

Comberbach Parish Council

Finance Committee meeting, January 2021

Review and recommendation of new Payroll supplier.

Our payroll supplier Changing Lives Together (formerly Cheshire Community Development Trust) has given us notice that they will not be offering a payroll service from the end of this financial year in March 2021. They have asked to be notified of our new arrangements in mid-January to enable them to prepare for handover.

I have been in touch with two alternative payroll providers, DCS as used by Northwich Town Council, and Shires Accountants as used by many Town and Parish Councils in Cheshire and beyond. We also have the option of subscribing to an online payroll software service and running the payroll ourselves.

Changing Lives Together invoice for their service annually in arrears, so we will expect their final invoice this March which will be in the region of £260 plus VAT.

Shires Accountancy Services would charge £35 for setting up our two employees, and £15/month to administer the payroll. They operate a web portal into which we would input the base data, and from which we extract the payslips and other information. Total first year cost £215, ongoing £180/yr plus VAT. Shires also charge a fee of £1.50 per cheque payment as they are charged this by their bank. Shires provide the payroll service to Middlewich Town Council and are well thought of.

DCS have not supplied much detail on how they operate, but they are recommended by NTC and their charges would be £19.50 per month plus £3.50 for 2xP60 production at year end, an annual cost of £237.50 plus VAT.

An example of a software license to perform payroll ourselves is Moneysoft, who charge £74/yr for use of their software which would allow us to run our own payroll. Once set up, operation would be straightforward but there would be an administration commitment over that for an outsourced payroll service.

Recommendation

My recommendation is to advise Shires that we would like them to take over our payroll service from April 2021 and advise Changing Lives Together accordingly.

Stephen Penwill, RFO, Comberbach Parish Council

4th January 2021