

Information on Payroll Providers

Overview

A payroll service handles payroll calculations for you, including the tax and National Insurance contributions to deduct from your Personal Assistant's (PA's) pay, and the amount to pay them. They will register you as an employer and act as your agent with HMRC, as well as calculate any pension entitlement and provide guidance on pension payments.

You can arrange for all payroll calculations to be sent into your Virtual Wallet and the Virtual Wallet will make any necessary payments on your behalf, leaving you to relax in the knowledge that once set up, everything will be taken care of.

To use the payroll service, you simply send timesheets to the provider. They will calculate the PA's pay, the amount due to HMRC, and any pension contributions, and send you and the Virtual Wallet the details so the Virtual Wallet can make the necessary payments. Payslips for your PA will also be provided by the payroll service.

The payroll service will invoice you via the Virtual Wallet for their services, which will be paid using the funds available in your Virtual Wallet account.

Hampshire County Council provides a budget of up to £7 per week for a payroll service. Later in this document, you'll find details of three commonly used payroll services along with their basic costs. As a Direct Payment recipient, you are free to choose a payroll service or accountant not listed in this document. However, if the cost exceeds the £7 per week budget, you will need to cover the difference.

Use of Surplus Funds in Your Direct Payments Account

The Payroll service is not authorised to approve the use of surplus funds in your direct payments account. If your circumstances change and you need guidance on using additional support beyond your assessed needs, please consult with a member of the Adults Health and Care team before accessing any surplus funds. It is also your responsibility to inform the Payroll service of any changes.

Holiday and Statutory Payments Guidelines

The holiday year in most Personal Assistants contracts runs from April 1st to March 31st of the following year. All leave must be used within this period and cannot be carried over to the next holiday year.

Statutory payments are a legal entitlement, providing a certain amount of pay if your employee needs time off work due to:

- Sickness
- Maternity, paternity, or adoption leave

For more information on statutory payments, please visit: [Statutory Pay and Leave.](#)

Employee Resignation

If your Personal Assistant (PA) notifies you of their intent to resign, they should provide notice according to the terms of their employment contract.

Once your PA has given notice, either verbally or in writing, please inform the Payroll Provider. They will prepare the final payslip, including any holiday pay owed. You will also need to complete an Employment Declaration Form, the Payroll Provider which will generate a P45 to be sent directly to your PA.

For more information on notice periods and termination procedures, please contact your insurance provider.

If you are considering terminating your employee's contract, it is strongly recommended to contact your insurance provider for advice before proceeding.

Payroll provider information

Below is some information on payroll providers, the Direct Payment recipient only needs to choose one provider. The payroll provider will calculate the employees pay and inform the individual and Virtual Wallet of how to pay any tax / National Insurance to the HMRC.

The three main payroll providers are at present Enham Trust, Independent Lives and PPL Virtual Wallet: -

Enham Trust

Enham Trust provide a Payroll service for £7 per week, regardless of the number of Personal Assistants an individual employs. The Enham Trust website (<https://www.enhamtrust.org.uk/dp-pay>) provides comprehensive information on managing payroll for Direct Payment recipients. Here are the key points:

1. **Payroll Service:** Enham Trust offers a payroll service that will be funded through the individual's Direct Payment and paid through the Virtual Wallet, this can be placed within the individual care and support plan.
2. **Setup Process:** To use Enham Trust's payroll service, the individual will need to complete an employer and employee payroll setup, including necessary HMRC forms and a form that allows payment via the Virtual Wallet if applicable. Enham Trust can provide support with completing the necessary payroll setup.
3. **Ongoing Management:** The Direct Payment recipient must inform Enham Trust of hours worked, holidays, sickness, and any changes in employment status. They will calculate wages, tax, and National Insurance, and provide payslips and month-end summaries on your behalf and notify the Virtual Wallet of all necessary payments.
4. **Personal Assistant/s and HMRC Payments:** Payments to the individual's Personal Assistant/s and HMRC will be made via the Virtual Wallet, once Enham Trust notify the individual and the Virtual Wallet. Enham Trust will notify HMRC if no payment is due in a particular month.

Independent Lives

Independent Lives provide a Payroll service for £7 per week, regardless of the number of Personal Assistants an individual employs. The Independent Lives website

(<https://www.independentlives.org/services/direct-payment-support-services/banking-and-payroll/>) provides comprehensive information on managing payroll for Direct Payment recipients. Here are the key points:

1. **Payroll Service:** Independent Lives provides a comprehensive payroll service to manage the payroll for the individual's Personal Assistant/s. This includes handling all aspects of payroll, such as calculating wages, tax, and National Insurance, and providing payslips, based on the information provided. The payroll service will be funded through the Direct Payment and paid through the Virtual Wallet, this information will be placed within the Direct Payment recipients care and support plan.
2. **Setup Process:** To use Independent Lives payroll service, the individual will need to complete an employer and employee payroll setup, including necessary HMRC forms and a form that allows payment via the Virtual Wallet if applicable. Independent Lives can provide support with completing the necessary payroll setup.
3. **Support and Independence:** Independent Lives payroll service is designed to reduce stress and make managing financial obligation easier in combination with the Virtual Wallet, taking the pressure off the Direct Payment recipient.
4. **Personal Assistant/s and HMRC Payments:** Payments to the individual's Personal Assistant/s and HMRC will be made via the Virtual Wallet, once Independent Lives notify the individual and the Virtual Wallet. Independent Lives will notify HMRC if no payment is due in a particular month.

Virtual Wallet Payroll

Virtual Wallet Payroll provide a Payroll service for £9.60 (including VAT) for the first Personal Assistant payslip and then £4.80 (including VAT) for any additional Personal Assistant payslips. The Virtual Wallet website (<https://www.myvirtualwallet.co.uk/virtual-wallet-payroll/>) provides comprehensive information on managing payroll for Direct Payment recipients. Here are the key points:

- 1. Payroll Management:** Virtual Wallet Payroll handles all payments to an individual's Personal Assistants, including the online completion of timesheets and digital payslips, calculations for tax, national insurance, pension contributions, sickness and maternity pay.
- 2. Additional Deductions:** The service also manages attachments of earnings and student loan repayments.
- 3. HMRC and Pension Support:** Virtual Wallet Payroll provides support with HMRC obligations and auto-enrolment pensions. This includes guidance on registering with HMRC, acting as your payroll agent, electronic filing, and processing P45 and P60 forms.
- 4. Pension Management:** Virtual Wallet Payroll handle pension calculations and payments, ensuring compliance with any necessary pension auto-enrolment requirements.
- 5. Ease of Use:** The service is integrated into the individual's Virtual Wallet account, making the process of managing employee, pension and HMRC payments straightforward and efficient.

The Direct Payment Support Service hope you have found this information sheet useful.

The Direct Payment Support Service is available Monday to Friday from 9am until 5pm using the telephone number and email address below and on the first page of the information sheet. Any emails that are received will receive a reply within three working days.

The Direct Payment Support Service contact details: -

Tel: 0370 779 1300

Email: dpsupportservice@hants.gov.uk

The Direct Payment Support Service has further information sheets on various topics, including:

- Introduction to Direct Payments
- Information on Advocacy
- Acting as an Authorised / Nominated person
- Information on Insurance providers
- Introducing the Virtual Wallet
- Introduction to employing a Personal Assistant
- Guide to employing your own Personal Assistant
 - Including interview question templates and job advertisement templates
- Ending a Direct Payment