



Cherhill Parish Council

DRAFT Payroll Policy

1.0 Introduction

- Being a responsible employer, Cherhill Parish Council's approved payroll process ensures that all employees are paid accurately, on time.
- In accordance with approved hours and contractual entitlements.
- Currently the Council has the one employee, in the combined role of Clerk/Responsible Financial Officer (RFO).
- The aim is to establish strong internal controls by separating out duties between the RFO, the Chair/Vice-Chair, any nominated sub-committee and other nominated Councillors. To provide a clear audit trail at every stage and, through appropriate verification checks and to prevent incorrect and/or unauthorised salary payments.
- The Council, as an employer, will comply with all legislative requirements, employer responsibilities and relevant tax and financial obligations.

2.0 The Council's Commitments

- To pay on a timely basis
- To maintain salary record for staff, including holiday entitlement and holidays taken, sick days entitlement and sick days taken, time sheets and overtime records.
- To update employee payroll information in an accurate and timely manner.
- To ensure that risk management measures are in place for the provision of payroll services external to the Council.
- To retain all payroll information in a locked facility to ensure security of that information.
- To comply with the Data Protection Act 2018 and UK GDPR.
- To automatically enrol eligible employees in a suitable workplace pension scheme if annual gross earnings exceed £10,000. This is not the case at present.

3.0 Process and Procedure

3.1 The Council – through delegation to the Clerk/RFO or to nominated Councillors

- All staff to be provided with monthly payslips by an external payroll service provider.

- The external payroll service provider to be approved annually and paid by the Council.
- Payslips will show both gross payment and net monthly payment, clearly identifying the Council's liability to HMRC for tax. Payslips will show a summary of the year to date.
- Payslips will be sent electronically each month by the external payroll service provider to the RFO and to two nominated Councillors.
- Payroll payments will be made by BACS payment from the nominated account at Lloyd's Bank.
- Any payment in excess of the employee's terms and Conditions of Employment, or in excess of the agreed Schedule of Regular Payments for that financial year, to be authorised by a full meeting of the Council.
- All deductions from Gross Pay will be made and forwarded to HMRC accurately and in a timely manner.
- Pay scales are to be identified in the Contract of Employment and will align with the pay scales published by the National Joint Council for Local Government Services (NJC)
- The appropriate position on the pay scale to be reviewed annually and to take account of the employee's performance, level of experience and level of qualification.
- The Council to review annually staff terms and conditions including hourly pay increases in line with the annual recommendations published by the National Association of Local Councils (NALC).
- The Council aims for Salaries to be paid on the 1st day of each month and no later than the 6th day.
- Advances on salaries to staff will not be paid.

3.1 The Responsible Financial Officer

- To ensure that deductions from gross pay for Tax and National Insurance to be forwarded to HMRC in a timely manner and by the due deadline.
- To ensure that online payments to staff be authorised by 2 Councillors in accordance with the Council's Financial Regulations.
- To ensure that Payroll liabilities to form part of the Regular Payments Schedule to be agreed by the Council at the start of each financial year.

4.0 The Legal Framework

- The Employment Rights Act 1996
- The Equality Act 2010
- The Finance Act 2015
- Cherhill Parish Council's Financial Regulations
- Cherhill Parish Council's Equal Opportunities Policy.
- The Employee's Terms and Conditions of Employment

Approved at Cherhill Parish Council Meeting 27th August 2026
Minute 4852

Review date May 2027

Cherhill Parish Council Draft Payroll Policy- August 2026