

Payroll Service Agreement



Glasgow
Council
for the
Voluntary
Sector

GCVS will:

- 1) Register with HMRC as your Payroll Agents (upon receipt of your completed authorisation, Forms FBI2 & 64-8) and deal with HMRC on your behalf
- 2) Open an 'In Trust' bank account with our bank (currently Co-operative) in your name
- 3) Calculate employee's gross and net pay as per the information and forms submitted by the employer
- 4) Process the payroll as per the designated dates and issue payslips via email to employer for checking.
- 5) Amend payslips before payment due to any error if notified by the designated deadline
- 6) Pay net pay to employees bank accounts on designated pay-dates via BACS
- 7) Maintain sickness records for employees as per the information supplied by the employer
- 8) Pay Statutory Sick Pay and Statutory Maternity/Paternity Pay to employees as per the information provide
- 9) Pay your HMRC liabilities (PAYE, NIC, Student Loan) each month and send HMRC reports via RTI by their deadlines
- 10) Pay over any other deductions from salary i.e. Arrestments/Childcare Vouchers/Tax-Free Childcare/Credit Union
- 11) Apply for any refund from HMRC as necessary, including Employment Allowance, Statutory Maternity/Paternity/Adoption Pay
- 12) Prepare and issue quarterly statement of account, including invoice for GCVS Payroll Services, sent quarterly in arrears. Payroll Service Fee will be taken from existing balance in GCVS account, when appropriate; any shortfall will be notified to you
- 13) Issue all HMRC documents to employers for distribution to employees (P45/P60)
- 14) Process Auto Enrolment pensions as per the information supplied (see separate forms)
- 15) Issue Auto Enrolment letters to employers for their employees in line with current legislation
- 16) Notify chosen pension provider of contributions due by online file upload, if required by provider
- 17) Notify you of any employees who fall below National Minimum/Living Wage Rates
- 18) Complete and send your Final HMRC FPS/EPS via RTI
- 19) Adhere to legal obligations and confidentially store records for 6 years.

GCVS will not:

- 1) Ask you to transfer funds into an account that has not been previously notified to you
- 2) Ask an employer or employee to give bank details over the phone
- 3) Keep track of employee annual leave
- 4) Notify pension providers of changes in salary/employment
- 5) Set up your Standing Order, you need to contact your own bank for this
- 6) Take any payments via Direct Debit, changes to the Standing Order must be done by the client direct to their bank

To enable a complete, accurate and comprehensive payroll service the employer will:

- 1) Adhere to all payroll deadlines as laid out in the payroll deadline calendar
- 2) Submit all GCVS forms to be processed by the deadline on the payroll deadline calendar.
- 3) Ensure all forms are completed fully and signed by employer (and employee where relevant)
- 4) Add Glasgow City Council post reference number to all employee New Start Forms where posts are GCC Funded. Failure to do so will result in underpayment of GCC Grant
- 5) Notify GCVS in writing of any changes to employee hours or salary. These changes cannot be signed by the employee whom the change affects. In that case another authorised signatory will be required to sign in order for the change to be actioned. See Payroll Pack for Change of Details Form
- 6) Send timesheets each period for any sessional employees
- 7) Notify GCVS each time an employee is off sick by either self-certification form or medical certificate
- 8) Advise GCVS of any changes in authorised contacts or signatories immediately by completing new Client Contact sheet and E-signature agreement
- 9) Ensure cleared funds for wages are in your designated GCVS In Trust account by the deadline as outlined in the payroll deadline calendar. This amount should include total cost for wages, Inland Revenue and any pension payments. Please note if you do not have sufficient cleared funds in your account, wages will not be paid to staff and additional charges will be incurred
- 10) Pay GCVS funds for wages (as above) each month by Standing Order; amount to be determined by GCVS
- 11) Have sufficient funds in your GCVS account to cover 2 payroll payments
- 12) Scrutinize all payslips as soon as they are received, before distribution to employees, to ensure you are in agreement with the information contained in them. Any errors should be notified to GCVS immediately
- 13) Pay GCVS for services rendered. Payment will be processed once per quarter after the invoice has been issued, by transferring the amount due, from existing funds in your GCVS in trust account where possible. Any shortfall will be notified to you.

Signed for GCVS

Sign: _____ Name: _____

Position: _____ Date: _____ / _____ / _____

GCVS Ref: _____ Payroll: _____

I/We understand (_____) remain the employer and GCVS are the Payroll Provider only, therefore this agreement does not remove our employer responsibilities/obligations.

Signed for Employer

Sign: _____ Name: _____

Position: _____ Date: _____ / _____ / _____

This agreement can be terminated by one month's notice in writing by either party.

Upon termination the client will take all necessary action to notify their staff as appropriate. All standing orders to GCVS should be cancelled as well as Direct Debits from your GCVS account. You should also inform HMRC and your pension provider by letter that GCVS will no longer be acting as your Payroll Agent.

Termination of this agreement shall be without prejudice to the rights and obligations of either party.



Workplace Pensions

How can GCVS make workplace pension as easy as possible?



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GCVS will;

- Set up your Workplace Pension for you, if you complete the GCVS Pension Set Up Form. We will charge a one off £50 fee for this service.
- Be your nominated secondary contact with The Pensions Regulator
- Assess employees each pay period and enrol employees into employers chosen scheme
- Issue letters to employers for their employees regarding Auto Enrolment, in line with legislation
- Make deductions from the employees' salaries as per the information supplied
- Pay over pension contributions to your chosen Pension Provider monthly
- Help with set up of your online pension filing if necessary. If we set up your scheme we will do this.
- Upload any online files each month if your pension provider requires it.
- Send you a pension report each month detailing employee and employer contributions (if requested, these are £2 per report)

What you need to do now;

Any new employers from 1st October 2017 should have a workplace pension for staff from their start date.

Nominate a contact with The Pensions Regulator, you can do this on their website below. The employer is to be the first contact, GCVS will be the secondary contact.

Select an Auto Enrolment compliant pension scheme and decide the contribution rates. For minimum contribution rates see The Pensions Regulator website. <http://www.thepensionsregulator.gov.uk/minimum-contribution-increases-planned-by-law-phasing.aspx>

Complete either the GCVS Pension Set Up Form or the GCVS Auto Enrolment Form (you will get this from your Payroll Administrator).

You will complete the Set Up Form if you wish for GCVS to set up your scheme for you, we charge a one-off £50 fee for this service.

Complete the Auto Enrolment Form if you wish to set up the scheme yourself and have GCVS administer it.

If you already have an on-going pension scheme which you are using for Auto Enrolment please check with the pension scheme and The Pensions Regulator to ensure this scheme is compliant.

Make sure you are up to date with current legislation regarding Workplace Pensions as The Pensions Regulator can and will fine for non-compliance.

The Pensions Regulator Website

www.thepensionsregulator.gov.uk

The Pensions Regulator Employer Helpline

0845 600 1011

How Can GCVS Help?

GCVS can set up your scheme for you if you complete and return the GCVS Pension Set Up Form.

You can also contact your Payroll Administrator to ask for advice, if we do not have the answer you require we can refer you to our Employers Advice Service.

GCVS Charges

Payroll, Pension & Book-Keeping Charges



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Payroll Charges

Initial Start Up Fee (per employee)	£10.00 Minimum £30 per new client
Quarterly Service Charge	£47.25
Payslip Charge	£4.40 Per payslip, per pay run
Quarterly Pension Service Charge	£25.00
Special Run Charge	£30.00 Only upon client request

Non Members of GCVS are charged a 10% surcharge on each quarterly invoice.

To enquire about becoming a GCVS Member and enjoying the benefits contact membership@gcvs.org.uk

Book-Keeping Charges

Quarterly Service Charge	£60.90
Invoice Processing Fee	£2.85 Per invoice

Joint Package - Payroll & Book-Keeping

Quarterly Service Charge	£86.10
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How Much Is This Going To Cost Me ££?? - Mock Costings

Payroll Mock Costing

Based on 1 employee, paid monthly, GCVS Member.

		<u>Costs Breakdown</u>	
Quarterly Service Charge	£47.25	Annual Cost	£341.80
Quarterly Pension Charge	£25.00	Quarterly Cost	£85.45
Payslip Charge	£4.40	Monthly Cost	£28.48
Annual Service Charge	£189.00	Weekly Cost	£6.57
Annual Pension Service Charge	£100.00		
Annual Payslip Charges (12)	£52.80		

Book-Keeping Mock Costing

Based on 120 invoices per year

		<u>Costs Breakdown</u>	
Quarterly Service Charge	£60.90	Annual Cost	£585.60
Invoice Charge	£2.85	Quarterly Cost	£146.40
Annual Service Charge	£243.60	Monthly Cost	£48.80
Annual Invoice Charge	£342.00	Weekly Cost	£11.26

You will be invoiced quarterly in arrears for the above service/s.

This invoice will include a quarterly statement of account.

If you would like a tailored quote please contact tsst@gcvs.org.uk for Payroll or financeteam@gcvs.org.uk for Book-Keeping Services.