6 National Insurance

6.1   Checking National Insurance Numbers

NI numbers consist of two letters, followed by six numbers, followed by one letter, A, B, C or D. No other format is acceptable.

An individual's NI number will normally be entered into CHRIS by the Business Services team when they set up an individual, however the payroll team have an opportunity to check that this has been completed correctly as it should also be included on an individual's New Starter Details form. For new starters this is **step 4 in the new starter process chain**.

Alternatively follow the navigation below to the correct form.

Navigate: **Organisation > People** (find person) **> Personal Information
                     > Social Security**

6.2   Reviewing pension scheme membership

Step 5 of the new starter process chain shows you whether the employee is currently a member of a pension scheme. This assists the payroll user in determining the correct NI category to be entered in the subsequent step.

6.3   National Insurance Categories

All employees aged 16 or over and below State Pension age are liable to pay a standard rate of NICs known as contribution Table letter 'A' unless certain conditions apply. For a new starter this is **step 6 of the new starter process chain**.

> 1. Select the appropriate NI Category from the drop down list.
> 2. The effective date will default in as the employee's start date.

Click on the Save button.

Alternatively you may navigate directly to this form as detailed below.
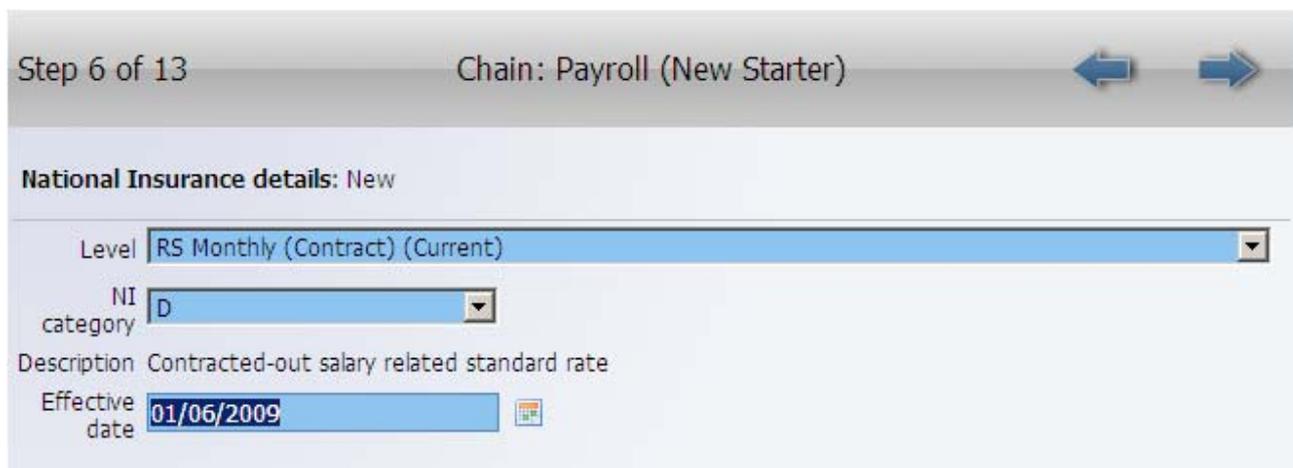
Navigate: **Organisation > People** (find employee) **> Payroll > UK Legislation > National Insurance Details >'New – NI Details'**

1. Level: The employee's contract will default in. This option enables the NI details to be shown on the employee's on-line payslip and will apply in 90% of new starter cases. The exception to the rule will be when someone has more than two positions, and only one of which is pensionable. In this instance you will need to ensure that you have selected the appropriate position from the drop down list.
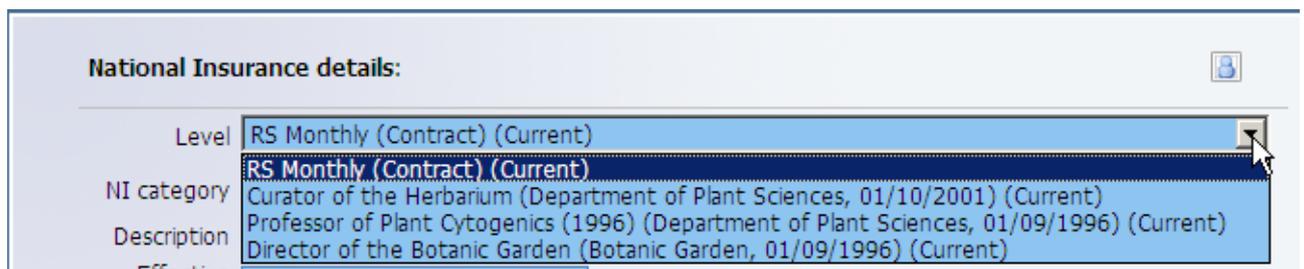
1. Select the appropriate NI category from the drop down list using your experience of exceptions for reduced rates etc. If none supplied use A if not in the pension scheme or D if in the pension scheme. See Appendix A for further details
2. Effective date should default in to be the employee's start date for that position.
3. Save

6.4   Deferring NI for Employees with more than one position

Once you reach an upper earnings limit you only have to pay a reduced NI contribution % on earnings above that threshold. This is calculated automatically where an employee only has one position, but where they have two it needs to be deferred on one. This happens more on the stipends payroll where academics have both a University teaching role and college responsibilities.

Navigate: **Organisation > Unit** (find required unit) **>** drill down to position through the **mini explorer** >drill down to the person **>Payroll > UK Legislation > National Insurance Deferred >'New – Deferred Details'**

1. Once you have found the employee and their correct position highlight the individual under the position that you wish to defer the NI.

Select, UK Legislation, National Insurance deferred.

Select new – deferred details

Enter the deferred start date.

4. Enter the deferred start date.

5. Click on the Save button

6.5   Payment methods

For new starters this is **step 7 of the new starter process chain.**
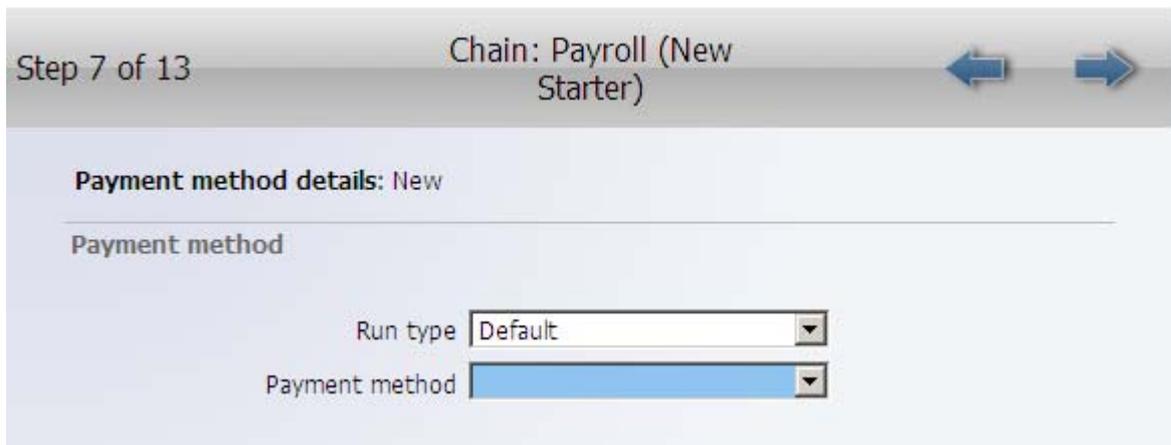
Alternatively navigate directly to the system form as detailed below.

Navigate: Organisation> People (find employee**) >Payroll > Payment methods
> New_Payment Method Details

2.   Ensure Run type is Default
3.   Select the payment method from the drop down box. All employees are paid by BACS
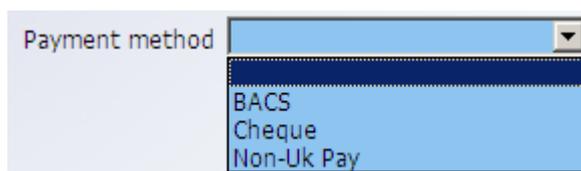
4. Complete the relevant bank account fields with the details obtained from the New Starter details form

Field	Action	Comment
Sort Code	Enter by using the search magnifying glass **Bank details list** Close ✕ 2017 🔍 Results 6 Records Sort code / Bank name / Branch name 🟧 201792 Barclays Bank . 🟧 201735 Barclays Bank . 🟧 201794 Barclays Bank . 🟧 201719 Barclays Bank Cambridge 🟧 201720 Barclays Bank . 🟧 201722 Barclays Bank .	The sort code will cross reference to the appropriate bank and the name will be displayed beneath the field.
Account Number	Enter an eight digit number	All BACS account numbers need to be 8 digits long
Roll Number	Required if it is Building Society account	
Account Name	This will normally be the persons initial and surname but joint names can be supplied. This is key functionality and is needed for the payment methods subsequently.	If a second account is added at a later stage for this individual then you need to ensure that the account names are subtly different e.g. add an * to the old account
Currency	Ensure currency has defaulted to British Pound (the only currency we will be using).	The only other two currencies in the list are Euro and US Dollar which relate to the University's other bank accounts.
Account type	Should have defaulted to 0.	The 0 represents the University's sterling current account and is the only one we will be using.
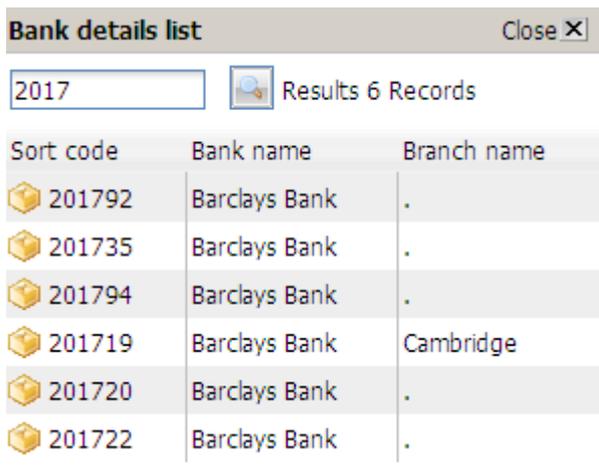
6.6   Emergency Contact Details

These are included on the New Starter Details form for new starters and are **step 8 of the new starter process chain**.

1. Enter the details as supplied on the form

2. Click on Save

Alternatively the system form can be located as detailed below.

Navigate: Organisation > People (find person) **> Personal Information > Emergency Contacts**