

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 (Co-operative) in your employer name
- 3) Calculate employee's gross to 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 employees
- 5) Send Wages Summary Report to employer to be checked
- 6) Amend any errors before payment date, if notified by the relevant deadline
- 7) Transfer net pay to employees' bank accounts on designated pay-dates via BACS, providing there are sufficient funds in the GCVS In Trust account to cover the full costs
- 8) Maintain sickness records for employees as per the information supplied by the employer
- 9) Pay Statutory Payments, as appropriate, to employees as per the information provided
- 10) Pay your HMRC liabilities (PAYE, NIC, Student Loan) each month and send HMRC reports via RTI by their deadlines
- 11) Pay over any other deductions from salary i.e. Arrestments/Credit Union/Union etc. – deductions for Childcare Vouchers will be paid over to the employer if requested. We will not pay over to the childcare provider
- 12) Apply for any refund from HMRC as necessary, including Employment Allowance, Statutory Payments (SMP, SPP etc.), tax refunds
- 13) 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
- 14) Issue all HMRC documents to employees via email (P45/P60)
- 15) Process Auto Enrolment pensions as per the information supplied (see separate forms)
- 16) Issue Auto Enrolment letters to employees in line with current legislation
- 17) Notify chosen pension provider of contributions due by online file upload, if required by provider
- 18) Notify you of any employees who fall below National Minimum/Living Wage Rates
- 19) Complete and send your Final HMRC FPS/EPS via RTI
- 20) Adhere to legal obligations and confidentially store records for 6 years.
- 21) Comply with all GDPR Regulations – see GCVS GDPR Processor/Controller Agreement

GCVS will not:

- 1) Ask you to transfer funds into an account that has not been previously notified to you. Please check with us if that happens before sending any funds to an unknown account
- 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/address – unless this is part of the online upload file
- 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 agrees to:

- 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) Notify GCVS in writing of any changes to employee hours or salary. The employee whom the change affects cannot sign these changes. 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
- 5) Send timesheets each period for any sessional employees, or notify hours via email
- 6) Notify GCVS each time an employee is off sick by either self-certification form or medical certificate
- 7) Advise GCVS of any changes in authorised contacts or signatories immediately by completing new Client Contact sheet. Failure to do so could result in GCVS discussing payroll and/or financial matters with someone who has left your organisation or who is no longer authorised to gain this information
- 8) 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
- 9) Pay/transfer sufficient funds into your GCVS In Trust account each month by Standing Order. Amount to be confirmed by GCVS.
- 10) Have sufficient funds in your GCVS account to cover 2 payroll payments
- 11) Scrutinize the Wages Summary Report to ensure you are in agreement with the information contained therein. Any errors should be notified to GCVS immediately
- 12) 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.
- 13) Forward all HMRC communications relating to your PAYE Scheme and forward any HMRC cheques/funds you may receive due to refunds as these need to be recorded through payroll.
- 14) Adhere to all GCVS' Anti-Money Laundering Processes

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 – this should be a Board Member who is noted on the Client Contact Sheet

We acknowledge receipt of the GCVS GDPR Processor/Controller Agreement and accept the conditions within this agreement.

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.

