PSDA Design workshop

Summary Findings
24th & 25th January 2017

Background

Stakeholder Design Workshops

As part of the PAYE Modernisation Project Revenue is engaging external stakeholders to contribute to the design process. The main aims of this engagement is to:

- Gain insight into customers' business processes
- Identify and resolve any potential design issues from the outset ensuring practicality and reduction in administrative burden
- Provide transparency to the design process for all stakeholders
- Gain buy-in from key stakeholders
- Overall, optimise design, implementation and success of the programme by using stakeholder expertise

Stakeholder Design Workshops

- The first set workshops was held on the 24th and 25th of January and all members of the Payroll Software Developers Association (PSDA) were invited to attend.

- A total of 38 people from the PSDA attended over the two days.

- Payroll software developers are key stakeholders in this project and ongoing engagement throughout the life cycle of the project will be key to ensuring the successful implementation for Revenue and for employers.

Stakeholder Design Workshops

- The workshop participants were broken into 4 streams and spent 30 minutes with Revenue facilitators on each topic.
- The topics covered were:
  - Submission of Payroll data items
  - Dual employments
  - Payroll corrections
  - Technical architecture

Submission of Payroll data items

Employer Workshop Suggestions

This stream looked at data items which may form part of the employer payment submission. Items discussed included:

- Clear definitions required for data items e.g. Pay date, Gross Pay

- PPSN – making this mandatory was generally seen as a positive development however this cannot get in the way of someone being paid.

- Period versus Year to Date (YTD) Figures – discussion around which would be submitted and if YTD figures should be submitted when operating a cumulative instruction but period figures when operating a week 1 instruction. (YTD also covered in Corrections stream)

Employer Workshop Suggestions

- PRSI data items – discussion around classes and subclasses. Multiples can apply to a single pay period. Rules around insurable weeks reported need to be clear. Suggestions around ways of making PRSI cumulative and including classes in the P2C.

- Illness Benefit – discussions around ways this could be taxed via inclusion in the P2C.

- Timelines for submissions– discussions around when submissions would be made and impact of this on smaller employers.

Dual Employments Workshop

Dual Employment Workshop Suggestions

This stream looked at dual employments and how these could be differentiated in the payroll and Revenue software. Items discussed included:

- Employment identifier
  - A Revenue-generated number is more likely to be maintained, reliable and accurate
  - PPSN should be used as the basis for the identifier (in addition to employer number and a sequence number) – as it allows for validation
  - Need clarity on what constitutes a second or subsequent job with the same employer e.g. separate contract of employment

Dual Employment Workshop Suggestions

- Consider how individuals working for more than one Community Employment Scheme will be dealt with

Week 53 suggestions

This stream also looked at the operation of week 53. Items discussed included:

- Aligning treatment of PAYE and USC for week 53 purposes
- Dividing rate bands and credits by 53 from the beginning of the year, where relevant
- Dividing rate bands and credits by 52.17 every year
- Daily credits/rate bands may be an option

Corrections Workshop

Corrections Workshop Suggestions

This stream looked at payroll corrections that occur and how they would be reported. Items discussed included:

Common Correction Types:

(1) Employees' corrections (2) Payroll corrections

- – Amend personal details
- – Information received late
- – Paid in error
- – PRSI class/weeks
- – Illness Benefit

Corrections Workshop Suggestions

Correction Options:

- Replace entire file
- Change start date
- Amend YTD and individual figures
- Notional pay omitted

Corrections Workshop Suggestions

- Option to notify Revenue that entire staff or individual not receiving pay for a period (seasonal business)
- Off Payroll amendments should be catered for
- Streamline Illness benefit
- Process required for out of year corrections
- UK RTI system "best bits" should be utilised

Architecture Workshop Session

Architecture Workshop Suggestions

This stream looked the technical considerations for submitting real time payroll data to Revenue. Items discussed included:

- Message format – providers were comfortable with both XML and JSON but there seemed to be a preference for XML. All wanted to send full payroll data in a single message rather than a message per payment.

- Submission method – both REST and SOAP were discussed with no strong preference for one over the other expressed.

Architecture Workshop Suggestions

- Authentication – both SOAP PKI and OAuth JSON Web keys were discussed with no strong preference for one over the other expressed. Concerns were expressed around the management of digital certificates in the payroll software.

- Technical Documentation and Support –clear well defined schema and business rules. Worked examples and sample requests and response were required as well as the schemas and business rule. From a technical perspective all wanted the documentation backed up with regular face to face meetings to work through technical part of the implementation.

Architecture Workshop Suggestions

- Testing Environments – all expressed the need for early access to a full live size test environment. Concerns were expressed that the environment could not have artificial limits put on it and would need to mirror size and scale of the live environment so full payroll runs could be tested. Support for the environment would need to be responsive and documentation supplemented by face to face meetings during the testing phase.

Workshop evaluation feedback

Workshop evaluation feedback from PSDA attendees
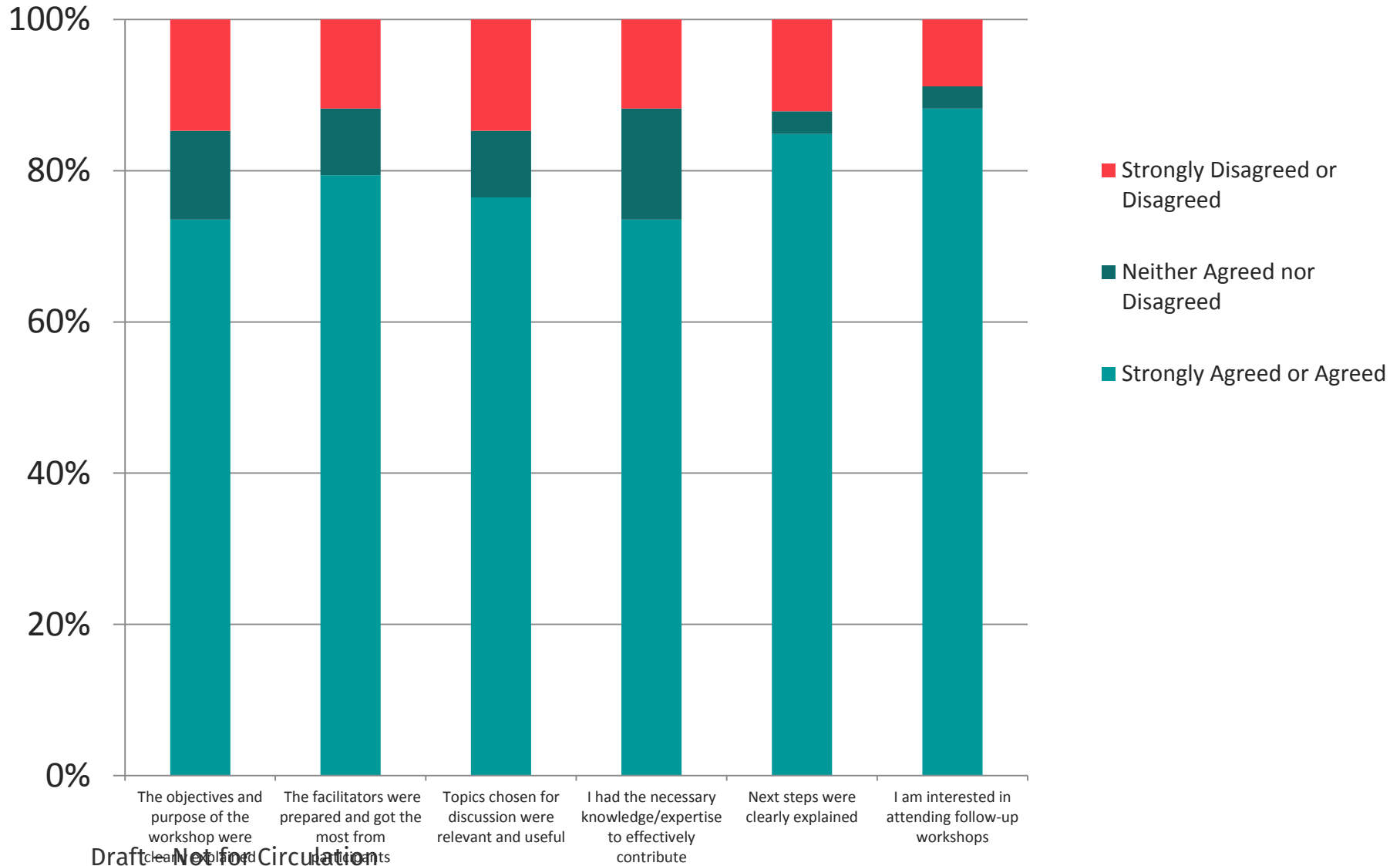
Next Steps

Next Steps

- Summary of discussions to be circulated
- Further feedback via payemodernisation@revenue.ie or PSDA Chairman
- More PSDA workshops planned and Revenue will clarify the points and issues raised following due consideration and involvement from other stakeholders
- Design workshops scheduled with other stakeholders, including IPASS, Retail Fora, Irish Institute of Taxation, Employers and Employees
- Ongoing engagement between Revenue and DSP working through impacts and opportunities of PAYE Modernisation, including taxation of benefits and PRSI reporting and collection.