

Throop and Holdenhurst Village Parish Council

Payroll Services Provider

Report to Parish Council

1. Background:

- 1.1 The Village Council is an employer and as such has a number of statutory responsibilities under the relevant legislation. One of these responsibilities involves ensuring that it complies with P.A.Y.E. Regulations when paying its employees.
- 1.2 Unfortunately due to a number of practical difficulties, it was not possible to put the necessary arrangements in place in time to properly process salary payments to the council's previous village clerk before his temporary contract ended. As a result, (and in agreement with the individual concerned) his payment of contractual salary and expenses was delayed whilst appropriate payroll arrangements were made.

2. Purpose of report.

- 2.1 The purpose of this report is to:
 - a) Outline the actions undertaken to-date.
 - b) Confirm that the outstanding salary and employee expenses payments have now been made and a P45 issued.
 - c) Confirm that the present Village Clerks salary is being properly processed and will be dealt with via payroll, in compliance with the relevant Regulations..
 - d) Seek agreement to the recommendations in this report concerning both interim and on-going arrangements for continuing to engage a payroll services provider.

3. Present interim arrangements:

- 3.1 Accountants, Stephen Penny and Partners have been engaged on an interim basis to provide payroll services to the council. The costs involved to-date include an amount of £35 in order to set up both the current and the former village clerk on their payroll system. The former employee's payroll record has now been closed and a P45 issued.
- 3.2 On-going payroll arrangements in respect of processing the current clerk's contractual remunerations, subject to the agreement of the council, will incur a cost of £30 pcm for processing.

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4. Recommendations:

4.1 Council is asked to note the content of this report and agree the following recommendations:

- a) Delegate authority to the village clerk to confirm the present provision of payroll services from Stephen Penny and Partners, at a cost of £30 pcm to ensure continued compliance with legislation
- b) Delegate authority to the village clerk, in consultation with the Chair, to monitor and review the present interim arrangements in the light of operational experience and to submit a further report with recommendations for more permanent arrangements.