

**PAYROLL SERVICE LETTER OF ENGAGEMENT**



dated 20 between

**KDC (Commercial) Limited** (trading as Your Payroll) of 263a Tarbock Road, Huyton, Merseyside, L36 0SD ('we' or 'us'), and

(Print name and address)

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----- ('you')

**Introduction**

This Letter of Engagement sets out the agreed terms of service for a payroll service. You wish us to calculate amounts due and pay salary to person(s) employed by you. We will provide those services on the terms set out in this agreement. If you agree to the terms and conditions set out, then please sign and return the spare copy to us. If there is any point upon which you require clarification, then please contact us.

**Part 1 – The Service**

- 1. We will register as your agent and we will register for online filing with the Revenue and Customs service. We shall also instruct Revenue and Customs to contact us electronically.
- 2. Calculate wages for your employee(s) every four weeks based on information provided by you.
- 3. Process all statutory payments and deductions –e.g. – SSP, SMP, Student Loan
- 4. Record annual leave allowance
- 5. Manage all your legal duties under the workplace pension legislation.
  - I. Assess and reassess eligibility of staff to be automatically enrolled into a workplace pension scheme
  - II. Act as your point of contact with The Pensions Regulator

- III. Provide letters and information to your employees
  - IV. Set up a suitable pension scheme with National Employment Savings Trust (NEST)
  - V. Process pension contributions for you and your employees
  - VI. Manage the payments to your pension provider
6. Prepare and provide electronic payslips to your PAs.
  7. Provide payroll summary reports for your information and your Local Authority auditing purposes.
  8. We will store securely all your payroll records for at least 4 years.
  9. Supply you with a P60 (or P14s) for each employee.
  10. Provide a telephone help and advice line service 9am to 5pm Monday to Friday.
  11. Keep you informed of any relevant changes in legislation, e.g. National Living Wage rates.

## **Part 2 Your responsibilities**

1. To provide such payroll information as necessary for us to process wages accurately and on time, within 10 working days of the pay date. Such information to include:
  - I. Personal details of employees
  - II. Agreed hours of work
  - III. Rates of pay
  - IV. Absences e.g. sickness and maternity/paternity leave
  - V. Additional hours worked
  - VI. Annual leave and cover arrangements
  - VII. New starters
  - VIII. Leavers
2. To supply us with all information in relation to your affairs as an employer that we may reasonably require, promptly, and in good order.
3. To pay your employees their salary due in accordance with the information we provide you – i.e. – the net pay figure listed on the payroll summary report (example page 26)
4. To pay all monies due in relation to tax deductions and national insurance contributions to Her Majesty's Revenue and Customs

(HMRC) all monies due in relation to pensions deductions and employers contributions to your pension provider

5. To keep us informed of, and forward to us, all correspondence from the Pensions Regulator, NEST and any other statutory bodies.
6. To forward to us any HMRC correspondence or notices served on you, for us to check and advise on, in order to minimise the risk of either interest or penalties.

### **Part 3 Confidentiality and Data Protection**

1. We shall keep your information secure. By entering into this agreement, you are providing express consent to us sharing your personal data (as defined in the Data Protection Act 1998) for the following purposes:
  - I. with the local authority, its agents or to other people that provide funding to you to pay for your care;
  - II. with HMRC for tax purposes;
  - III. with other parties where we are required to do so by law; and to the extent, and in such a manner that is necessary for the purposes of providing the services to you under this agreement.

### **Part 4 Losses**

- 1 We will not be responsible for losses or expenses caused by any miscalculations that we make due to you or a PA giving us incorrect or incomplete information.
- 2 Where we suffer any loss or damage as a result of any act or omission by you or any of your officers, employees, agents or sub-contractors, you will indemnify us for such loss or damage.
3. Where you owe us any monies pursuant to this Agreement (including under 3.2 above), we shall, be entitled to set off any such debt against any monies owed to you.
4. We will do whatever we reasonably can to make the calculations at the right time, but we will not be responsible for any losses or expenses caused by us receiving information from you too late to allow us to make calculations in time for a PA's contractual pay date.

## **Part 5 Employment of PAs**

1. You agree that we are not and will not become the employer of any PA as a result of entering into this agreement. You will compensate us fully for any loss or damage that we may suffer as a result of anyone claiming that we are the employer of a PA.
2. You agree that you will remain the employer of each PA and are responsible for all the obligations of an employer towards each PA.
3. By entering into this agreement, you confirm that you have obtained informed consent from all PAs for their personal data to be released in accordance with the terms of this agreement and that said PAs have signed the consent statement set out in the New Starter form.

## **Part 6 Fees**

1. The service fees are payable by you annually in advance by Direct Debit.
2. Should you decide to cancel the service at any time during the year, we will refund any remaining months **minus** a minimum of 2 months administration fee.

**We reserve the right to amend the service fee from time to time. In the event of any changes, you will be provided with at least 2 months prior written notice.**

## **Part 7 Ending the Agreement**

1. This agreement will start on the date given at the top of the first page.
2. Either you or us can end this agreement by giving 2 months' notice in writing to the other.
3. Ending this agreement will not affect any rights that we or you already have on the date that it ends, including the right to be compensated for losses that either you or we have suffered

## **Part 8 Other**

1. We shall not be required to carry out any of the services or any of our other duties under this agreement if we are unable to do so as a result of anything that is beyond our reasonable control. Things beyond our reasonable control will include:
  - i. changes to laws or other government policies

- ii. extreme bad weather or other acts of God
  - iii. strikes or other industrial disputes
  - iv. riots or other civil commotion
  - v. breakdowns in bank systems
2. This agreement is personal to you and you may not pass on your rights and obligations under it to any other person unless we agree in writing.
  3. If any part of this agreement is declared to be illegal, invalid or unenforceable that part shall be deemed to be removed from this agreement. This agreement shall continue between us, but without the removed part.
  4. You agree that this agreement sets out all the terms of the agreement between us. Any previous agreements between us relating to the services shall have no effect and you shall not be able to rely on their terms. It does not matter whether those previous agreements were made only by word of mouth or were in writing.
  5. This agreement is made under English law. Any claims under this agreement may only be made in the English courts

**Signed by you or on your behalf**

**Print name and relationship if signing on behalf of the receiver of the services**

**Relationship:**

**Signed on behalf of KDC (Commercial) Limited, trading as Your Payroll**

**Signature:**