

Payday technical errors highlight need for greater scrutiny and testing of systems

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Technical errors at multiple high street lenders that have left thousands of people unpaid highlights why greater scrutiny of systems is crucial in the modern world of work and why it's critical that pay systems can handle the strain of batch payments. That's according to specialist global payroll provider, CloudPay.

John Pearce, Chief Customer Officer at CloudPay, commented:

"We've seen several major crises like this with HMRC, Asda and other large brands also being affected by technical issues in recent months. This time around it's the result of problems at four of the UK's largest banks, which is highly concerning. The smallest of glitches can lead to delays that will have a huge impact on people, particularly those already struggling as a result of inflationary and cost-of-living-related pressures, and can further increase reliance on costly loans or overdrafts."

"Businesses are relying on these banks to provide mass batch payments to their staff, and the banks therefore need to have more checks in place to ensure their systems can handle the strain placed on them. And if there are issues, it makes it even more important to ensure that there are fail-safes in place that can support payments so that individuals don't go unpaid for any significant length of time. We would also urge employers to consider the positive impact that access to earned wage access, or pay-on-demand, services can have on workers, particularly at a time when we are increasingly seeing technical glitches such as these impacting the workforce. Adopting these types of modern processes can help to reduce reliance on strict paydays, and allow for better control over finances. That means that if issues like this do occur again, workers are left better supported and systems are able to adjust quickly."