



To:	Members of the Finance & General Purposes Committee
Meeting Date:	Thursday 12th March 2026
From:	Safia Kauser - Locum Town Clerk/RFO
Subject:	Payroll Service

Background

- 1) The councils existing payroll provider has provided notice that they can no longer continue to provide the service from the new financial year.
- 2) The current provider, prepares the payroll data, submits submissions to HMRC and deducts the pensions calculations to West Yorkshire Pension Fund. The Clerk submits the pension uploads on the West Yorkshire Pension Fund Portal following data received from payroll. The council directly pays the wages for staff, HMRC and West Yorkshire Pension Fund.
- 3) The Locum Clerk has obtained quotations for a payroll service provider for a like-for-like service, and a provider who could submit the pension uploads to West Yorkshire Pension Fund on behalf of the employer as it can save administrative time for the Clerk.

Scope of Work, provided to each company:

The following information was provided to each company:

- The council has two employees, the Clerk and an Administrator and the pension provider is West Yorkshire Pension Fund.
- The new Clerk is due to be recruited in the next few weeks. Please can you provide a quotation for the provision of a payroll service with pension uploads for Horsforth Town Council. The quotation will be presented at the next Finance and GP committee scheduled for 12th March.
- The Town Council will be responsible for the payment of wages directly to staff. Please confirm if you are able to administer the West Yorkshire Pension Fund Uploads as part of the service.
- The Town Council is a member of the local Yorkshire County Association.

Quotations Obtained:

1) Bradford Community Payroll

- *Good morning Safia,
Thank you for your interest in our payroll services. We are the trading arm of Community Action Bradford & District, and all profits generated are gifted back to the charity in support of its ongoing charitable objectives.*

We offer two payroll service options, a managed service and a non-managed service, details of which are attached for your consideration. Both services are processed in the same manner, with all reports and payslips issued electronically.

As you have mentioned that you would prefer the non-managed service, you would retain responsibility for processing payments relating to salaries, HMRC liabilities, and BCPA invoices.

Should you choose the managed service, BCPA would administer these payments on your behalf.

In regards to the WYPF, we are able to make deductions that we are instructed to do so, but unfortunately we cannot administer the pension scheme. We only administer the NEST pension scheme.

However we do have quite a few parish councils as clients, the process of pension deduction only process seems to work well for them.

Full details of the fees and associated costs are outlined within the attached documentation, your quote details below:

<i>£100 set up</i>	<i>one off</i>
<i>£11.00</i>	<i>payslip cost £5.50 per employee per month</i>
<i>£5.00</i>	<i>HMRC RTI submission fee</i>
<i>£25.00</i>	<i>Annually Year end Fee</i>
<i>£2.00</i>	<i>P60 annually per employee</i>

If you wish to proceed, please confirm so all relevant paperwork can be sent out for completion.

Should you require any clarification or wish to discuss the options further, please feel free to contact me or a member of the team.

2) SALC Payroll (Suffolk Association of Local Councils)

Hi Safia,

Great to hear from you, hope you are doing well?

Below are our prices from 1st April 2026:

Charges for 2026/27:

- £8.50 + VAT per month for a single employee where the council has *no* staff eligible for a pension.
Additional employees: £5.00 + VAT per month
- £9.00 + VAT per month for a single employee where the council *does* have staff eligible for a pension.
Additional employees: £5.50 + VAT per month
- Annual-only, half-yearly, or quarterly service: £45.00 + VAT per year
- Application fee: Equivalent to one month's usual charge to cover administration
- Mid-year joins: An additional charge of 25% of the standard monthly fee for each month from the start of the financial year to the date of joining will be applied for system updates and recalculations

Out-of-County Councils:

We can accept councils from outside Suffolk, provided they are active members of their own local county association. SALC will obtain permission from the relevant association before proceeding.

Billing is currently 6 monthly in arrears but in September will be billed for 6 months in arrears and 6 months up front, as from 1st April 2027, billing will be yearly.

If the council agree to join, please could you ask them to complete the attached Application for payroll form as well as the new employee form and HMRC new starter form for each employee. If they are joining 1st April, then their P60 please if possible.
If you have any queries please do not hesitate to contact me.

3) Autela Payroll Services

Hi

Our fees would be £17.50 per month (maximum) we have not set our fees for next year (after discount of 20% if paying within 30 days average)

End of year fee of £25 (Less Discount if paid within 30 days average of 20%)

And the pension regulator submission at £20 every 3 years (discount 20% for paying within 30 days average)

Existing Payroll Provider Costs & Budget for 2026/2027

The existing Payroll Provider charges an hourly rate of £49.00 per hour and invoices the council on the time incurred on the payroll service.

- £382.20 – April & May Payroll
 - £122.50 – June to September Payroll
 - £176.40 - October to December Payroll
- £681.10 + VAT – Year to date costs to December 2025
£908.00 + VAT – Projected expenditure

The budget for 2026/2027 is £2,000 allocated to Audit, Accounts & Data Protection which includes the following notes on the budget document: *Internal check/audit - £500, External audit, approx £440, Payroll and help with year end (Book keeper) £600-700, ICO £35*

Summary of Quotations

The Locum Clerk has had experience of using SALC payroll for a several councils and Autela Payroll Services who provide a payroll service for many parish councils. SALC payroll is the only provider which can assist with the pension uploads on behalf of the employer. Based on cost, Bradford Community Payroll is the cheapest. A query has been submitted to SALC to confirm if the £45 minimum cost is per quarter.

	BCA	SALC	Autela
Set-up Cost (one Off)	£100.00	£14.50	£0.00
Fixed Monthly Cost (upto 5 emp £17.50 p/m)	£0.00	£0.00	£210.00
Payslip Cost Per Emp P/M (x2)	£11.00	£14.50	£0.00
HMRC RTI submission fee	£5.00	£0.00	£0.00
Annually Year end Fee	£25.00	£0.00	£25.00
P60 annually per employee	£2.00	£0.00	£0.00
Annual Minimum Cost £45 Per quarter	£0.00	£0.00	£0.00
Total Estimates Year 1 Costs	£143.00	£174.00	£235.00

RECOMMENDATION:

- 1) That the Finance and General Purposes Committee considers and approves the payroll provider for the 2026/2027 financial year and that consideration is given to the pension administration uploads to West Yorkshire Pension Fund.**