

ACCOUNTABILITY – Accountancy, Payroll & Pensions

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Dear client,

PAYROLL AND PENSION PROVISION

Thank you for choosing to use us as your payroll/pension agent. By signing this document in the required places, you agree for us to act with HMRC and The Pension Regulator on your behalf.

The document needs to be signed where indicated on the last page.

Please take your time to read through the various sections listed below:

Section 1 – Payroll Consent Agreement, pages 2-3

Section 2 – Pension Consent, pages 4-5

Section 3 – Data protection and GDPR, pages 6-10

Section 5 – Assisted Services also referred to as Managed Accounts, page 11

Section 4 – Signatures, page 12

SECTION 1 – PAYROLL CONSENT AGREEMENT

Accountability will set up the client as an employer and act as their authorised payroll agent with the Inland Revenue.

In order for Accountability to provide the payroll service in a timely manner and to avoid any penalties for late filing or RTI submissions the client must:

Submit Timesheets signed by both the client and the client's employees within the week following the end of the payroll period as set out by the Local Authorities payment schedule. If an employee is absent due to Sickness or Maternity leave etc, this should be clearly marked on the timesheet.

Inform Accountability and the Local Authority of any leavers and starters (starters may be subject to a DBS clearance check and should not be allowed to work until this is confirmed by the funding authority).

An Agent authorisation form 64-8 (included within this document) shall be completed by the client before commencement of the service, to allow Accountability to act on their behalf.

The client understands that Accountability has no jurisdiction over their employees and the employees should not contact Accountability directly without the prior permission of the Employer.

The employees are hired by the client and Accountability's only responsibility is to calculate the payroll and pension in accordance with legal guidelines including any online submissions such as RTI. Payslips and a notice of any monies due to HMRC will be sent to the client to distribute and pay.

However, as the payroll agent, Accountability will be able to offer advice regarding payroll matters such as holiday entitlement, statutory obligations and anything relevant to the payroll scheme.

As part of Inland Revenue Money Laundering regulations, ID will be required from the client. This may be in the form of a copy of a passport, driving licence or current utility bill. If Accountability are not provided with a copy of this, responsibility to hold proof of the client's identity shall be the with the Authority making payments into the bank account set up for receipt of funds.

Any payroll processed by Accountability are subject to checks by the funding authority and HMRC and are processed in line with all current data protection laws and legislation.

As part of the service, Accountability will provide the employer with payslips for their employees and a total to pay HMRC with payment details.

Where an email address is provided, these documents will be sent via email and no paper copy will be sent unless requested. Employees will also be emailed a copy of their payslip should they provide an email address or one is clearly shown on their timesheet.

Furthermore, these documents can be password protected and this can be added by calling the office to confirm.

To this end the client agrees that the paying Authority may request payroll audit information directly from Accountability without prior permission of the client.

SECTION 2 – PENSION

To ensure your payroll is legally compliant with the Pension Regulator you require a workplace pension.

This must be available for all employees, current and new, from your payroll start date until the last day that you are an employer.

The pension package we provide includes:

- Set up of your pension scheme with NEST (NEST is the government's own pension scheme and the most cost effective to run).
- Assessment of all your employees in line with your staging date and on a continual basis each time they are paid in case anything changes.
- Writing to all of your employees to inform them of their pension status and what they need to do, if anything.
- Online uploads and payment of your pension contributions to NEST.

Pension Status

There are 3 categories that your employees could come under – Eligible, Non-eligible and Entitled.

Eligible Employees: aged between 22 and the State Pension Age with earnings above the Earnings Trigger.

Non-eligible Employees: EITHER aged between 16 and 22 or State Pension Age and 75, with earnings over Lower Earnings Level (LEL), OR aged between 22 and State Pension Age and earning above than the Lower Earnings Level (LEL) but below the Earnings Trigger

Entitled Employees: aged between 16 and 75 but earning below Lower Earnings Level (LEL).

These categories determine what your employees' pension status is.

Eligible employees will be automatically enrolled into your workplace pension scheme and contributions will begin from the next pay period. They will have around 30 days to opt out if they want to.

Non-eligible and Entitled employees will not be automatically enrolled however they will be given the choice if they would like to Opt In to your workplace pension. Should they choose to Opt In to your workplace pension then contributions will have to start from the next pay period.

Contributions

The law now states that employers have to make a minimum contribution to their employees' pension pot too. The minimum contributions for both employer and employee at the minute stands at 8% of the employee's wage made up of an employee contribution of 5% and employer 3%.

If eligible, employees will also receive a 20% tax relief from the government towards their contributions too.

Opting Out

Your employees cannot Opt Out unless they have been automatically enrolled.

If an employee decides that they do not want to put aside money for their retirement just yet, they have the right to Opt Out. There is an Opt Out period of around 30 days.

Should your employee Opt Out within the period then any contributions made by them and yourself will be refunded back to you accordingly.

Should your employee miss the Opt Out period then they can still stop contributions using the same process, however the funds will be held in their personal pension pot. They can either take this money out once they retire or they can start making contributions again at a later date.

Getting More Information

For information about the workplace pension then further details can be found online at: <http://www.thepensionsregulator.gov.uk/employers/your-step-by-step-guide-to-automatic-enrolment.aspx>

For more information about the NEST pension scheme then further details can be found by visiting their website at: www.nestpensions.org.uk

You can also get general information on pensions and saving for later life from Directgov at: www.direct.gov.uk/workplacepension

SECTION 3 – Data Protection and GDPR

We (**Accountability**) have agreed to provide you Client, with payroll & pension services, whereby we will process your payroll from timesheet files, create payslips and file any relevant documents and Year End with HMRC

The Service provided will involve access to your personal information, which may be recorded on paper or in electronic format regarding your staff.

For the purposes of this agreement any of our staff with access to this information are aware of the Information Commissioner's Employment Practices Code.

The law does not permit us to allow us to process this Information on your behalf unless we comply, and can demonstrate that we comply, with certain requirements. Those requirements are found in the Data Protection Act 1998 and GDPR regulations from May 2018. Therefore, to ensure that we discharge our respective obligations, we agree to comply with the following terms.

1. Use of the Information

- 1.1. We acknowledge that for the purposes of the Act, we are the **data processor** and you are the **data controller** of the Information. Both those terms are defined in the Act.
- 1.2. We will process the Information only to the extent, and in such a manner, as is necessary for the purposes of the Contract and in accordance with our instructions from time to time. We will not process the Information for any other purpose. You will keep a record of any processing of Information that we carry out on your behalf.
- 1.3. We will promptly comply with any request from you requiring us to amend, transfer or delete the Information. We must do this even after the agreement has ended.
- 1.4. If we receive any complaint, notice or communication which relates directly or indirectly to the processing of the Information or to the compliance of either of us with the Act, we will notify you immediately and provide you with full co-operation and assistance in relation to that complaint, notice or communication.

- 1.5. At your request, we will provide you with a copy of all Information held by you in the format and on the media you reasonably specify. We must do this even after the agreement has ended.
- 1.6. We will not transfer the Information outside the European Economic Area without your prior written consent.
- 1.7. We will promptly inform you if any Information is lost or destroyed or becomes damaged, corrupted, or unusable. We will restore that Information at our own expense.

2. Our Staff

- 2.1. We will ensure that access to the Information is limited to:
 - 2.1.1. those of your Staff who need access to the Information to meet our obligations under this agreement or the Contract; and
 - 2.1.2. in the case of any access by any member of Staff, such part or parts of the Information as is strictly necessary for performance of that member of Staff's duties.
- 2.2. We will ensure that all our Staff:
 - 2.2.1. are informed of the confidential nature of the Information;
 - 2.2.2. have undertaken training in the laws relating to handling information; and
 - 2.2.3. are aware both of your duties and their personal duties and obligations under those laws and this agreement.
- 2.3. We will take reasonable steps to ensure the reliability of any of our Staff who have access to the Information.

3. Rights of Individuals

- 3.1. We will notify you promptly and within 5 working days if we receive a request from an individual or from a third party for access to that individual's Information or to exercise other rights under the Act in relation to the Information unless this is a party with a relevant interest in the payroll and its funding such as a government agency, local authority or HMRC PAYE inspection where we are the payroll agent.

3.2. We will provide you with full co-operation and assistance in relation to that request.

3.3. We will not respond to the request or disclose the Information to any individual or to a third party unless you instruct us to do so apart from parties mentioned in 3.1.

4. Your audit rights

4.1. We will permit you to monitor our compliance with the terms of this agreement, which may involve you or your nominated representative carrying out audit of the records we keep in relation to your staff. You will give us at least 5 working days' notice of any audit, and we will allow you or your nominated representative to inspect all facilities, equipment, documents and electronic data relating to our processing of Information. We will also complete and return to you any security questionnaires you send us during the course of the Contract (you may do this once or twice a year).

4.2. The requirement under paragraph 4.1 to give us notice will not apply if you believe that we are in breach of any of your obligations under this agreement.

4.3. You may, depending on the duration of the Contract and the results of your audit, require us to sign and return updated versions of this agreement during the course of the Contract.

5. Warranties

5.1. We warrant that:

5.1.1. We will process the Information in compliance with all applicable laws, enactments, regulations, orders, standards and other similar instruments; and

5.1.2. We will take appropriate technical and organisational measures against the unauthorised or unlawful processing of information and against the accidental loss or destruction of, or damage to, information to ensure our compliance with the seventh data protection principle in the Act.

5.2. We will notify you immediately if you become aware of:

- 5.2.1. any unauthorised or unlawful processing, loss of, damage to or destruction of the Information; and/or
- 5.2.2. any advance in technology and methods of working which means that we should revise the security measures we use to exchange Information or that you use to store the Information.

6. Indemnity

We agree to indemnify you and keep you indemnified and defend you at our own expense against all costs, claims, damages or expenses incurred by you or for which you may become liable due to any failure by us or our Staff or to comply with any of our obligations under this agreement.

7. Appointment of subcontractors

- 7.1. We are only permitted to subcontract activities that will involve a third party accessing the Information if the third party has been approved in writing by us and you. If we engage a third party who has access to the Information, we will: only choose a third party that will provide sufficient guarantees regarding the security measures it is required to take when accessing the Information. We agree to take reasonable steps to ensure the third party's compliance with those measures;
 - 7.1.1. ensure that the access to the Information is carried out under a written contract in which the provisions relating to the Information are enforceable directly by us; and
 - 7.1.2. require the third party to comply with the same obligations in this agreement that apply to you as if the third party were in your place.

PLEASE NOTE THAT WE HAVENT NEEDED TO USE A THIRD PARTY AT ANY TIME AND THIS IS PURELY IN THE NOTES FOR COMPLETENESS

8. Ending this agreement

- 8.1. Either of us may end this agreement with immediate effect by writing to the other if:
 - 8.1.1. a resolution is passed or an order is made for the other to be wound up (other than for a solvent amalgamation or reconstruction);

- 8.1.2. the other becomes subject to an administration order or a receiver or administrative receiver is appointed;
 - 8.1.3. a person with a right to do so takes possession of any of the other's property or assets in the event of it being dissolved; or
 - 8.1.4. the other ceases to carry on business in the United Kingdom.
- 8.2. In addition, you will be entitled to end this agreement immediately by writing to us if we do or fail to do something that we are obliged to do which compromises the Information or causes us or you to breach the Act or any other relevant laws.
- 8.3. This agreement will end automatically on termination or expiry of the Contract (for whatever reason). When this agreement ends, we will immediately stop all access to Information and require any third parties that have access to the Information as a subcontractor under this agreement to stop all access to the Information. We will securely destroy or return to you (as you instruct us) all Information we hold.

9. **Law**

This agreement is made under and governed by and will be interpreted in accordance with the law of England and Wales. In the event of a dispute between us, we agree that the courts of England and Wales will have exclusive jurisdiction to hear the case.

SECTION 4 – Assisted Services also referred to as Managed Bank Accounts

This form gives Accountability permission to perform the following services on behalf of the client.

Any payroll provision as set out in Section 1.

Accountability will set up and securely use a bank account in the name of the client.

The bank account will be used solely for the client's funds as provided by the local authority and to pay their employees and other pre authorised third parties such as annual liability insurance, employment agencies, daycare, etc, upon receipt of an invoice from the third party and within the stated payment terms.

As part of the managed service where a payroll is involved, all payments for contributions of PAYE tax and National Insurance, shall be calculated and paid direct to the Inland Revenue by BACS from the clients managed bank account by Accountability.

Where a Client Contribution plan is in place, it shall be agreed before any payments are made how the plan is to be paid. This can be by Standing Order every week or month by the client into the managed bank account, or directly to the paying authority. On some occasions, it may be agreed that once any payments to employees are calculated that Accountability will only pay the net pay due minus the client contribution. It will then be the client's responsibility to pay the additional remaining net pay.

Accountability takes full responsibility for all of the funds in the managed bank account. No funds shall be used except as set out above for the benefit of the client. All activity on the managed account is open to audit at any time as requested by the paying Authority.

To this end the client agrees that the paying Authority may request bank statements, 3rd party invoices and payroll information directly from Accountability without prior permission of the client.

Section 5 – SIGNATURES

I confirm that I have read and understand sections 1-4 above which allow Accountability to act as my payroll and pension agent and also hold funds on my behalf in an individual client account; and give them permission to do so:

Client Name	Client Address	Client phone number
Client Email Address	Client Signature	Date

Accountability Representative Name	Accountability Authorising Signature	Date
Mark Roadley		

In addition to this document, please ensure you complete an HMRC authorisation 64-8 giving your name, address, National Insurance number and signature where highlighted and ensure you have a HMRC starter form completed by each employee

Once done, please return to your local authority for final checks and approval.