

## Notice of Motion 2015/210: National Insurance Payments

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<b>Status of Paper</b>	Final
<b>Action Required</b>	Decision
<b>Draft Resolution</b>	See Resolutions
<b>Alternative Options to Consider, if Any</b>	The Council could decide to decline the Notice of Motion.

### Summary of Content

<b>Subject and Aims</b>	Notice of Motion 2015/210: National Insurance Payments
<b>Main Points</b>	<ul style="list-style-type: none"> <li>• The Connexional Team operates a bureau which undertakes payroll work for employees of churches, circuits and districts</li> <li>• The current registration with HMRC and resultant configuration make it impossible to correctly process National Insurance deductions for anyone employed by more than one local body</li> </ul>
<b>Background Context and Relevant Documents</b>	See Appendix for full text
<b>Consultations</b>	The SRC has already considered the need to replace the current payroll system.

### Summary of Impact

<b>Financial</b>	The payroll bureau is a chargeable service that covers its costs only.
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### **Introduction**

The 2015 Conference referred NoM 210 to the Methodist Council without debating it. The Council is now required to decide what action to take.

### ***Notice of Motion 2015/210 - National Insurance Payments***

The Conference:

- expresses its concern over the inability of the payroll service provided by the Connexion to many churches, Circuits and Districts, in regard to the payment of National Insurance (NI), to meet the situation where an individual has part-time employments with more than one church body;

- notes that, as a result of the payroll service not recognising churches, Circuits and Districts as separate employers, employees and employing bodies are paying extra NI over and above what is required, costing individuals and employing bodies considerable extra expense;
  - directs the Methodist Council to consider carefully how this situation can be resolved, provide advice to churches, Circuits and Districts as quickly as possible and report to the Conference of 2016. *[text corrected after Conference]*
- The Conference referred the Motion to the Methodist Council.

### **Proposed Approach**

The Connexional Team operates a number of payrolls on behalf of the Church. One of these involves the provision of a payroll bureau to local churches, circuits and districts for their lay employees.

This utilises the same system and infrastructure as is used for the central payroll for Ministers. As a result there is a single registration with HMRC, which dictates the way that the system has been configured. This means that if an individual is employed part-time by more than one local body (eg part-time for a circuit and part-time for a district) the National Insurance deductions cannot be split between the two employers, resulting in overpayments. Within the existing system, the Team cannot alter this in any way without infringing HMRC rules.

The contract with the provider of the existing system will expire during 2016 and work is underway to identify and implement a successor supplier and system. It is proposed that the Council instructs the Connexional Team, under the oversight of the Strategy and Resources Committee (SRC) to take this Notice of Motion into account when specifying the new system. This may lead to a greater complexity of system, and hence cost to users, but that needs to be balanced with the requirement for the Team to provide a satisfactory service to the Church.

### **\*\*\*RESOLUTION**

- 11/1. The Council instructs the Connexional Team, under the oversight of the Strategy and Resources Committee to take Notice of Motion 2015/210 into account when specifying a new payroll system.**