Payroll Bureau Service Definition

Purpose

Fourth’s Payroll Bureau Services provide various payroll and pension services and solutions, including processing employees' wages and offering expert support and knowledge on payroll and pension legislation.

Fourth and the Customer will work jointly: -

- To maintain seamless service operations.
- To ensure accuracy, high quality and a timely production.
- To support the Customer to fully comply with all payroll and pension-related regulatory and statutory obligations.
- To keep lines of communication open between the parties.
- To measure, review and maintain service quality.

Contents

Documentation

Scope of this document

This document outlines Fourth's Payroll Bureau Services, detailing the transition process and ongoing service delivery during the contract period. This document also outlines the different package variations and specifies the services to be provided within each package.

By signing the Agreement of which this is an annex, the Customer accepts this document as the current definition of the service which is subject to change based on best practices and procedures.

The operational processes and procedures relating to your live Payroll Bureau solution will be documented in the Payroll Procedures Manual (PPM), which is prepared during the project stage but any conflict shall be resolved in favour of 1. the Payroll Bureau Service Agreement 2. the Payroll Bureau Service Definition (this Document).

Changes to this document

This document is produced by Fourth and any amendments to the document will be made by Fourth. This document has been written based on current best practices. Fourth constantly assesses best practices and therefore reserves the right to make amendments to this document which may change the way that the service is delivered. By entering into the Agreement with Fourth the Customer accepts that the Payroll Bureau Services being delivered are subject to change including the service and module summaries contained within this service definition or otherwise.

<u>Payroll Service Packages</u>

Fourth provides four Payroll Services packages. This document sets out the Payroll Bureau Services available pursuant to those packages. This includes both managed (Payroll Bureau) and self-managed payroll services and solutions.

The table below details the contents of each package. Customer's payroll package shall be indicated on its Order Form.

<u>Where Customer's Agreement is not based on a Payroll Service Package its Agreement shall comprise the individual modules or services specified on its Order Form only.</u>

	Payroll Bureau		Self-Managed Payroll	
	Foundation	**Professional**	**Essentials**	**Essentials+**
Integrated Payroll Module	✓	✓	✓	✓
Integrated Pension Module	✓	✓	✓	✓
Knowledge Service	✓	✓	✓	✓
Payroll Processing	✓	✓		
Basic Payroll processing checks	✓	✓		
Advanced Payroll processing checks		✓		
Dedicated payroll Specialist		✓		
Biannual Service reviews		✓		
HMRC Payments		✓		✓
Auto-Enrolment Managed Service		✓		✓
Year end Services (P60 and/or P11D)	£	£	£	£
Payrolling Benefits in Kind Service	£	£	£	£
On Demand pay	✓	✓	✓	✓

	Description
Knowledge Service	• Dedicated Q&A service for Fourth Payroll customers. The Bureau team will support with payroll, system and appropriate legislation questions
Integrated Payroll Module	• Payroll processing functionality • Electronic access to pay slips for employees • Fully integrated with Fourth workforce management solutions • Real-time syncs with HR, scheduling and tronc. Remove the complexity of manually calculating deductions, holiday pay etc. across staff working variable shift patterns.
Integrated Pension Module	• The Fourth Pension Module automatically evaluates and enrolls workforce requirements. • Deliver statutory pension documentation promptly and efficiently using our comprehensive document management functionality. • The Pension Module offers a variety of reports and exports, facilitating efficient and precise reporting. • A dedicated API is available with NEST Pensions, designed to automatically and securely upload employee contribution data.
Payroll Processing service	• CIPP award-winning technology and payroll specialists have been providing exceptional service for over 20 years specifically to the hospitality industry • A robust approval and closure process is followed to ensure all payments are approved by customers before the completion of the payroll • A customer satisfaction survey is provided after each payroll is completed to gain your feedback. • No requirement for a customer to have an in-house personnel/ team • Generate pay slips automatically with easy and secure access for employees via employee self service mobile app
Basic Payroll processing checks	• A standard, hospitality-specific, checking process is completed for payrolls processed
Advanced Payroll processing checks	• A comprehensive 37-point checking process completed for every payroll processed including new starts, leavers, tax changes, rota checks.
Dedicated Payroll Specialist	• Dedicated Specialist assigned to your account who is available to support you in all aspects of payroll processing • Support from the wider bureau team to ensure year-round service and the ability to scale up as your grow your business.

Biannual Service reviews	• Bi-annual Payroll Service Review***
HMRC Payments	• HMRC BACS Payments - Guaranteed all RTI information will be sent accurately and on-time to HMRC. • Management of PAYE liabilities, guaranteed payments for the amounts due to HMRC each month
Payrolling Benefits in Kind Service	• Enables employers to tax employee benefits in real time through payroll rather than relying on annual P11D submissions. • Configuration and benefit data input, group and employee setup

*****Fourth conducts service reviews for customers biannually as required.**

Payroll

All Payroll Service Packages include access to the payroll module.

Payroll Bureau Processing Services are included where indicated within a package or order form (marked as Payroll on an Order).

Benefits in kind are excluded from scope of all Payroll Bureau Services unless Customer has an active subscription for (i) PBIK Processing Services for relevant employees (and then subject to the provisions of this document setting out the scope of such services) or (ii) the PBIK Module (which will include access to self-managed functionality as an add-on to the Payroll Module only). The stand-alone PBIK Module will be made available from 2027 and an update to this document will be issued ahead of this date.

Service Summary

	Payroll Bureau		Self Managed Payroll	
Knowledge Service	Foundation	Professional	Essentials	Essentials+
System related queries	✓	✓	✓	✓
Payroll compliance guidance	✓	✓	✓	✓
Communication				
General Payroll enquires	✓	✓		
Assigned Payroll team to communicate with	✓	✓		
Dedicated Payroll Specialist		✓		
Root cause analysis for any incidents	✓	✓		
Timetable Management	✓	✓	✓	✓
HMRC enquires	✓	✓		
Data Input				
Tax codes through EDI (Electronic Data Interchange)	✓	✓		
Student Loans (EDI)	✓	✓		
National Insurance Number (EDI)		✓		
Generic Notification Service messages (EDI)	✓	✓		
P45 Data Entry	✓	✓		
Attachment of earnings	✓	✓		
Payroll amendments in agreed format	✓	✓		
Statutory parental payment management	✓	✓		
Company parental payment management	✓	✓		
Payroll Processing				
Payment and deduction processing	✓	✓		
Calculation of statutory payments and deductions	✓	✓		
Starter and leaver payroll management		✓		
Salary change management	✓	✓		
Schedule and Tronc processing	✓	✓		
Payroll anomalies check	✓	✓		
Output				
Creation and submission of BACS files	✓	✓	✓	✓
Full payment submission (FPS) confirmation	✓	✓		
Self-service electronic payslips		✓	✓	✓
Statutory payment exclusion forms	✓	✓		
Corrections				
Error management	✓	✓		
EYU and full payment submission correction for Fourth error	✓	✓		

<u>* Creation and submission of BACS files for Essentials and Essentials+ is an opt-in service</u>

**** Benefits in kind are excluded from scope of all Payroll Bureau Services unless Customer has an active subscription for (i) PBIK Processing Services for relevant employees (and then subject to the provisions of this document setting out the scope of such services) or (ii) the PBIK Module (which will include access to self-managed functionality as an add-on to the Payroll Module only). The stand-alone PBIK Module will be made available from 2027 and an update to this document will be issued ahead of this date.**

Knowledge Service

Fourth provides a knowledge service to all customers, irrespective of their package. Customers can reach out to the Payroll Bureau for guidance.

The Payroll Specialist will guide customers on system tasks or direct them to the Customer Success Portal, which contains various helpful articles.

Fourth does not offer legal advice or advice on necessary legislative actions within your business. Where applicable the team may be able to guide you to the appropriate legislation to complete your own due diligence.

The Fourth Payroll Bureau is available for guidance only and cannot perform any tasks within your portal for Essentials and Essentials+ customers.

If payroll errors occur, Fourth will charge a correction fee and corrections will be made based on availability for Essentials and Essentials+ customers.

For system errors, the Customer must submit a ticket in the Customer Success Portal.

Payroll Timetable, Data Format and Annual Events Calendar

Annual Events:

Date	Event
Q1	Revised annual timetable will be sent to the Customer for approval
Q1	Year End communication will be sent to the Customer
Q1	P60 and P11D Communication will be sent to the Customer
Q1	Where applicable Fourth will contact the Customer regarding the timetable for Easter Bank Holiday
Q2	Portal roll forwards
Q2	Year End checks
Q2	P60s will be produced and distributed
Q3/4	P11D’s will be distributed
Q3/4	Fourth will contact the Customer requesting December pay dates

Government Agencies

Fourth will assist the Customer, wherever practical, in the communication of payroll-related information to and from Government Agencies (providing that such enquiries relate to items from the date which the Payroll Bureau Services commenced). This will normally encompass start and leaving dates, periods of employment and amounts paid/deducted via the payrolls processed by Fourth. This documentation will be passed back to the Customer to complete, sign and send to the relevant Government Agencies.

Timetables

Before the start of each tax year, Fourth will provide a revised annual timetable to the primary payroll contact. The Customer is expected to review all dates and issue written confirmation to Fourth. In the absence of written confirmation or amendments from the Customer, Fourth will assume the dates in the timetable, including pay dates, are correct and will use these dates to schedule payroll data.

Timetable Title	Description
Paperwork Deadline	All paperwork must be submitted to Fourth by this date and time. Paperwork includes Statutory Parental Documentation, AEO’s and P45’s only.
Rota/Upload Deadline	All payroll data including timesheet submission and payroll uploads must be submitted to Fourth by this date and time. All Rota/Tronc Funds must be closed by this date and time to ensure the payroll is processed in accordance with the Customer’s pay date.
Preview Date	The time and date the preview will be available for the Customer to view and carry out the relevant validation checks.

Net Pay Deadline	Prior to the net pay deadline Fourth must receive any critical amendments to the payroll. Changes that will be accepted are: - Any Fourth errors; or - Amendments to avoid leavers being overpaid The net pay must be sent by this deadline ready for payroll closure.
Payroll Approval	The date and time the payroll must be approved to enable Fourth to guarantee employees being paid and the FPS to be submitted on time.

Timetables for Self-Managed Packages will only be provided if we provide BACS Processing Services for you. The only deadline given will be for Payroll Approval.

Self-Managed Payroll

Customers that do not receive Payroll Bureau Processing Services are responsible for managing all aspects of their own payroll operations. This includes, the accurate calculation of wages and deductions, timely distribution of payments, compliance with applicable tax laws, and submission of required filings to relevant authorities.

Such Customers may elect to receive BACS Processing Services (as described below).

Payroll Bureau Processing Services:

The following provisions apply to Payroll Service Packages that include Payroll Bureau Processing Services.

Communication:

Customer Contacts

The Customer must provide fourth with the following:

- A primary contact point for all payroll-related queries.
- A secondary contact who has access to the payroll system that can support in the primary contact's absence.
- Maintain at least one out-of-hours contact telephone number for use in emergencies only.

The Customer must provide the following for the primary and secondary contact:

- Full Name
- Job Title
- Email Address
- Contact number

Contact information will be obtained within Payroll implementation. Should the Primary or Secondary contact change, the Customer must inform Fourth by emailing Payroll@fourth.com.

Authorised Contacts

Fourth will communicate with designated payroll contacts only. If written authorisation has not been sent to Fourth to authorise a new contact, then any emails or calls will not be accepted as they will remain unauthorised. The Customer must not provide Fourth contact information to any unauthorised contacts including employees.

If the Customer requires additional contacts to have authorisation to discuss payroll queries with Fourth, the primary or secondary contact must send an email to payroll@fourth.com stating the employee's full name and email address. Fourth will review the request and approve the authorised contact.

Access Levels

The Superuser has the authority to modify access levels within the Workforce Management system. Should the Superuser leave the organisation, the Customer must reassign this access before their departure. Articles to support customers on the process are linked here.

Communication Path

A communication path will be provided to the Customer. Contact information for these roles will be included and will be specific to each Customer based on their Payroll Package.

The contact structure is as follows:

1. Payroll Specialist
2. Payroll Supervisor
3. Manager, Payroll Operations
4. Operations/Services Manager, Payroll Operations
5. Director, Payroll Operations

Telephone/Written Communication

Fourth, strives to consistently adhere to the response times outlined in the service level agreement.

Category	Action
Non-Urgent	Payroll related queries submitted by the Customer to Fourth via payroll@fourth.com should be responded to within a 48-hour turnaround. Should this not be achievable due to levels of investigation then within this timescale Fourth will provide an update on progress and set expectations for full resolution. Examples of non-urgent queries are: - Day to day queries relating to employees’ payments or deductions - Queries regarding historical payment periods - Enquiries about managing different payment types
Urgent	Payroll-related queries submitted by the Customer to Fourth via payroll@fourth.com should be responded to within a 24-hour turnaround. Should this not be achievable due to the level of investigation then within this timescale Fourth will provide an update on progress and set expectation for full resolution. Examples of urgent queries are: - Queries relating to any employee paid incorrectly - Queries for information that is time critical - Queries relating to Fourth post payroll/pension errors - Any payroll/pension queries that will impact the timetable deadlines Please ensure that ‘Urgent’ is the first word in the subject line of the email. If ‘Urgent’ is not in the subject line, then Fourth may not treat the email as urgent. It is the Customer’s responsibility to ensure emails are marked correctly.

Critical	Queries requiring an immediate response should be made via telephone call or emailed to payroll@fourth.com and followed up with a telephone call to highlight the urgency. Examples of Critical Payroll Related Queries that need attention immediately are: - Queries that relate to the payroll being processed within 4 hours of the BACS Sign off deadline - Queries that relate to high-risk problems with making payments to employees on time or may impact the submission of BACS on time. - Queries that require the team to investigate immediately due to the query/issue being time critical i.e. would result in the situation being made worse if it had a waiting time of 24 hours. Please ensure that 'Critical' is the first word in the subject line of the email. If 'Critical' is not in the subject, then Fourth may not treat the email as critical. It is the Customer's responsibility to ensure emails are marked correctly.

Fourth's Payroll Bureau phone number – 01625 750100.

Every customer is provided with contact numbers for either the payroll team or the Payroll Specialist as part of their communication process.

Fourth Payroll Bureau operates from 9 am to 5.30 pm Monday to Friday. The department is closed on public holidays.

Payroll Amendments

Any additional payments or deductions that fall outside the rotas and paperwork description must be sent on an upload template. The upload template can be found in the following pathway within your portal:
Payment Uploads

Payroll Module > Payroll Homepage > Quick Links (To the left of the module home page) > Upload Payments
Deduction Uploads

Payroll Module > Payroll Homepage > Quick Links (To the left of the module home page) > Upload Employee Deductions

Payment and deduction uploads will only be accepted if they are provided in the correct format. The process on how to complete the templates can be found here .

Fourth reserves the right to decline any payroll amendments submitted outside of the timetable deadlines to maintain payroll quality and accuracy.

Fourth Responsibilities

Data Input & Processing

- Obtain and maintain the Customer's sign-off for the Payroll Procedure Manual (PPM).

- Review and process the upload received in the agreed format, ensuring it meets the agreed timetable. Fourth will refuse the payroll upload if not provided within the agreed format or by the deadline.
- Input of NVR requests, Student Loans, Tax Code notices and GNS via EDI (Electronic Data Interchange).
- Workforce Management system calculates parental and statutory payments in accordance with current legislation.
- Statutory payments (excluding SSP) will be entered, calculated, and validated upon receipt of the appropriate documentation from the Customer, such as a MATB1 for SMP.
- All employees on parental and statutory payments will be paid according to the schedule.
- Fourth will review salary changes and apply alabaster rules as needed.
- A document with the parental schedule will be available for the Customer, detailing the values paid per pay period.
- Fourth will calculate Occupational Sick Pay based on company rules in the configuration. Unique sick pay rules may not be calculable by the system.
- Fourth will calculate Occupational Parental Pay in accordance with the company rules detailed in the Payroll Procedure Manual.
- Each payroll's current period gross pay should not differ from the previous period by a defined percentage. Unless due to bonuses or pay increases.
- Fourth will automatically calculate final holiday pay upon system configuration.
- Fourth will automatically make pro rata salary payments for starters/leavers upon system configuration.
- Fourth will automatically backdate previous pay period salary changes upon system configuration.
- All emails that have been received by the agreed deadline will be processed.
- All submitted Rota's/TRONC that have been transmitted will be processed in the current payroll run.
- Validate employees that have transferred between pay basis.
- Attachments of Earnings will be input in accordance with government guidelines.
- Attachments of Earnings will be calculated and deducted correctly.
- Auto hold generated where required.
- The net pay needs to be emailed to the Payroll Bureau to verify it with the system before finalising the payroll.
- The payroll requires Customer approval to generate the BACS file submission.
- The BACS will be sent correctly and will be confirmed by BACS.

The inclusion of benefits in kind are subject to an active subscription for PBIK Processing Services for relevant employees.

Output

- Distribution of Payslips via ESS or email.
- Workforce Management system will automatically submit FPS files on or before each payment date.
- Production and Distribution of electronic P45's.
- Completing and emailing statutory payment exclusion forms to the primary payroll contact.
- Earlier Year Updates (EYU) and Full Payment Submission correction for Fourth's errors.

Customer Responsibilities

- The Customer shall ensure that all changes are provided to Fourth by the agreed data submission date as detailed in the timetable and will adhere to all other specified deadlines. Fourth cannot guarantee the processing of inputs received after the deadline.
- The Customer must apply all rota/tronc submissions to payroll by the agreed date on the timetable.
- The Customer must ensure that the provided data/information is:

    - Accurate and complete
    - Includes employee number(s)
    - Includes the correct payment codes
    - Legible and duly authorised
    - Submitted according to the agreed timetable
- The Customer must ensure that all employees are created in the WFM solution accurately (including bank account numbers) and comply with the payroll deadline.
- The Customer shall train all site/area Managers to submit accurately and on time.
- When establishing or closing a location, the Customer must notify Fourth to ensure that all administrative records are updated accordingly. This includes adding or removing authorised contacts.
- Manage intercompany transfers between different PAYE references.
- Customers must authorise their P32 to send the EPS file to HMRC each tax period.
- The Customer will sign and distribute statutory payment exclusion forms.
- The Customer will enter absence records to include start and end dates into the WFM Solution.
- Absence V1 functionality - The Customer should provide CSP payment values for each employee and should monitor entitlements.
- The Customer will either:
    - Key directly into the WFM Solution.
    - Enter details on a Timesheet, or
    - Provide information via an upload template with employee numbers.
- Absence V2 functionality - The Customer will enter the start and end dates of the absence period directly into the Workforce Management system.
- The Customer must tick the 'evidence seen' flag to ensure accurate SSP or CSP payments.
- The system will calculate the CSP for employees based on Workforce Management configuration.
- The Customer will send an electronic copy of the parental forms to Fourth.
- The Customer must provide Fourth with the enhanced Parental Pay policy for payroll calculations. These details will be held within the Payroll Procedure Manual. Any changes to these policies must be provided to update the manual.
- The Customer will ensure the right to work compliance for all employees.
- For final holiday pay using a non-automated process, the Customer must monitor employee entitlement and:
    - Provide Fourth with the payment value in an upload spreadsheet (including employee number); or
    - Enter directly on a timesheet; or
    - Enter directly into the Workforce Management system.
- The Customer must enter all timesheet payments by the payroll deadline.
- The Customer must update any salary changes in the Workforce Management system for maternity to ensure Fourth applies to any Alabaster rules.
- The Customer must approve the payroll to release the BACs file according to the timetable. If delayed, they must inform Fourth. Continuous delays may result in fines and further consequences.
- The Customer should verify the accuracy of the pay date and confirm the pay date with each net figure confirmation.
- The Customer must verify the BACS file's successful transmission by checking the automated BACS email sent to the payroll approver(s).
- The Customer must verify all payments and deductions are correct on the payroll preview.
- The correct rota/tronc has been submitted to payroll for processing in accordance with the agreed timetable.
- If Fourth advise of any gross pay variants, the Customer must investigate and advise if correct.
- The Customer must check all employees are being paid in accordance with National Minimum Wage / National Living Wage. Please refer to the government websites for more information www.gov.uk
- Verify employees with Childcare Vouchers are being deducted in accordance with the basic earnings assessment.
- Verify the overall gross and net pay values from the previous live payroll and validate any percentage increase or decrease.

- Approve payroll once it has been closed to send the BACS file on time for the scheduled payday. Approvals made after 17:00 will not be processed by the payroll bureau, risking delayed employee payments.
- In the event of delays, Fourth will strive to ensure timely employee payments. You must notify Fourth immediately if you foresee any delay in submitting or approving payroll data to discuss contingency actions or reschedule as needed.
- Customers should verify that the BACS file has been accepted by checking the automated BACS approval email sent to the payroll approver(s).
- Run and reconcile the P30 summary and P32 screens and send payment to HMRC depending on your package.
- Ensure that all calculations in relation to the Apprenticeship Levy are correct and included in the amount to be paid over each month.
- Run payroll deduction report and send payments to third parties (Courts/CSA/CAPS).
- Provide Courts/CSA/CAPS with details of what has been deducted for each employee.
- If no deduction was made (e.g., due to maternity leave), explain the reasons to the court.

Customers are requested to inform Fourth of any responsibilities that are not mentioned in this section. Fourth will then determine the appropriate party responsible for those duties.

Overpayment Process

An overpayment is a payment to an employee in excess of contractual entitlement without explicit approval from their employer.

Possible causes of an overpayment include the following, this is not an exhaustive list and there can be other reasons:

- Leavers after payroll cut off
- Late or no notification of sickness or unauthorised absence
- An error
- An outstanding balance that there are not enough funds to deduct a late change notification.
- Incorrect salary details

It is important to note that most overpayments can be caught and prevented by ensuring that the payroll previews are checked by the Customer and signed off thoroughly and data deadlines are met.

Managing Overpayments

In general terms, you can recover an overpayment from an employee's next/future wage, however, each situation must be viewed on its individual circumstances.

If an overpayment is for a significant amount the employee could come to an arrangement with their employer to repay the money over a number of pay periods rather than treat the overpayment as an advance.

The status of an employee will change the way in which the overpayment will/can be recovered.

- Current Employees - This type of overpayment should be recovered in the employee's next or subsequent pay periods
- Leavers - If an employee has left the company and there are insufficient or no funds available to deduct from their final wage, the employer must contact the former employee to request repayment of the overpaid amount.

Overpayments discovered after payroll has been closed but before pay run has been approved and BACS has been released can be rectified by a rollback.

Overpayments discovered after payroll has been closed, after BACS has been released but prior to Pay Date can be rectified by contacting the Customer's bank to stop the BACS from being processed for the employee. The deadline to stop a BACS can vary by bank. Fourth can rollback the employee and recalculate the pay. The Customer can arrange a payment for the employee internally or Fourth can send an additional BACS file for the employee. An off-cycle BACS is subject to additional charges.

Overpayment discovered after payday i.e. the employee has received the overpaid money, can be rectified by the Customer contacting the employee to recover the overpayment. Once the monies have been recovered the Customer should inform Fourth so all YTD payroll information can be corrected.

Fourths Responsibility

Fourth will carry out a Root Cause Analysis (RCA) on overpayments and make necessary recommendations on preventative/corrective action.

If it is established that Fourth is wholly responsible for the overpayment then Fourth will assist the Customer with the administration of recovering the overpayment.

If it is established that Fourth is wholly responsible for the overpayment then it is not automatically assumed that a full or part reimbursement will be made to the Customer. There are several factors that will be considered. The list below are examples but is by no means exhaustive.

- Level of service being delivered (e.g. accuracy levels for the last three months)
- Was due diligence in place from the customer's side?
- Were timetables adhered to?
- Was data sent in the correct format?
- All departments within Fourth are in agreement on the reimbursement.

If the decision is made to reimburse the Customer prior to recovering the overpayment, this should be in the form of an agreement to allow a balance to be outstanding on an invoice until the overpayment is recovered from the employee(s).

All repayments of monies are made directly to the Customer.

No negotiation will take place with the Customer for reimbursement of the overpayment until the Customer has made every effort to recover the overpayment from the employee. A minimum of three formal communications to the employee and evidence is provided by the Customer to Fourth to payroll@fourth.com.

Quality Assurance

The Payroll Bureau's Quality Team manages departmental processes, education, and technology to ensure accurate service delivery. They conduct independent investigations when needed to find the root cause of issues, involving all relevant parties to understand the situation, suggest corrective actions, and reduce risks.

To maintain stability, regular audits are conducted by the Quality Team are essential for identifying any weaknesses or areas for improvement within the department. These audits confirm that all procedures align with best practices and regulatory requirements. Collaborating closely with developers, the team ensures that software and systems are continually updated to reflect the latest legislative changes. This proactive stance not only ensures compliance but also empowers employees through targeted training sessions, equipping them with the knowledge needed to navigate new systems or regulatory environments confidently.

The Quality Team plays a crucial role in maintaining the integrity and efficiency of the department. Their management of processes involves ensuring that every stage of the payroll and pension cycle is conducted seamlessly, adhering to both internal and external standards. By leveraging modern technology, they enhance the accuracy and productivity of the department.
When problems arise, the team initiates thorough investigations, gathering insights from stakeholders to pinpoint exactly where things went wrong. This comprehensive approach allows them to propose effective corrective measures, enhancing the overall reliability of payroll and pension services. By mitigating potential risks, they help safeguard against future discrepancies or compliance issues.

Current Relevant Legal Extractions

The Employment Rights Act 1996 currently provide clear rules about making deductions from wages. In general, deductions may only be made from wages if the law permits it, or if the contract of employment specifically permits it, or if the employee and employer have made a written agreement that permits it (Section 13 Employment Rights Act 1996).

However, the important point to understand is that the protection offered by the Act does not extend to an overpayment of wages or expenses. An overpayment is specifically excluded from protection (Section 14 (1) (a) and (b) of the Employment Rights Act 1996). An employer, however, needs to consider, before recovering an overpayment by deducting it from their wages, that it is reasonable in all the circumstances to make the recovery.
If an employee is still in employment when the overpayment is discovered (Current Employee).

As soon as the overpayment has been discovered the Customer should contact the employee informing them of the Gross and Net overpayment value (which will be calculated by Fourth) that will be recovered in the following pay period (s).

If the Customer chooses not to recover the outstanding money from the employee, Fourth will not take any liability for any monies outstanding.

BACS Processing Services

BACS Processing Services are available to Customers that do not utilise Payroll Bureau Processing Services. This involves the submission of a BACS file once Customer has closed and approved payroll and has generated and approved a payroll preview report. This is an opt-in service and will only be provided where a Customer has specifically opted in to receive this service and Fourth has confirmed with Customer all information necessary for Fourth to provide the service.

Customer Responsibilities:

Customers should close their payroll after all payments and deductions are finalised, approve the BACS submission within the payroll module, and then confirm the final approval to submit the BACS payment.

Fourth Responsibilities:

Fourth will submit BACS on behalf of Customer once Customer has closed their payroll, approved BACS submission within the payroll module and confirmed final approval to submit the BACS payment.

BACS

Change of Customer Bank Details

Customers are responsible for managing and notifying Fourth of any required changes to bank details. There are different responsibilities for a BACS customer and a NON-BACS Customer.

NON-BACS Customer

If Fourth does not complete the BACS on behalf of the Customer, then the Customer is responsible for updating their company details section within the Workforce Management system.

If the Customer is NON-BACS, then Fourth do not have access to withdraw any BACS files. The Customer must contact their bank directly.

Non-BACS customers moving to BACS must follow the BACS Customer section below.

BACS Customer

To enable Fourth to transfer payments to employee bank accounts on payday, a BACS User Number must be set up and linked to Fourth's Payroll Bureau Number. Customers need to contact their bank to obtain a BACS User Number and ensure it is linked to Fourth's Bureau Number.

Information that may be Required:

Fourth's Payroll Bureau Details:

Bureau Number: B80078
Name: Fourth Limited
Bureau Address: Fourth, Greenway House, Larkwood Way, Tytherington Business Park, SK10 2XR
Email: payroll@fourth.com

Additional Information:

Application type: Payments (Direct Credits)
Submission Channel: Indirect Submission Only
Primary Security Contacts: Must be individuals within the Customer's organisation

Some forms may ask 'Do you want the payroll bureau to collect reports on your behalf?', please state '**No**'.

Completed application forms should be handed to Relationship Managers or Account Managers at the Bank. They will forward the information to their BACS Department.

Banks typically send customers notification of BACS User Numbers by email. Once this has been received, please forward the BACS User Number to your Payroll Specialist at Fourth to payroll@fourth.com along with the company bank details (Name, Address, Sort Code and Account Number).

Fourth will conduct a BACS test following receipt of information requested from the Customer. Fourth will transfer £1 to and from the Customer's account to verify the BACS link. The Customer must confirm in writing to payroll@fourth.com when they see the £1 transaction on their bank statement. Fourth will not send Payroll BACS until this confirmation is received.

Depending on which bank is used, the time taken to receive BACS User Numbers can vary between 2 weeks and 2 months.

Fourth require a minimum of two weeks to complete a BACS test.

Withdrawing a BACS file

Fourth can only withdraw a BACS file 3 working days from the agreed pay date, and the whole file only. In any other circumstance, the Customer must contact their bank and arrange themselves.

Fourth will only withdraw a BACS file in the following scenarios:

- The company has insufficient funds, and the BACs will fail if sent
- An error has been identified and there is a need to prevent significant under or overpayment to multiple employees
- The file is a duplicate file and needs to be withdrawn

In all scenarios where the Customer confirms they will withdraw the file themselves:

- The Customer must confirm in writing, forwarding the confirmation from their bank that the file has been withdrawn. This needs to be sent to payroll@fourth.com.
- The Customer must confirm in writing to payroll@fourth.com whether they require Fourth to re-send the BACS file.

If the Customer has insufficient funds, an email must be sent to payroll@fourth.com to confirm they cannot pay the full value of the BACS file and need it stopped.

Customers should not register employees of Fourth Limited (the company) as Primary Security Contacts (PSCs) or Additional Contacts (ACs) on a Service User Number (SUN) belonging to the Customer. Employees of the company should only be registered as contacts on the B80078 Bureau number or on any SUN which is owned and operated by the company itself.

In the event of a Customer choosing to terminate the use of Fourth's payroll bureau services, the Customer will be responsible for arranging with its nominated bank for its SUN to be unlinked from the B80078 Bureau number, and for obtaining confirmation that this has been successfully actioned. Fourth will not be held responsible should the Customer fail to ensure this process has been actioned.

The Customer will be responsible for monitoring its own bank account limits, to ensure that the value contained within payment files, submitted to the BACS clearing, will not be in excess of this limit.

The input report should be collected by the Customer as soon as possible on processing day.
Updates from AWACS (Advice of Wrong account for Automated Credits Service) reports should be applied by the Customer no later than 3 working days after they are available.

ARUCS (Automated Return of Unapplied Credits Service) reports should be collected by the Customer no later than 4 days after the payment/collection date.

HMRC Payments

We offer a HMRC BACS payment service where we reconcile and submit your HMRC liabilities each month, which includes the Tax, National Insurance, Statutory Payment (re-claimable amounts) and Apprenticeship Levy.

Fourth Responsibilities

- An email confirmation is sent to your authorised contact(s) of the amount or amounts due to be paid to HMRC
- A detailed reconciliation of your liabilities each month, including apprenticeship levy and re-claimable amounts (statutory payments).
- Submit the BACS payment to HMRC for the payment date of 22nd (or working day before)

Customer Responsibilities

- Submit the P32 to the HMRC by the 19th of the month which allows correct calculations the PAYE liabilities.
- Approve the monthly HMRC payment

Benefits in kind are excluded from scope unless Customer has an active subscription for (i) PBIK Processing Services for relevant employees (and then subject to the provisions of this document setting out the scope of such services) or (ii) the PBIK Module (which will include access to self-managed functionality as an add-on to the Payroll Module only). The stand-alone PBIK Module will be made available from 2027 and an update to this document will be issued ahead of this date.

<u>**If we do not receive your confirmation by the 10th of the month, we will assume that your consent to the values being paid on your behalf. Please note that it remains your responsibility to submit the EPS for the specified tax period by the 19th of the month.**</u>

Payrolling Benefits in Kind Service (PBIK Processing Service)

Fourth’s Payrolling Benefits in Kind Service enables reporting and processing of benefits in kind via payroll for Customer employees.

This is an optional add-on service for selected Customer employees and is included where indicated on an Order Form or where otherwise specified as included within a Payroll Services Package.

Service inclusions:

- Integration of Customer provided data on eligible benefits into benefits in kind module;
- Addition of taxable benefit values to selected employees' taxable pay for each pay period;
- Real-time reporting of payrolled benefits to HMRC;
- Annual reporting to HMRC for the following non-mandatory benefits (living accommodation and interest free or low interest loans);
- Calculation of Class 1A National Insurance Contributions for payrolled benefits:
    - for submission as P11D(b) for 2026/2027 tax year
    - reporting through RTI (from April 2027 onwards)
- Ongoing administration and annual reconciliation for payrolled benefits;
- Support for enquiries relating to payrolling benefits-in-kind service]

Customer responsibilities:

- Registration with HMRC (where required)
- Provide the annual cash equivalent value of all benefits in kind in accordance with HMRC valuation rules
- Provide accurate and timely information regarding employee benefits including:
    - Type and value of each benefit
    - Effective dates for benefit provision
    - Changes to benefit entitlements or employee circumstances
- Review monthly payroll reports and approve benefit calculations;
- Co-ordination with relevant third-parties e.g. benefits providers

Exclusions/service limitations:

- Inclusive of eligible benefits (those subject to mandatory real-time reporting under HMRC's payrolling requirements from April 2027, being benefits that are currently reportable on form P11D (but with annual reporting available for living accommodation and interest-free/low-interest loans).
- Benefits outside of scope:
    - Benefits covered by PAYE Settlement Agreements (PSAs);
    - Benefits already subject to Class 1 NIC and processed through PAYE (readily convertible assets such as shares/securities, cash vouchers)
    - Exempt or trivial benefits not subject to tax or NIC
- The service is subject to HMRC rules and may be adapted in line with legislative updates.
- Fourth is not responsible for the accuracy of benefit valuations provided by Customer and its responsibility is limited to the accurate processing of data provided by Customer in accordance with HMRC requirements

Pension Auto Enrolment Managed Service

Fourth offers an Auto Enrolment Managed Service designed to simplify and streamline the process of complying with auto-enrolment legislation. This service ensures that Fourth can manage your pension responsibilities to reduce administrative work.

Fourth's service ensures precision and efficiency through automated systems that manage employee enrolments, contributions, and communications.

Fourth's Auto Enrolment Managed Service ensures a seamless and hassle-free experience, allowing customers to focus on their core operations.

Service Summary

Communication	Customer	Auto Enrolment Managed Service
Pension enquires for deduction calculations		✓
Pension provider enquires		✓
Pension reconciliation sign off	✓	
Opt in and Opt Out notices		
Scheme joiners notice notifications	✓	
Process scheme joiners notifications		✓
Scheme leavers notice notifications	✓	
Process scheme leavers notifications		✓
Pension Provider opt out notifications		✓
Pension refund employee and employer		✓
Pension letters		
Pension template	✓	
Upload pension template		✓
Maintenance of employee data	✓	
Sending pension letters		✓
Pension reconciliations		
Uploading scheme joiners		✓
Uploading contributions		✓
Reconciling contributions to payroll deductions		✓
Submitting schedules/payments	✓	
Pension provider configuration	✓	
Changes and corrections		
Correction of Customer error (input error)		✓
System correction		✓
Pension provider corrections		✓
Employee/Employer pension adjustments		✓
Adjustments to Payments being pensionable		✓
Pension year end		
Pension contributions		✓
Pension bandings		✓
Re-enrolment		
Confirm re-enrolment date	✓	
Run re-enrolment system process		✓
Confirm re-enrolment figures		✓
Reporting to the Pension regulator	✓	
Pension checks		
Employee pension scheme transfer		✓
Auto-enrolment checks		✓
Additional		
Pension legislation questions		✓
TPR enquires		✓
Root cause analysis for any incidents		✓
Timetable management		✓
Pension delegate access	✓	

Communication

Delegate Access

In order to manage the reconciliation and upload of pension contributions efficiently, Fourth requires delegate access to your pension schemes.

For the following pension providers, access must be granted to a shared departmental login.

NEST
The Peoples Pension
Smart Pensions
NOW Pensions
Royal London
Creative
Salvus Master Trust

For the following Pension Providers, individual delegate access is required. It is recommended that four nominated persons from Fourth have delegate access for these pension providers. This arrangement ensures continuity of service when the primary Payroll Specialist is unavailable.

AVIVA
Legal and General
Scottish Widows
Aegon
Standard Life
Cushion

Assigning Fourth delegate access is the responsibility of the Customer. However, Fourth will collaborate with you and your pension provider to ensure this is accepted and linked as efficiently and seamlessly as possible.

You must obtain delegate access before your first live payroll. If access is not granted within this timeframe, Fourth will not be responsible for any fines or penalties due to late file submissions.

The Customer must ensure employees have the correct personal email address and that *'Deliver Pension Info To My Personal Email'* is selected in their personal details. If not, Fourth will notify you to amend it.

We provide support for the AEMS service with the approved and listed providers. If a Customer chooses to use an alternative provider that is not on our approved list, the process to establish the service with that provider can take up to 10 weeks. This extended timeframe accounts for the necessary technical setup, integration testing, and verification processes required to ensure the AEMS service operates correctly with the new provider. Customers are therefore advised to plan accordingly and allow sufficient lead time if they wish to engage with a provider outside of our standard supported list.

Customer acknowledges that Fourth will be unable to provide the Auto Enrolment Managed Service until such time as delegate access is established and completed and Fourth shall not be responsible for any failure to provide the service pending completion of that process.

Customer Contacts

The Customer must provide Fourth with the following:
- A primary contact point for all pension-related queries.
- Maintain at least one out-of-hours contact telephone number for use in emergencies only.

The Customer must provide the following for the primary contact:
- Full Name
- Job Title
- Email Address
- Contact number

Pension Timetable and Bank Holidays

As an Auto Enrolment Managed Service customer, Fourth will create an internal pension timetable based on your pension provider's contribution payment due date. Fourth will aim to provide you with a detailed pension reconciliation file, upload any new scheme joiners and upload all contributions due for that period, 5 days before your payment with your provider is due. This will provide sufficient time to review the reconciliation totals and submit the schedule and payment to the pension provider before the payment deadline.

If bank holidays impact your pension submissions, Fourth will adjust the timetable to ensure you always have at least 5 days to review and make payments before the due date.

If these timings are inconvenient, please reach out to your Payroll Specialist via payroll@fourth.com to discuss possible changes.

Opt-In and Opt-Out Notices

Opt-In Notifications / Process Opt-In Notifications

Fourth will process any opt-in notifications that are sent over from the Customer on the Fourth system and enroll the employee into the scheme on the next available payroll period.

Scheme Leavers Notice Notifications / Process Scheme Leavers Notifications

Fourth will process any scheme leaver notifications that are sent over from the Customer on the Fourth system and stop any further pension contributions being taken going forward.

Pension Provider Opt-Out Notifications

When processing each payroll period, Fourth will log in and acknowledge any new employee opt-out requests on your pension provider's platform. Fourth will then transfer the opt-out date and information into the Fourth system.

Pension Refund

Fourth will also refund the relevant employee and employer pension contributions if the employee has opted out in their opt-out window or ceased contributions.

Pension Letters

Pension Letter Template

It is the Customer's responsibility to prepare and provide the pension templates. These templates should include the correct legislation specific to the pension setup, the company logo, and the employee's signature.

Updating Templates

If any details change once the templates are uploaded, it is essential the Customer updates them accordingly and resends them to Fourth. Ensuring accuracy and compliance helps maintain the integrity of the pension process.

Template Provision

Fourth can provide a template letter to amend to suit your specific needs. Alternatively, it can be downloaded from The Pension Regulator's website.

Uploading Pension Letters

Once the pension letters have been updated and are ready to be sent to the employees, Fourth will upload the agreed template to the portal.

Sending Pension Letters

It is the Customer's responsibility to ensure all employee data is correct, which includes updating their personal email addresses for these letters to be issued. Additionally, it is crucial to ensure that their employment records are set up correctly and that the option *'Deliver Pension Info To My Personal Email*' is ticked within their personal details screen.

3-Year Re-enrolment

The 3-year pension re-enrolment legislation is a crucial aspect of workplace pension schemes in the UK. Introduced as part of the broader auto-enrolment initiative, this legislation mandates that every three years, employers must re-enrol eligible employees who have previously opted out or ceased membership in the pension scheme. This process ensures that employees have regular opportunities to reconsider their pension participation, thereby promoting long-term financial security.

The re-enrolment process involves several key steps, including identifying eligible employees, re-enrolling them into the pension scheme, and completing a re-declaration of compliance with The Pensions Regulator. Customers must also communicate the re-enrolment process to their employees, providing them with necessary information about their rights and options.

Customer Responsibilities

- The pension regulator sends out the reminder and deadlines for the re-enrolment directly to the Customer. It is the Customer’s responsibility to forward this letter to Fourth via payroll@fourth.com once received.

- It is the Customer’s responsibility to choose a re-enrolment date within the window communicated by the pension regulator and inform Fourth via payroll@fourth.com of the chosen date.
- The Customer must let Fourth know if they have any Directors that they do not want included and if they want employees who have opted out in the last 12 months included in the assessment.
- Upon the completion of the re-enrolment process by Fourth, it is the Customer's responsibility to complete and submit the re-declaration of compliance to The Pension Regulator.
- Pensions are set up using information provided by customers. Fourth is not responsible for any errors in the setup.

Fourth cannot complete the re-enrolment duties for the Customer without this information.

Fourth Responsibilities

- Fourth will complete the re-enrolment assessment once they have received notification that the Customer’s re-enrolment is due, and the Customer has communicated all relevant information required.
- This assessment is run on the relevant live payroll and automatically re-enrols the relevant employees into the pension scheme. Pension letters are also generated as per legislation.
- Fourth will then provide the Customer with all the required information for the re-declaration of compliance to be completed by the Customer.
- Fourth will review any employee pay basis changes and assign the correct pension scheme accordingly.
- Fourth will review any anomalies identified with automatic enrolment and employee contributions. Fourth will then apply any corrections to the record so contributions are in line with legislation for the current and future periods.

Error Management

Fourth will calculate and apply adjustments for any discrepancies found in employee/employer contributions. The necessary steps will be taken to resolve the individual circumstance, whether this be a correction to payroll or an adjustment to pass on to the provider.

Customer Correction:

Fourth will help correct any input errors made by the Customer to ensure that pension practices stay compliant.

Fourth Correction:

Fourth will correct any input errors made by Fourth to ensure that pension practices stay compliant. Any changes to the Pension Scheme configuration will need to be sent to Fourth via payroll@fourth.com

Pension Provider Correction:

Fourth will collate any corrections and communicate these to the pension provider. Provider dependent, an adjustment form will be sent, or direct communication will be made with the provider to advise of any corrections.

Adjustments To Pensionable Payments:

Upon request from the Customer, Fourth will update payment types set up in the system to ensure any payment lines are treated correctly in the pension calculation.

Additional AEMS Information

Pension Legislation

- Fourth will update the customer portal with any new legislation or changes to existing legislation.
- Fourth will help to answer legislative queries from the Customer
- Fourth cannot give legal advice or take responsibility for decisions on customer pension schemes.

Pension Bandings

Fourth will review annually any changes made to pension bandings and ensure that the correct guidelines are applied when calculating employee contributions each pay period. Once any changes are effective, Fourth will secondary check the relevant schemes ensuring the correct banding is applied based on payroll frequency.

Pension Provider Enquiries

Fourth collaborates with the Customer's pension provider regarding queries about an employee's enrolment status, contribution rate, or contribution amount.

Pension Reconciliation Approval

Fourth will reconcile pension contributions after each pay period and report to the Customer's chosen pension provider. Fourth will send the Customer a reconciliation total that shows the balance to be paid to the provider and a comparison of the amounts that have been deducted through the payroll. If the Customer has any queries with the payment amount, this should be raised to the payroll bureau immediately.

Some pension providers may require further approval before Fourth can upload contributions.

Pension – Non-Auto Enrolment Managed Service (Non-AEMS)

Fourth Responsibilities

- Fourth will support the Customer set up the Pension module and provide usage documentation.
- The Payroll Implementation Team will support the Customer with their pension staging project.
-

Customer Responsibilities

- Dealing with any pension deduction enquiries from the employee. This includes queries relating to the calculation of the pension deduction including those which cover qualifying earnings or pensionable pay.
- Liaising directly with the pension provider on any enquiries.
- Send pension letters to employees in line with current legislation.
- Entering pension data input into the pension module and ensuring its accuracy: -
  - Opt-in notice dates from job holders
  - Right to join notice dates from entitled workers
  - Opt-out notice dates, and validating the opt-out notice
  - Dates where employees want to cease contributions.
  - Uploading letter templates to the document trigger points
  - Maintaining employee information; ensuring any data entered into the employee record is accurate.
  - Where starter files have been submitted to the pension provider without a valid national insurance number (NINO) ensure it is added to the pension provider and Workforce Management system once received.
  - The Customer should set up an alert process to help manage any changes made to National Insurance numbers to ensure they satisfy the requirements of the pension provider.
  - Managing the activity for any employees who transfer between pension schemes including between pay basis and PAYE companies.
  - Ensuring the correct documentation is sent and received by the employee within the statutory deadlines. The system populates the dates the documents are due and provides the Customer with alerts/custom reports to manage the distribution of this documentation. The Customer is responsible for managing the process relating to the non-receipt of this documentation.
  - If employees do not have personalised email addresses, the Customer must provide an alternative distribution method for this documentation e.g. via the post. The documents are sent from Fourth's email address pensions@fourth.com or the Customer's postal address, and the Customer is responsible for re-submitting or re-posting documents where the original delivery method has failed.
  - Where the distribution method for the documentation is email, the Customer should be aware that the pensions@fourth.com mailbox is not a monitored mailbox and Fourth cannot provide details of any undeliverable items. The Customer should take every reasonable action to ensure the personal email address held in Workforce Management system is correct upon input.
  - Ensuring all pension adjustments including any pension refunds or underpayments are managed correctly.
  - The ongoing maintenance of the system once the Pension Module has been made active.
  - Check the pension files and sending to their pension provider in accordance with the correct timescales.
  - For automation of pension files direct to the pension provider (providing the pension provider has this facility) the Customer is responsible for entering the payment schedule into the pension diary.
  - For non-automation of pension files, it is the Customer's responsibility to send these directly to the pension provider.

- Ensuring the correct payment balances with the contribution files and is submitted to the pension provider on time.
- Overall people administration and access levels within the Pension Module.

Customers are requested to inform Fourth of any responsibilities that are not mentioned in this section. Fourth will then determine the appropriate party responsible for those duties.

Processing Pension Data – Fourth's Pension Module

The Pension Module calculates the statutory dates required for the pension process based on the date of birth entered on the employee record.

The Pension Module performs the following functions based on the information held within the Workforce Management system each pension processing period:

- Calculate the status of an employee (eligible Job-holder, non-eligible Job-holder, entitled worker)
- Calculate the date documentation is due to be sent to the Employee.
- Enrol employees who qualify for automatic enrolment into the pension scheme
- Calculate pension deductions for the pay period based on the rules set up at the pension scheme level.
- Calculate starters & leavers pro-rata calculations based on the rules set up at the pension scheme level.

Customers are requested to inform Fourth of any responsibilities that are not mentioned in this section. Fourth will then determine the appropriate party responsible for those duties.

Additional Services

Additional Chargeable Services
Additional BACS files
Year end services (P60/ P11D)
Manual calculation for customer error
Statement of earnings (SOE)
Adhoc work requests
Payroll and employee rollback

All additional service requests should be sent to payroll@fourth.com.

Additional BACS files

Additional BACS files may be sent mid cycle. If calculations are required for the additional payment, refer to the Manual Calculation Service. Additional BACS files will require 3 working days for payment processing.

Year End Services (P60/P11D)

Management of P60's and P11D's can be processed by Fourth for additional costs.

P11D Service

Fourth will input benefit data within the system, produce the P11D document and submit to the HMRC. Customers who require the P11D service must formally opt-in. For more information including costs, please click here. If you wish to opt-in please let us know by email to payroll@fourth.com

P60s

All Payroll Bureau Service Customers will be automatically enrolled into the P60 service and will be sent a further confirmation within the Year End Services communication. For more information including costs, please click here. If you wish to opt-out please let us know by 31 March of the then current tax year by email to payroll@fourth.com.

Manual Calculations

A manual calculation can be performed for any pay period and tax year required to recalculate an error. If a calculation is for a previous tax year, an FPS correction may be required.

Statement of Earnings (SOE)

HMRC do not accept Statement of Earnings documents. These forms are only necessary if employees misplace their P45, payslips, or P60.

Ad Hoc Work Requests

Fourth provides ad hoc work requests, which require a meeting to evaluate and understand specific needs and parameters involved. Both parties can discuss various aspects, including expected outcomes, timelines, and any particular requirements that might impact the cost. This allows Fourth to deliver tailored solutions that meet client expectations effectively.

Payroll and Employee Rollback

Whole payroll and individual employee roll backs are available as an additional service when required. Typically, rollbacks are used to correct errors or made any amendments within the payroll and submit to HMRC via FPS.

Charges

All additional Services are scoped based on the activities to be completed, complexity, volume and scale. These are quoted upon request at the applicable day rate. Please contact Fourth's Customer Success team with any requests for additional services.

All of the above charges will be subject to VAT and will be added to the rates applied.

Any additional work commissioned by the Customer falling outside of the payroll bureau service or not listed in the additional services above will incur additional charges.

Payroll and Pension Implementation

Fourth's Payroll Implementation resources are responsible for onboarding both new and existing customers to Payroll and Pension services.

Payroll Implementation will resource additional services and assign new PAYEs, pay basis, and pension schemes along with new customers.

This includes handling various ad hoc requests as outlined below:

- New PAYE set up
- New Pay Basis set up
- New Pension Scheme set up
- Conversion of Inhouse Payroll and Pension to Bureau Payroll and Pension
- TUPE transfers (Employees to move from an existing PAYE to a new PAYE)
- Company transfers (Employees to move from an existing pay basis to a new or existing pay basis)
- Portal split (To split from an existing portal and move to a standalone portal)
- Data migration (To move from an existing portal to another existing portal)
- Historic parallel pay run (Data is replicated from a current payroll provider to Fourth as the payroll provider)

For these requests, please contact Fourth's Customer Success team.

The details of any payroll implementation activity and Charges will be documented in the applicable Order and Statement of Work.