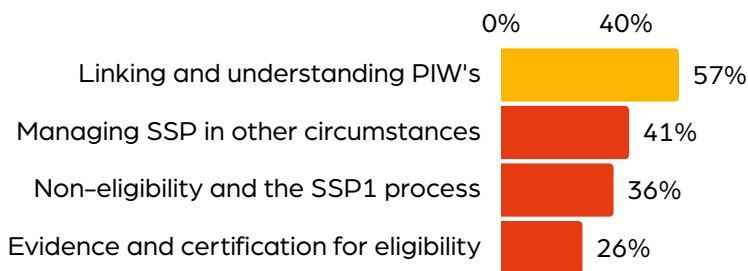Delving deeper, we can drill down into our ACT data and explore one of the areas in which we seem to be struggling the most: Statutory Sick Pay. We can go below overall scores and look at exactly which topic areas within SSP payroller's are struggling with (See Chart 3: Digging deeper into SSP expertise).

Our "bread & butter" skills (those to make SSP calculations) are solid: users score 79% in this area. However, when it comes to making decisions on entitlement to SSP, and the management of the SSP process, expertise drops off rapidly.

Chart 3: Digging deeper into SSP

SSP Calculation	79%
SSP Entitlement	72%
SSP Management	58%

Scale: 0%, 20%, 40%, 60%

Questions On...

Linking and understanding PIW's	57%
Managing SSP in other circumstances	41%
Non–eligibility and the SSP1 process	36%
Evidence and certification for eligibility	26%

Scale: 0%, 40%

Key areas of learning

- Understanding the rules around PIW's
- Managing and treatment of SSP
- Managing staff who're not eligible to receive SSP
- What do you need and when

Going even deeper, within the areas of SSP Entitlement and SSP Management we see four sub–topics where payrollers really need to improve their expertise. The weakest of these is the evidence and certification required for SSP eligibility and the SSP1 process: on these subjects, ACT users score just 26% and 36%, respectively.

If we are going to maintain our UK payroll expertise at the highest possible level, it is areas like SSP that we need to focus our training & development on right now. Within that, we should focus on a better understanding how SSP is managed, and the rules governing evidence and eligibility.

About ACT

ACT is an online assessment and eLearning platform for payroll professionals, powered by the educational expertise of The Payroll Centre. In 2023/24 so far, 1,552 payroll professionals have taken our ACT assessments, sitting 15,932 quizzes and answering 172,655 questions.

All our assessment questions are written by our team of in–house education experts. The analysis in this briefing is based on the extraordinarily large and rich benchmarking database our ACT users have helped us to create.

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