Shaw Trust Direct Payments Support Services

Information Sheet 13:
Shaw Trust Payroll Services

Sheet Outline:

- General points to consider when employing staff
- What Shaw Trust Payroll Services can do for you
- What you as the employer must do
- Managed/3rd Party Accounts

Outcome:

- To understand how to access and use Shaw Trust Payroll Services

General Points to Consider when Employing Staff

The following general points should be considered when employing people as Personal Assistants:

1. People employed under the Direct Payments scheme are not self employed - as advised by the Inland Revenue.

2. All employees should have a Contract of Employment.

3. All employers must conform to minimum wage legislation.

4. All employers must conform to the Working Time Directive.

5. Employees must bring a P45 or complete P46.

6. If an employee is working for more than one employer, the employee should write to the Inland Revenue and let them know where they are working and approximate gross for each job. The Inland Revenue will then split their allowances between all employers.

Speak to your Support Officer for information and support about recruiting and employing staff or go to www.shaw-trust.org.uk/dp.

What Shaw Trust Payroll Services Can Do For You

Shaw Trust Payroll Services can:

- Register you with the Inland Revenue as an employer for your unique Tax reference number.

- Calculate payroll based on set hours/ time sheet with a **GROSS** hourly rate of which has been agreed between employer and employee.

- Provide payroll slip with net pay figure of which should be handed to employee.

- Provide payroll summary sheets with calculated figures to be kept by you the employer.

- Provide a P32 for you each month which details amounts due to the Inland Revenue by you.

- If we hold Inland Revenue payment book we will complete and send payment slip to you for you to forward onto the Inland Revenue with your payment.

- If no payment is due we will send payment slip direct to the Inland Revenue on your behalf.

- Provide guidance with Inland Revenue.

- Produce all year end returns for your employees and the Inland Revenue.

What You as the Employer Must Do

If you use Shaw Trust Payroll Services you must:

- Provide us with all employer/employee information sheets in order for us to put all information on our payroll system.

- Provide us with a P46 or P45 for all employees. If neither are provided we will base rate employee’s tax.

- Inform us of any changes to your payroll in advance of the calculation, i.e. terminations and new starters along with all relevant employee information.

- Any change of hours in advance if possible, if not, any adjustment will be made on next available payroll run.

- Pay employee the **NET** figure on payslip.

- Ensure Inland Revenue payments are sent off each month. **It is a statutory obligation by you as the employer to send your payments** no later than the **19th** of the following month otherwise **interest** will be charged on the amount due.

Ask your Support Officer for a Payroll Starter Pack, Starter and Leaver Forms and Timesheets to use with Shaw Trust's Payroll Service or go to www.shaw-trust.org.uk/dp.

Managed/3rd Party Accounts

In some areas, Local Authorities offer Managed Accounts (also known as 3rd Party, Holding or On-Behalf Of Accounts). Shaw Trust can provide financial control on behalf of the Direct Payment user.

This means:

- The Direct Payment monies are received by Shaw Trust on behalf of the Direct Payments user;

- Invoices authorised by the user are paid direct by Shaw Trust (for example for adverts etc.);

- The Direct Payments user submits authorised staff timesheets to the service and from these, payslips are calculated and wages paid by BACS direct to the employee by Shaw Trust; and

- Financial reconciliation and quarterly returns are completed and a statement sent to the Direct Payments user.

Managed Accounts can help people manage their budgets and it reduces the amount of paperwork involved for example: paying wages, completing information for the Inland Revenue, completing the Local Authority financial returns etc.

Speak to your Support Officer to find out if Managed Accounts are available in your area and if you are eligible to use this service, or go to www.shaw-trust.org.uk/dp.