

TWP ACCOUNTING LLP: PAYROLL SERVICES – AUTO-ENROLMENT

This schedule should be read in conjunction with the engagement letter, other services schedules and our standard terms and conditions. The schedule sets out the basis on which we/ are to act for you in respect of payroll services.

1 INITIAL SET UP

- 1.1 You are responsible for establishing the staging date applicable for your payroll. We will assist you in establishing the staging date that applies. This is the date that you, as an employer, must start to auto enrol your workers.
- 1.2 Using the data supplied by you in order for us to prepare your payroll *[delete if not applicable]*, we will identify those individuals who would qualify as a 'worker' for auto enrolment purposes and will produce a list of them. We will send you this list together with the definition of a 'worker'. You should review this definition for any individual not included on the payroll records, and inform us of any changes.
- 1.3 We will help you to establish which category each worker falls into, whether entitled worker, eligible jobholder or non-eligible jobholder.
- 1.4 You will choose a pension scheme and we recommend that you take appropriate independent advice. Your choice of scheme can be either:
 - The existing scheme used by the business if it is an eligible scheme for auto-enrolment; or
 - Through the National Employment Savings Trust (NEST); or
 - You can seek the advice of a financial adviser.

We will not provide advice on the choice of a scheme

- 1.5 You will enrol all eligible jobholders into an eligible pension scheme on the appropriate date. We will assist you with this process *[delete if not required]*. If required, we will prepare and send to you for distribution a notice for each eligible jobholder telling them that they have been or will be enrolled, and setting out what that means for them, and also detailing their right to opt out (and to opt back in again). We will send information about the eligible jobholders to the pension scheme. (For eligible jobholders who are already active members of a qualifying scheme, we will prepare a notice for you to send them giving them information about the scheme. This is the only action required for such members).
- 1.6 If required, we will prepare and send to you a notice to send to each non-eligible jobholder that sets out certain information about opting in to an automatic enrolment scheme and what this means for them. They do not need to be automatically enrolled but have the right to opt in. If the non-eligible jobholder chooses to opt in, you will enrol them onto the scheme on receipt of an opt-in notice. We will assist you with this process. *[Delete if not required]*. We will send information to the pension scheme about those non-eligible jobholders who choose to opt in.
- 1.7 If required, we will prepare and send to you a notice to send to each entitled worker, giving them information about joining a pension scheme and what it means for them. You will arrange membership to a scheme for those entitled workers who choose to join and complete a joining notice. This can be a different scheme to the one used for auto enrolment. We will assist you with this process. *[Delete if not required]*.
- 1.8 On receipt of the scheme information from you, and the pension scheme provider, we will complete a declaration of compliance with the Pensions Regulator.

2 RECURRING COMPLIANCE WORK

- 2.1 As part of the preparation of your UK payroll for each payroll period we will:
- Calculate the deductions to be made from each worker's pay; and
 - Calculate the contribution you as employer are obliged to make to the scheme.
- 2.2 We will include the pension payments on the following documents:
- The payroll summary report showing the reconciliation from gross to net for each employee and all relevant payroll totals;
 - The payslips for each employee (unless payslips are not required);
 - A report showing your total pension contributions (employees and employers) and due date for payment.
- 2.3 You must re-enrol eligible job-holders every three years. We recommend that you establish a process for this review. We believe a review of the workforce three years from the staging date, and every three years thereafter with a view to re-enrolling opted out eligible jobholders if they are still eligible for auto-enrolment, would suffice. We will assist you with this review by providing at the outset a document detailing the requirement. At the time of the review, if required, we will prepare a notice for you to give to the eligible jobholder telling them that they have been enrolled, and setting out what that means for them, and also detailing their right to opt out (and to opt back in again).

3 AD HOC AND ADVISORY WORK

- 3.1 Where you have instructed us to do so, we will also provide other taxation ad hoc and advisory services as may be agreed between us from time to time. These may be the subject of a separate engagement letter at our option. Where appropriate we will discuss and agree an additional fee for such work when it is commissioned by you. Examples of such work include:
- dealing with any enquiry from the Pensions Regulator;
 - preparing any amended records which may be required and corresponding with the Regulator as necessary.
- 3.2 If specialist advice is required on occasions we may need to seek this from or refer you to appropriate specialists.

4 CHANGES IN THE LAW, IN PRACTICE OR IN PUBLIC POLICY

- 4.1 We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law or your circumstances.
- 4.2 We will accept no liability for losses arising from changes in the law or the interpretation thereof that are first published after the date on which the advice is given.

5 YOUR RESPONSIBILITIES

- 5.1 You are legally responsible for:
- ensuring that your payroll and pensions records are correct and complete; and
 - making payment of pension contributions on time.

Failure to do this may lead to automatic penalties, surcharges and/or interest.

Employers cannot delegate this legal responsibility to others. You agree to check that submissions that we have prepared for you are correct and complete before you approve them.

- 5.2 You will keep the records required by law. These are:
- Records about jobholders and workers: e.g. name, National Insurance number, opt-in notice and joining notice;
 - Records about the pension scheme: e.g. employer pension scheme reference and scheme name and address.
- 5.3 You are responsible for choosing an eligible scheme and for regularly reviewing its suitability.
- 5.4 To enable us to carry out our work you agree:
- to provide full information necessary for dealing with your workers' pensions: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;
 - to agree with us the name[s] of the person[s] authorised by you to notify us of changes in employees and in rates of pay. We will process the changes only if notified by that/those individual[s];
 - to advise us in writing of changes of payroll pay dates.

To notify us at least ten working days prior to the payroll date of all transactions or events which may need to be considered in relation to auto enrolment obligations for the period, including details of:

- all new workers and details of their remuneration packages;
 - all leavers and details of termination arrangements for all workers;
 - all remuneration changes for all workers;
 - all pension scheme changes.
- you will keep us informed of material changes in circumstances that could affect the pension scheme, workers and deductions. If you are unsure whether the change is material or not please let us know so that we can assess the significance or otherwise; and
 - to authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs.
- 5.5 If the information required to complete the services set out above is received less than ten days before the payroll date we will still endeavour to process the payroll to meet the agreed payroll date but we will not be liable for any costs or other losses arising if the payroll is late in these circumstances. We may charge an additional fee for work carried out in a shorter time period.

6 DATA PROTECTION

- 6.1 We are committed to ensuring the protection of the privacy and security of any personal data which we process. Your attention is drawn to paragraph 21 of our standard terms and conditions of business which details how we treat personal data received by us in the provision of our services during our engagement with you.

7 LIMITATION OF LIABILITY

- 7.1 Our services as set out above are subject to the limitations on our liability set out in paragraph 13 of our standard terms and conditions of business. These are important provisions which you should read and consider carefully.