

**Report to the full council on 8th March 2021
regarding selecting a new payroll provider**

Introduction

A payroll provider has been used by the Parish Council for a number of years and proved to be a cost-effective way of running the payroll. Due to the current provider no longer being able to support the Parish Council from the end of March 2021 with this role, the Clerk has been asked to research potential options.

Process

Three payroll service providers were approached and asked to provide a quote to support the Parish Council with payroll and pension services.

COSTS

Name of firm	What is included	Cost	Notes
M.R.Payroll Services	Payroll services for one employee Pension costs	£65+VAT per quarter £80+VAT per quarter Total annual cost £580+VAT	
M J Baker Accountancy	Payroll services including pension for one employee	£10.00 per month (reduced to £9 if paid by Direct Debit) Total annual cost £120 Or £108 if Direct Debit	Experience in Parish Councils
Simpson Accountancy for and on behalf of Alison Hurrell Ltd	Payroll services including pension for one employee	£10.00 + VAT per month Total annual cost £120+VAT	

Budget

The current budget is £40 although the cost for the last two years has been just over £50; it has been noted that the charge for the accountancy fees has been minimal.

Decision Required

To select one of the three quotations and instruct the new payroll provider to begin from the beginning of April 2021.

Recommendations

M.R. Payroll Services are considerably more expensive so this would not be recommended.

The remaining two quotes are the same, aside from one charging VAT and the other not charging VAT, which can be claimed back at a later date; however, if the monthly payments are paid to M J Baker Accountancy by Direct Debit the yearly cost is reduced by £12.

The Clerk recommends M J Baker Accountancy and suggests that the Parish Council agree to pay by Direct Debit; this is the cheapest option plus the experience of Parish Councils could be advantageous.