

**East Kent Joint
Arrangements Committee**

Kent County Council

**Payroll Service Level
Agreement**

1 SERVICES

Service	Description
Maintenance of employee records	Update employee records in accordance with authorised instructions.
Sickness and Absence management	Provide management reports for managers on open sickness; notify employees approaching nil/half pay. Input all other absence (except annual leave) in accordance with authorised instruction.
Payment of Staff/Members	Process all payments to employees and Members in accordance with authorised instruction on a monthly basis, ensuring accurate and timely payment.
Input and Maintenance of employee bank details/NI information and tax details	Accurate data entry and ongoing maintenance to ensure payment to correct bank account and appropriate and accurate collection of tax and NI information.
Payment of Overtime/Sessional/Other Timesheet Claim and one Off Allowances	Process all temporary data accurately and timely on a monthly basis in accordance with authorised instructions.
Personnel Administration	Maintain and deliver administrative processes relating to maternity, other family leave, jury service, and homeworking allowance.
Terminations/leavers	Process termination/leaver details in accordance with authorised instruction and produce and issue P45.
Advice and information	Respond to day to day ad hoc queries for factual advice regarding payroll issues.
Payment of Expenses	Provide a processing service for the payment of expenses in accordance with authorised instruction.
Production and despatch of Payslips	Ensure production and despatch of payslips on a monthly basis to work location or home address.
Annual Production and Despatch of P60's	Produce and despatch within the published statutory timeframe P60's to all individuals on the Payroll.

2 SERVICE LEVELS AND PERFORMANCE STANDARDS

2.1 SERVICE HOURS

Service Element	Availability and Service Hours
Customer support	08:30 – 17:00 Monday to Friday, (excluding English Bank Holidays and KCC days).

2.2 SERVICE CONTACT

The performance measures are:

Measure	Target
Respond to Emails	Within 3 working days
Resolve calls at first contact	70% of all relevant calls
Customer Satisfaction	70% Good or better

Notes:

Employee Services will periodically carry out random checks in order to measure the target. As a minimum these will be:

- An annual customer survey will take place and customers will be asked to score the service as follows:
- Mystery shopping every 6 months

The results of customer surveys will be shared with the parties to this agreement.

Score	Definition
1	Poor
2	Satisfactory
3	Good
4	Excellent

2.3 SERVICE STANDARDS

2.3.1 Appointment of new employees

Service	Who	Activity	Target
Personnel record	HRSS	Set up person record on HR/Payroll system. Check salary and grade against role set-up on structure. Activate self-service profile.	By payroll deadline
	Payroll	Set up tax, NI, pension and bank details. Run simulated payslip to check payments.	By payroll deadline
Pension joiners	Payroll	Liaise with LGPS Administrators regarding new entrants to pension scheme.	By payroll deadline
HMRC & starters	Payroll	Ensure appropriate liaison with HMRC.	Each month

2.3.2 Contractual & non contractual amendments /changes

Service	Who	Activity	Target
Amendments	HRSS	Advise Payroll of changes made to an active employees records which will have an impact on pay or deductions.	By next payroll deadline
	Payroll	Assess the impact of the above changes including advising as agreed, any over or underpayment that arises.	By next payroll deadline
Pension changes	Payroll	Inform Pensions if applicable of contractual / personal change	10 days
Restructures	HRSS	Advice Payroll in advance of changes to hierarchy structures and reporting lines.	When notified by organisation
Policy	HRSS	Liaise with payroll regarding proposed changes to Policy or Procedures at the planning stages to ensure system or procedural changes can be agreed.	At initiation of project / proposal
	Payroll	Assess requested changes, provide the timetable for delivery and any cost implications, then deliver changes to agreed timelines	As agreed

2.3.4 Sickness and Absence management

Service	Who	Activity	Target
Sickness absence	HRSS/ Council	Notify Payroll of any sickness absence, correctly authorised in the correct format preferably via self-service. Notify Payroll of any exceptions to normal sickness absence rules.	By published submission deadlines Must comply with Policy
	Payroll	Input all sickness absence.	By payroll deadline
	Payroll	Administration of statutory sick pay entitlement and issue of SSP1.	6 weeks before SSP expires
	Payroll	Send letter to employee (copy to Manager) notifying of half/nil pay	2 months in advance of half/nil pay
Other absence (non-annual leave)	HRSS/ Council	Notify Payroll of any absences, correctly authorised in the correct format preferably via self-service	By published submission deadlines Must comply with Policy
	Payroll	Input all other absence to HR system. Annual Leave should be input via self-service	By payroll deadline

2.3.5 Payments to and deductions from employees

Service	Who	Activity	Target
Process other payments	HRSS/ Council	Notify Payroll of any payments due, correctly authorised in the correct format preferably via self-service	By published submission deadlines Must be compliant with Policy
	Payroll	Input, validate as appropriate and process payments for: Overtime and hourly claims, shift payments, cash awards, car & other travel allowances, buying / selling annual leave, jury service & loss of earnings compensation, redundancy & compromise agreements, payments after leaving	By published submission deadlines Must be compliant with Policy (No cheques, Petty Cash or CHAPS payments)
Expenses	HRSS/ Council	Notify Payroll of any expenses payments due, correctly authorised in the correct format preferably via self-service. Retain all receipts and liaise with auditors/payroll department to provide sight of them as required. Perform a 10% sample and other exception audit checks in compliance with the payroll timetable.	By published submission deadlines Must be compliant with Policy
	Payroll	Input, validate as appropriate and process expenses payments	By payroll deadline
Interim payments	Payroll	Arrange for interim / emergency BACS payments to be made subject to limits and relevant authorisation, e.g. where no salary has been paid or significant underpayment and financial hardship will be caused	By agreement, not more than one interim process per week BACS only – 3 days to transfer
Unpaid leave	HRSS/ Council	Notify Payroll of any unpaid absence, correctly authorised in the correct format preferably via self-service. Notify Payroll of any exceptions to normal absence rules.	By published submission deadlines Must comply with Policy
	Payroll	Input deductions to be made into Oracle (eg. strike action, unpaid leave)	By payroll deadline
Attachments of Earnings	HRSS/ Council	Forward immediately to Payroll all documents pertaining to any Attachments of Earnings	1 working day
	Payroll	Accurate application and administration of Court Orders.	By Statutory Deadline
Tax and NI application	HRSS/ Council	Forward immediately to Payroll all documents pertaining to HMRC	5 days
	Payroll	Update of system in accordance with notification received from HMRC.	By next available payroll deadline
Correction of errors	HRSS/ Council	Notify Payroll of any corrections to be made to pay	Within one month
	Payroll	Make correction as notified. Discuss any issues identified with HRSS	5 days

2.3.6 Personnel Administration

Service	Who	Activity	Target
Correspondence	Payroll	Reply to reference requests for building society and mortgages	5 days
	Payroll/H RSS as appropriate	Respond to queries from LGPS Pensions Administrators	28 days
	Payroll	Respond to queries from the HMRC	5 days

	Payroll	Respond to employee queries regarding payroll related matters (in most cases, employees should be encouraged to contact managers in the first instance)	5 days initial contact
	Payroll	Respond to managers queries regarding payroll related matters	5 days initial contact

2.3.7 Terminations/leavers

Service	Who	Activity	Target
All leavers	HRSS/Council	Notify Payroll team of leave date and related information regarding an individual	With 1 working day of notice being received or by the submission deadline.
	Payroll	Send Pensions Leavers Form/TR8 notification to Pensions and other related information.	Prior to leaving date
		Terminate record in HR/payroll system	By payroll deadline
Leavers	Payroll	Return Age Exemption Card to employee as appropriate where provided	5 days
	Payroll	Production and despatch of P45's in a compliant format and submission media.	Within one month of leaving or notification (whichever is later)
Payments after leaving	HRSS/Council	Notify Payroll of any leavers payments or deductions, correctly authorised in the correct format.	By published submission deadlines or earlier Must be compliant with Policy
	Payroll	Ensure accurate payment after leaving subject to appropriate authorisation.	Next available pay period
Employee's reaching retirement age	Payroll	Send appropriate notification to LGPS.	By appropriate pay period
	HRSS/Council	Ensure that intention to continue beyond 'normal' retirement age is communicated to payroll in advance of that date	By submission cut off for relevant pay period

2.3.9 Payroll Control Processes

Service	Who	Activity	Target
Statutory Returns	Payroll	Completion of all statutory year end processes including production of end of year tax file to HMRC via EDI and completion and presentation of P35.	In line with statutory deadlines
ONS reports	Payroll	Production of statutory reports including ONS Survey.	In line with statutory deadlines
Output of data	Payroll	BACS, pensions and other pay related data as specified including financial posting down to individual payments for individual roles	Within agreed timescales and formats

Production of P60's	Payroll	Annual production and despatch of P60's.	In line with statutory deadlines
Pay Advices	Payroll	Produce and despatch payslips each month to Councils.	Within agreed deadlines.
Pay Awards and Rate Changes	Payroll	Ensure pay awards and changes to other rates are applied correctly and accurately.	Within agreed timescales.
Disaster Recovery	Payroll	Include service within ESC disaster recovery / business continuity plan.	Agreed plan annually reviewed and updated if necessary

2.3.3 Validation and auditing

Service	Who	Activity	Target
Compliance	HRSS/ Council	To provide Payroll with Policy and procedural requirements and changes	Continual
	Payroll	Provide ongoing payroll service ensuring compliance with statutory obligations, policy and procedures.	In line with statutory obligations and policies.
Validation and quality control	HRSS	Review payroll validation and exception reports and notify Payroll of any amendments to payroll data as appropriate.	Monthly
	Payroll	Produce reports and review payroll validation and exception reports with a view to compliance and to highlight any potential errors. Amend where appropriate following agreement with HRSS.	Monthly
Self audit	Payroll	Undertake checking of data input <ul style="list-style-type: none"> - court orders, exemption cards - tax code changes - One-off payments exceeding £500 (non salary) - Salary payments exceeding £4000 net 	100% 25% 100% 100%

2.3.8 Advice and information

Service	Who	Activity	Target
Provide information	Payroll	Provide relevant information to employee or Line manager as requested	2 days
Advice	Payroll	Respond to requests for advice that require factual information pertaining to payroll issues	2 days
	Payroll	Respond to queries from LGPS on current and previously employed staff (non delegated budget)	1 month
	Payroll	Escalate queries and request for information as applicable	1 day
Subject Access	Payroll	Respond to requests to Personal information (under Data Protection or Freedom of Information Act)	40 days for Data Protection 20 working days Freedom of Information

System support	Payroll	Advice on use of Self-Service for users and HRSS where necessary	
	Payroll	Changes, upgrades, development and testing	As arranged with HRSS
Payroll related legislation	Payroll	Advise when appropriate on changes to payroll related legislation and possible impact on service or organisations	When appropriate

2.4 Complaints & corrections

Complaints relating to the service provided will be logged and acknowledged. The complaint will be initially dealt with under the ESC Complaints Procedure. If not resolved it will be escalated in accordance with that procedure and those of each Member Authority. Responsibility for the compilation, transmission and accuracy of the data is the remit of HRSS and Councils. Where a correction is required Payroll must be notified as soon as possible. Errors must be notified to Payroll within 1 month of it occurring; thereafter recovery will be the responsibility of the employing Council.

2.5 Confidentiality and security

Personal files and all employee data will remain confidential and secure and maintained in accordance with the Data Protection Act. Information will only be released to authorised individuals.

Users of HR systems (including self service) are responsible for keeping their passwords confidential and changed frequently. There must be no sharing of passwords under any circumstances

Councils or HRSS are responsible for notifying Payroll without delay, in accordance with published deadlines, of all staff changes, leavers, amendments, payments, etc. so that relevant updates can be made.