

## Payroll & Workplace Pension Schedule of Service

This schedule should be read in conjunction with the engagement letter and the standard terms and conditions.

### Payroll

#### Initial compliance work

1. We will submit the first Full Payment Submission (FPS) online to HMRC after the data to be included therein has been approved by you. (The first FPS must reach HMRC normally on or before the payday for the first payroll run after you are required to make submissions under RTI.)

#### Recurring compliance work

2. We will prepare your UK payroll for each payroll period to meet UK employment tax requirements, specifically:
  - Calculating the pay as you earn (PAYE) deductions;
  - Calculating the employees' National Insurance Contributions (NIC) deductions;
  - Calculating the employer's NIC liabilities;
  - Calculating statutory payments, for example, Statutory Sick Pay and/or Statutory Maternity Pay;
  - Calculating other statutory and non-statutory deductions; and
  - Submitting information online to HMRC under RTI for PAYE.
3. We will prepare and send to you the following documents before the time of payment through the payroll or due date for delivering information to HMRC:
  - Payroll summary report showing the reconciliation from gross to net for each employee and all relevant payroll totals;
  - The data included within each Full Payment Submission (FPS) for taxable pay and payrolled benefits for each employee;
  - A payslip for each employee unless not required;
  - A P45 for each leaver; and
  - A report showing your PAYE and NIC liability and due date for payment.
4. We will submit FPSs online to HMRC after the data to be included therein has been approved by you. (FPSs must reach HMRC normally on or before payday.)
5. We will prepare, where appropriate (for example, to recover statutory payments, claim deductions under the NIC holiday scheme or CIS deductions, confirm that no payments were made to employees), for each tax month, an EPS from the information and explanations that you provide to us.
6. We will submit EPSs to HMRC after the data to be included therein has been approved by you. (EPSs must reach HMRC by the 19th of the month following the tax month to which they relate.)

7. At the end of the payroll year we will:
  - Prepare the final FPS (or EPS) including employer annual declarations and submit this to HMRC after the data to be included therein has been approved by you. (The final FPS (or EPS) for the year must reach HMRC by 19 April following the end of the tax year.)
  - Prepare and send to you by the statutory due date Form P60 for each employee on the payroll at the year end.
8. We will deal with any online secure messages sent to us by HMRC in respect of your payroll; and
9. We will submit National Insurance Number (NINO) verification requests as appropriate to verify or obtain a NINO for a new employee.

#### **Ad hoc and advisory work**

10. Where you have instructed us to do so, we will also provide such other taxation ad hoc and advisory services as may be agreed between us from time to time. These may be the subject of a separate engagement letter, at our option. Where appropriate we will discuss and agree an additional fee for such work when it is commissioned by you. Examples of such work include:
  - Dealing with any compliance check or enquiry by HMRC into the payroll returns;
  - Preparing any amended returns for periods before you report in real time, which may be required, and corresponding with HMRC as necessary;
  - Preparing and submitting correcting EPSs for earlier years;
  - Preparing and submitting an Earlier Year Update (EYU) to correct any of the year to date totals submitted in your end of year FPS for a previous tax year, in respect of years after you started to send information in real time.
11. Where specialist advice is required on occasions we may need to seek this from or refer you to appropriate specialists.

#### **Changes in the law**

12. We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law or your circumstances.
13. We will accept no liability for losses arising from changes in the law or the interpretation thereof that are first published after the date on which the advice is given

#### **Your responsibilities**

14. You are legally responsible for:
  - Ensuring that the data in your payroll submissions is correct and complete;
  - Making any submissions by the due date; and
  - Making payment of tax and NIC on time.

Failure to do this may lead to automatic penalties, surcharges and/or interest.

Employers cannot delegate this legal responsibility to others. You agree to check that submissions that we have prepared for you are correct and complete before you approve them.

15. To enable us to carry out our work you agree:

- a) That all information required to be delivered online is submitted on the basis of full disclosure;
  - b) To provide full information necessary for dealing with your payroll affairs: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;
  - c) To agree with us the name[s] of the person[s] authorised by you to notify us of changes in employees and in rates of pay. We will process the changes only if notified by that/those individual[s];
  - d) To advise us in writing of changes of payroll pay dates;
  - e) To notify us at least 7 working days or such other period as agreed with us prior to the payroll pay date of all transactions or events which may need to be reflected in the payroll for the period, including details of:
    - all new employees (including full names, address, date of birth, national insurance number, passport number) and details of their remuneration packages
    - all leavers, including deaths of employees, and details of termination arrangements;
    - all changes to remuneration packages;
    - all pension scheme changes;
    - any changes to the employees' bank accounts;
    - irregular and/or ad hoc payments and the dates to be paid;
  - f) To approve:
    - in-year FPS by at least 3 working days prior to payroll pay dates so that they can be submitted on or before payday, or as agreed with us; and
    - in-year EPS by at least 5 days prior to 19th of the month following the tax month;
    - final FPS (or EPS when applicable) for the year at least 10 days prior to 19 April following the end of the tax year;
  - g) To authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs.
16. You will keep us informed of changes in circumstances that could affect the payroll. If you are unsure whether the change is material or not please let us know so that we can assess its significance.
17. If the information required to complete the payroll services set out above is received later than the dates specified above or agreed with us we will still endeavour to process the payroll and returns to meet the agreed payroll date and filing deadlines but we will not be liable for any costs or other losses arising if the payroll is late or the returns are filed late in these circumstances. We may charge an additional fee of £100 for work carries out in a shorter time period.
18. For the avoidance of doubt you are required to comply with all other legal and statutory duties in relation to employing people. Examples of this include:
- Making determinations of whether someone should be treated as an employee or contractor;
  - Identifying and notifying us of payments or other benefits which may be reportable as benefits in kind;

- Tracking staff holiday entitlement; and
  - Ensuring compliance with Minimum Wage and Living Wage legislation.
19. Our services as set out above are subject to the limitations on our liability set out in the engagement letter and in paragraph 18 of our standard terms and conditions. These are important provisions which you should read and consider carefully.

## Workplace Pension

20. As part of the preparation of your UK payroll, we will:

- calculate the deductions to be made from each worker's pay;
- calculate the contribution you as an employer are obliged to make to the scheme; and
- process through the payroll any refunds from the scheme.

21. We will include the pension payments on the following documents:

- the payroll summary report showing the reconciliation from gross to net for each employee and all relevant payroll totals;
- the payslips for each employee (unless payslips are not required);
- a report showing your total pension contributions (employees and employers) and due date for payment.

22. We can provide advice to you regarding your choice of a pension scheme but we are not authorised to provide specific advice to your employees. You are responsible for choosing a pension scheme that meets the automatic enrolment qualifying criteria and we recommend that you take appropriate independent advice.

We can assist you by:

- providing factual information about pension schemes;
- helping you to compare schemes;
- referring you to a specialist adviser; and
- referring you to guidance issued by The Pensions Regulator on pension scheme selection.

23. We will help you to establish which category each worker falls into, whether entitled worker, eligible jobholder or non-eligible jobholder.

## Ad hoc and advisory work

24. Where you have instructed us to do so we will provide such other taxation ad hoc and advisory services as may be agreed between us from time to time. These services will be subject to the terms of this engagement letter and standard terms and conditions of business unless we decide to issue a separate engagement letter. An additional fee may be charged for these services. Examples of such work include:

- dealing with any enquiry from The Pensions Regulator; and
- preparing any amended records that may be required and corresponding with The Pensions Regulator as necessary.

25. Where specialist advice is required on occasion, we may need to seek this from or refer you to appropriate specialists. We will only do this when instructed by the nominated person.

### Changes in the law or public policy and practice

26. We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law or public policy and practice or your circumstances.
27. We will accept no liability for losses arising from changes in the law or public policy and practice that are first published after the date on which the advice is given.

### Your responsibilities

28. You are legally responsible for:
  - ensuring that your payroll and pensions records are correct and complete; and
  - making payment of pensions contributions on time.
29. You will keep and retain the records required by law. These include:
  - records about jobholders and workers, eg name, date of birth, national insurance number, gross earnings, contributions, gender, address, status within the pension scheme, opt-in notice, opt-out notice and joining notice; and
  - records about the pension scheme, eg employer pension scheme reference, scheme name and address, and other information in respect of specific pension schemes.

You must retain these records for six years except for requests to leave the pension scheme, which must be kept for four years.

- You are responsible for choosing an eligible scheme and for regularly reviewing that it meets the automatic enrolment qualifying criteria, and we recommend that you take appropriate independent advice.
  - You are responsible for providing all relevant information to the trustees or managers of the pension scheme within the statutory period.
  - You are responsible for the monitoring of workers' age and earnings, and agree to advise us on any change in categorisation or status of your workers.
  - You are responsible for monitoring opt-in and opt-out requests and where workers with the right to opt in or opt out exercise that right. If required and requested by you, we will assist you in providing appropriate information for you to provide to the jobholder.
  - You are responsible for providing the required statutory information to your workers. This includes writing to new starters and those becoming eligible to be enrolled by age or earnings within six weeks of them meeting the age or earnings criteria.
  - You will enrol all eligible jobholders into an eligible pension scheme on the appropriate date.
  - You are legally responsible for:
    - choosing your re-enrolment date from within a six-month window, which starts three months before the third anniversary of your automatic enrolment staging date and ends three months after it; and
    - assessing your job holders, including those enrolled into the scheme and those you will put back into the scheme.
30. You are required within five calendar months [from the start of your legal duties and thereafter] when re-enrolling eligible jobholders to make a declaration of compliance with The Pensions Regulator.
  31. To enable us to carry out our work, you agree:

- to provide full information necessary for dealing with your workers' pensions; we will rely on this information and documents being true, correct and complete, and will not audit the information or documents;
  - to agree with us the name(s) of the person(s) authorised by you to notify us of changes in employees and in rates of pay. We will process the changes only if notified by that (those) individual(s);
  - to advise us in writing of changes of payroll pay dates;
  - to notify us at least 7 working days prior to the payroll date of all transactions or events that may need to be considered in relation to auto-enrolment obligations for the period, including details of:
    - all new workers and details of their remuneration packages
    - all leavers and details of termination arrangements for all workers
    - changes in categorisation or status of your workers
    - all opt-in and opt-out requests from your workers
    - all remuneration changes for all workers
    - all pension scheme changes.
32. You will keep us informed of material changes in circumstances that could affect the pension scheme, workers and deductions. If you are unsure whether the change is material or not, please let us know so that we can assess its significance or otherwise and to seek your authority to approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs.
33. Where you wish us to deal with them you will forward to us all communications received from The Pension Regulator. These must be provided in time to enable us to deal with them as may be necessary within the statutory time limits. It is essential that you let us have copies of any correspondence received because The Pension Regulator is not obliged to send us copies of all communications issued to you.
34. If the information required to complete the services set out above is received less than 7 days before the payroll date, we will endeavour to process the payroll to meet the agreed payroll date but we will not be liable for any costs or other losses arising if the payroll is late in these circumstances. We may charge an additional fee of £150 for work carried out in a shorter time period
35. **Our services as set out above are subject to the limitations on our liability set out in the engagement letter and in paragraph 18 of our standard terms and conditions. These are important provisions which you should read and consider carefully.**