

# Realities of offering furlough as a chargeable service (and why clients should pay for it)



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This guide examines the impact of COVID-19 on payroll and how to mitigate some of the losses to remain viable and profitable in the future. We'll address the realities and challenges of deciding to charge for furlough processing as a chargeable service. Accountants who switch up their payroll software provider can strategically structure, organise and build a high-performing payroll processing service that is built for the next challenge.



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## About BrightPay

BrightPay is an award-winning payroll software with almost 30 years' industry experience. BrightPay are supporting over 320,000 accountants and businesses across the UK and Ireland in the complexity of COVID-19 and payroll, including COVID-19 webinars, payroll upgrades and online guidance. During this difficult period, BrightPay has maintained an impressive 99% customer satisfaction rating.



Getting your clients through the coming months is not going to be plain sailing. Once the initial impact of COVID-19 has been alleviated, it is going to take some time for the full repercussions to present themselves. How will the increased impact of COVID-19 on your clients affect the firm's **payroll workload**? And how can you give clients the best possible advice and support in these challenging times?

## Dealing with the impact of an ongoing crisis

According to recent research, 48% of business owners said that COVID-19 has had a 'severe impact' on their small business. And a survey by WorkLife revealed that 29% of small businesses worry about the mental health impact for their employees. Ensuring that a business can survive the crisis is no walk in the park, and accountants are having to shoulder the burden of providing essential advice, becoming business key workers during the pandemic – and not always being paid for the extra work involved.

In a recent interview with AccountingWEB, Jonathan Gaunt, founder of the Bristol-based accounting firm FD Works, discussed the trends he is seeing in the market when talking to owners and business leaders, and how this is impacting on the firm's workload:



**Jonathan Gaunt**  
Founder of FD Works

“ It's a real mix. Some companies are struggling, and some are doing ok as a result of the crisis – and that's really down to which sector you're in. There's more pressure for owners, more stress for accountants, and more worry for employees too. ”



# Processing furlough as a chargeable service?

Increasing your prices is never very popular with clients especially in this COVID climate. Deciding to charge for furlough can be a daunting and controversial task. As accountants and payroll bureaus have had the added workload of calculating and processing furlough payments, it is inevitable that clients should expect to pay more for the extra work provided.

Many payroll service providers are shying away from charging clients while others are contemplating a charge to remain viable and sustainable into the future. The fact remains, processing furlough payments is something your clients need help with, which is why you could provide it as a chargeable service.

## If you are thinking of introducing an additional charge for furlough processing, here are some key tips to think about:

Make it clear that the services you provide are worth the amount you are charging.

Keep in mind how much additional time it takes to perform your client's furlough tasks.

Best practice is to clarify the new pricing structure, specify the date at which it will come into effect and explain the benefits.

Be confident in outlining the additional work and expertise required to process furlough payments.



## If you decide not to charge your clients for furlough processing...

If you decide not to charge your clients, make sure you include furlough processing as a line item on your clients' invoice. It would be advisable to mark it as free or with a monetary value with 100% discount.

Your clients need to appreciate that this is an additional service that you are not charging for. This will help towards client retention, customer referrals and customer loyalty.

# Beyond Furlough: How can BrightPay help?

With the new tax year just around the corner, now is the perfect time to start looking for a payroll system that works for your practice. Your current software provider wouldn't like you to see [what BrightPay customers say](#) about the money our products save on extra staff costs and how they turbocharge productivity and efficiency. As more and more accountants make the move to BrightPay, let's deep dive into some of the key benefits.

## Reduce Business Overheads:

As businesses look at creative ways to save jobs, many are moving to reduce their business overheads. Savvy bureaus have already saved thousands by opting for a payroll provider that does not have an additional charge for auto enrolment, CIS or customer support. BrightPay is one of the most [competitively priced payroll software](#) providers on the market with no contract ties applicable.



## Working from Home Policy:

Most bureaus have successfully adopted a work from home policy. Your [payroll software](#) should easily facilitate remote working with additional user access. Check the costs of remote access or additional users with your payroll provider as these hidden costs can soon add up. Users can access BrightPay from 10 different locations which minimises any additional outgoings for your bureau.



## Achieving Business Continuity in the Cloud:

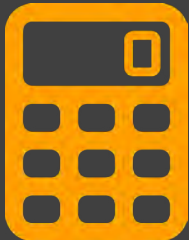
In the 'new normal', clients and employees expect to access their payroll information in the cloud. [Self-service online portals](#) are changing the way bureaus interact and communicate with their clients. Cloud access should facilitate the ability for clients to manage their employees' annual leave, submit employee hours to the payroll processor, approve the payroll run, access employee payslips, run payroll reports and distribute HR documents to their employees. BrightPay Connect, our cloud add-on offers all these things whilst providing the cloud functionality to get things done smarter and faster.





### Quality and Speed of COVID-19 Updates:

The government schemes are constantly changing, and it is vital your payroll provider can cater for changes to the schemes well in advance of the changes taking effect. In a recent survey, BrightPay achieved 98.6% rating for our overall handling of COVID-19 including customer support, payroll upgrades, COVID-19 webinars and online support. [Learn more](#) about BrightPay's COVID-19 response plan.



### Automation of Scheme Calculations:

Furlough pay calculations and CJRS claim reports are complex, and clients risk fines for incorrect claims. Your payroll provider should not only cater for the calculations but also automate the process as much as possible to reduce errors and potential fines. BrightPay includes the ability to assist users with calculations for the Coronavirus Job Retention Scheme and CJRS Claim Report to make it easier for the user when making a claim via HMRC.

### Mandatory COVID-19 Employee Documents:

Rules in relation to informing employees about employment policies introduces changes to employment contracts. With the Coronavirus Job Retention Scheme, employers must agree to new short-time working arrangements with their staff, make any changes to the employment contract by agreement, and notify the employee in writing. BrightPay Connect allows users to upload contracts of employment and COVID-19 HR documents and distribute them to employees. It also gives the employer or manager visibility as to when the employee views the document.



### Continuity Planning & the Risk of Data Loss:

Most businesses are now working remotely for the foreseeable future which leaves many businesses exposed to data loss. Do you have safeguards in place to minimise business interruption and restore your organisation to normal? One of the main advantages of having cloud access is that you can back up your client's payroll data instantly. BrightPay Connect will automatically backup your payroll data every 15 minutes, allowing you to restore your client data should the unforeseen happen.

### Automate your Payroll Workflows:

A major bottleneck for many bureaus is requesting and receiving employee hours from their clients each pay period. This can result in numerous emails back and forth to clients and can typically result in errors being sent from clients. The current COVID-19 environment should be a catalyst to make the leap to automated payroll workflows that save time and reduce those errors. BrightPay Connect is designed with a **facility to request hours from clients**. Clients can upload a CSV file or manually enter their employees' hours including new starter details which then synchronises back to the payroll software on your desktop.



### Excellent Customer Support:

During COVID-19, a common frustration for accountants is poor customer support and long wait times, often resulting in customers not renewing with their payroll provider.

**BrightPay's COVID-19 response** plan involved additional staffing and increased hours to assist customers. BrightPay was awarded a COVID-19 Hero Award (Suppliers) at the Accounting Excellence Awards in recognition of how we have supported our customers throughout the past year.

## Adapt Your Long-Term Business Strategy:

For many bureaux, the strategy is simple - stay in business with minimum job cuts. Once the initial impact of COVID-19 has been alleviated, it is going to take some time for the full repercussions to present themselves. It is wise for bureaux to take action by putting in place cost savings strategies that could see additional profits. Payroll market trends are taking a dramatic shift with payroll bureaux looking for more affordable solutions but also innovative products. BrightPay is a **multi-award-winning payroll software** that boasts a 99% customer satisfaction rating and 5-star review, costing in a range from £249 to £499 per tax year.



## Switching to BrightPay Made Easy:

Join BrightPay's webinar to learn how to run a profitable payroll practice with BrightPay. Our '**Switching to BrightPay**' webinar explores what you need to do to prepare for your move to BrightPay to make the switch as seamless as possible. It's time to turn payroll into the quick and easy process it should be. **Visit our events page** to learn more.

## Payment Processing API Facility:

Accountants and their clients spend a significant amount of time creating bank files every pay period to pay employees' wages into their bank accounts. From the 2021/22 tax year, BrightPay will have the ability to **pay employees directly from the payroll software**. Powered by Modulr, the payments partner behind Revolut, the API integration will give you a fast, secure and easy way to pay employees through BrightPay. Eliminate the need to create bank files and the manual workload associated with making payments to employees.





# A solid payroll foundation at the heart of your firm

Being in control of **clients' payroll systems**, and having automated payroll processes at your fingertips, has never been more important. For Jonathan Gaunt, having BrightPay as the core payroll platform at FD Works has made the pandemic payroll challenges easier:



We've been using BrightPay for three years now. We had a basic payroll application, but as we grew we wanted something a bit more grown-up. BrightPay is great because it gives us a portal for collecting information, with all the GDPR boxes ticked, and helps us to streamline all of our payroll processes. It's made us appreciate how important payroll processing and good payroll systems are to our practice and to our clients.



With the Coronavirus Job Retention Scheme reinstated and extended again, the time is right for **streamlining your payroll services** and putting the best software at the centre of your offering.

## In summary

Payroll firms and accountants are being massively impacted by COVID-19 and are very much on the front-line assisting clients, often at no additional charge. It is crucial to understand where your vulnerabilities lie and how to mitigate any further potential impacts. Now is the time to plan and futureproof your payroll bureau business for survival. Payroll bureaus must make the right changes and shift the way they operate to better achieve a long-term sustainable plan.

It is worth the time and money to invest in your people and even more so in automating your payroll processes. A resilient approach should involve managing people differently, streamlining manual processes and migrating to cloud portals. Making simple changes and investing in payroll solutions with integrated cloud access can save money, improve productivity and increase profits.

It is important to choose the right payroll provider that will ensure COVID-19 does not slow down your bureau's payroll processing. Research different payroll software systems and compare them against what you are currently using. Choose the right **payroll technology** that not only streamlines your payroll processes but supports your business continuity needs. Ask other providers what their customer satisfaction rating is, what are the hidden costs and how they are helping their customers through COVID-19.

**Upcoming Webinar - CJRS Rule Changes, Furlough Extensions & Other HMRC Quirks**

[Find out more](#)

COVID-19 one year on! This is what you must understand about CJRS rule changes (and why your clients will thank you for it).

[Register here](#)

# Your next steps:

1

## Attend a free online demonstration of BrightPay

Discover more ways that BrightPay and BrightPay Connect can help your accountancy practice or payroll bureau come back stronger from this challenging time.

[Book a Payroll Demo](#)

2

## Start a 60-day free trial of BrightPay

BrightPay's 60-day free trial is a great way for you to discover just how easy BrightPay is to use without having to make any commitment.

[Download Now](#)

3

## Join our free webinars

Hear from the payroll experts on how the latest updates are impacting payroll and how you can best support your clients.

[Register Now](#)

"Complex CJRS claims, 4 weekly pay periods crossing into July, the beginning of flexible furloughing. We could be in the middle of a logistical nightmare, but thanks to @BrightPayUK our lives have been made considerably easier."

*Lucy Stupples @autumn\_cottage – Twitter*

"BrightPay have made it easy for us during this difficult time. They have kept us up to date on their information hub on all matter COVID-19 related, with free webinars on CJRS matters and other resources."

*Linda Nicholls – Trustpilot*

"We have worked around the clock since COVID disrupted life as we know it to support our clients. However, it would have been a lot harder to provide that support if we didn't use BrightPay. Well done team @BrightPayUK."

*Investment Bookkeeping @InBookkeeping – Twitter*

# Payroll Software You Can Trust...



Payroll Software of  
the Year 2018 & 2019



Trusted by over  
320,000 Businesses



99% Satisfaction Rate  
& 5-Star Rating



30 Years' Experience  
Developing Payroll



Payroll Software



Winner of Payroll of the Year  
2018 & 2019



Servicing 320,000 Businesses



Accounts Journal APIs:  
*Sage One, Xero, Quickbooks & more*



COVID-19 Payroll Calculation



Remote Access Included



99% Satisfaction Rate & 5-star Rating



Cloud Add On



Bureau & Client Dashboard



Automatic Cloud Backup



Upload Employee Hours



Approve Payroll Run



Payroll Audit Trail



Leave Management Tool



Employee Self-Service App



[www.brightpay.co.uk](http://www.brightpay.co.uk)

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