

Background

Shropshire Council currently have a contract with the Town Council to manage payroll and pension services. They have provided this service for many years.

Payroll charges**2022 23- £625****2023-24 - £625**

Quote received from Shropshire Council 2024- 25 (attached) - **£1200**

Further to your correspondence with Tracy, please find attached a proposal for the provision of payroll services from 1st April 2024 to 31st March 2025 to Wem Town Council.

I recognise that there is an increase in cost, however your previous SLA contract was negotiated three years ago and we have seen rises in staffing costs, inflationary pressures and increased system costs which weren't known at the time.

I can assure you that the revised quote is in line with the cost incurred to deliver the service to you, on a not-for-profit basis.

Would you like to meet to discuss, or is there any further information needed?

Many thanks
Maria

Maria Evans
(pronouns: she/her/hers)
HR Admin & Payroll Manager
Resources Directorate
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Shropshire Council three year option would be:

Year 1 - £1200

Year 2 - £1380

Year 3 - £1560

Or

A set annual amount of £1380 each year of the three year contact, payable in April each year.

Quote 2 Diane Malley DM Payroll Services

From: Diane Malley <diane@dmpayrollservices.co.uk>
Sent: Wednesday, February 14, 2024 11:36 AM
To: Town Clerk <info@wem.gov.uk>
Subject: RE: payroll

Dear Penny

The pension will be calculated as part of the payroll and a software produced pension report will be provided, do you also require me to upload/complete the LGPS returns to the scheme or will you do that? I can provide two quotations based on either scenario.

The service includes

- processing the payroll, calculating PAYE, NI & pension
- providing payslips and pay reports accessed via online portal, you will be given a secure log in
- completing the monthly online RTI submission to HMRC
- Dealing with leavers and new starters
- Calculating any statutory payments
- Completing year end p60s

I ask that the council make payments direct to employees, HMRC and pension in accordance with the payroll reports as I do not have the capacity to do this.

The quotation to provide payroll services for 6 employees paid monthly and the Mayoral allowance paid annually is **£216 a year plus a one off set up fee of £60.**

The quotation to provide payroll services for 6 employees paid monthly and the Mayoral allowance paid annually plus uploading the pension return to the LGPS is **£408 a year plus a one off set up fee of £60.**

Kind regards

Diane Malley M.A.A.T.

Clerk's thoughts

Whilst the payroll quote from Diane Malley is significantly cheaper than Shropshire Council's, its will require the Town Council to set up a way to pay salaries each month to ensure they are not paid late. This will involve setting up a BACS payment which the Council is set up for but have not implemented ourselves as BACS payments have been handled by Shropshire Council.

2024-25 Payroll Budget set £800