

Payroll Policy

(TPO/FIN/09)

Associated Policies

- TPO/STA/08 – Pay Policy
- TPO/STA/33 – Staff Expenses Policy

Review Periods

Last reviewed:	September 2025
Next review:	September 2026

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Policy Statement

This policy aims to maximise and assure the quality of the payroll provision. Ensuring transparency, accountability, objectivity and fairness in the decision-making process.

By adhering to this policy, we strive to maintain a high standard of payroll services, ensuring that all staff members are paid accurately and on time, while also complying with relevant legal and regulatory requirements

Scope

This policy applies to all staff members, who are paid monthly on 28th of the month unless this date falls on a weekend then payments will be made on the closest working day before.

HR and Payroll operate within strict deadlines for submitting the monthly payroll variances in order to give the team adequate time to processes any variances to the payroll. A monthly payroll schedule will be published each year and shared with local HR Teams.

Roles and Responsibilities

The CEO has responsibility for ensuring all appropriate policies, systems and training are in place.

The Executive Team, via the Strategic Delivery Group is responsible for the review and implementation of this policy.

The Head of People has day-to-day responsibility for this policy and any questions about this policy should be referred to them in the first instance. They are also responsible for overseeing the management of the Trust payroll, in consultation with the CFO. This includes the contract management of the Trust Payroll Managed Service Provider.

The CFO is responsible for the final sign-off of overpayments and loans.

The Trust Payroll Manager is responsible for the day-to-day management of the Trust payroll, working alongside the Trust Payroll Managed Service Provider.

Local HR Colleagues are responsible for accurately adding information to the HR system and for communicating contractual change information with payroll via the agreed method.

All employees have a specific responsibility to operate within the boundaries of this policy, ensure that they understand the expectations place upon them.

Payroll Administration

Payroll will be supported by an external managed service provider via a secure electronic portal. Contact is also made through telephone calls and emails where necessary. Each academy is responsible for updating the HR System in a timely manner to ensure that information is passed to the managed service provider on a monthly basis.

Pay Run Checking

The Central Payroll Team checks use both the system information and the CC S/Ss, which are locked for changes once the data has been collected.

The main areas for checking are:

- Starters and Leavers
- Long-Term absences (sickness/family leave etc)
- Contractual changes with a change in Contractual Hours/ Pro-Rata Salary and Actual Worked Weeks.

Additional checks are made for:

- Employees with Total Gross or Net pay variance of +/- 5%

In pay periods where there are high levels of changes that require checking the Trust Payroll Manager will prioritise the level of checking accordingly.

Payroll/BACS Signoff Process

Once final reports have been produced, the BACS Sign Off is then prepared. This is to give context to monthly total variations, and detail Net variances in high risk groups and individuals.

The following groups are reported on regardless of variation so as to reduce risk of unauthorised changes. Specific details are added for variances +/- 5%.

- Central
 - Leadership
 - Finance
 - People & Payroll teams
- Academy
 - Leadership team
 - Senior administration
 - Operational Leads & Business Managers
 - People team

Additionally, where net variances +/- 50% or net pay in excess of £5000 are identified.

The final check before sending for sign off is that the totals generated from final reports, match the BACS sign off forms, or an explanation is provided for the variance.

The payroll must be signed by two authorised signatories before being processed. Those with authority to authorise the payroll are as follows:

At least one of the following

- The Director of Education
- The CFO

And a further signature from one of the following who has not already authorised above

- The Director of Education
- The CFO
- The Head of People
- The Head of Finance Business Partnering

Post Payroll Sign-Off

Each academy is responsible for liaising with the Payroll Team to ensure that any errors are corrected as soon as is practically possible, if this requires an emergency payment, refer to the relevant section in this document.

The payroll system operated by the payroll provider automatically calculates the deductions due from payroll to comply with current legislation. These deductions include income tax, national insurance and pension deductions. The amounts payable are summarised on reports provided by the payroll provider as part of the reconciliation of gross pay to net pay. The payroll provider makes these payments on behalf of the academy. The Central Payroll Team should be reconciling the payments with the figures output from payroll on a monthly basis.

The Central Payroll and Finance Team is responsible for entering the pay journal onto the finance system once the payroll has been processed. Postings will be made to both the payroll control account and to individual cost centres. The Head of Business Partnering reviews the payroll control accounts each month to ensure that the correct amount has been posted from the payroll system to the correct ledger accounts. The Central Payroll Team are responsible for the monthly Balance Sheet reconciliations relating.

A comparison of each employee's pay with their budgeted pay will be performed by the Strategic Business Partners with the assistance of the Budget System and any explanations of variances identified.

New Appointments

If a new employee (or a colleague taking up a new position) starts with the Trust before the HR Cut off date for that month they will be paid in that month's payroll, however, if they start after this date they will receive their first pay the following month, along with the back dated pay from the prior month.

The relevant approval processes must be followed, as determined by the CFO.

Within Budget

The Principal has the authority to appoint staff within the authorised personnel establishment as set by the budget and the Job Families structure. All proposed changes must be communicated to the SFBP before contractually agreed to ensure that there is budget capacity for the changes.

Not Within Budget

If the new appointment is not within the authorised personnel establishment as within the approved budget then approval must be obtained from the Director of Education and CFO prior to advertisement and any subsequent appointment. If the new appointment is outside the Job Families structure, then prior approval from the Head of People must also be sought and a job evaluation completed.

Leavers

Once an employee gives notice or is given notice to terminate their employment they will be paid until their termination date, taking into account any associated additions and deductions, and a P45 will be sent to the home address on file.

Deductions may include holidays taken but not accrued, unpaid absences, meal deductions, loans. Additions may include overtime and holidays accrued but not taken.

Staff who work term time only do not generally work during the Trust holidays, but are paid all year round at a pro-rata rate. Therefore, they would not receive holiday pay in their final pay.

Where there has been a late leaver notification (after the payroll cut off date) the local HR representative must contact the Payroll Team asap to prevent any unnecessary overpayments being made.

Variations on Contractual Pay

All variances on pay must be communicated between the Principal and SFPB as soon as possible so that it can be confirmed that the appropriate procedure is being followed and that the budgetary impact has been considered before being contractually agreed with the staff member.

Any changes to contractual pay (e.g. allowances, TLRs, unscheduled pay increases, extra hours, extending contracts) must be approved by the Principal after consultation with the SFBP. Where the spend is unbudgeted then the reasons for the change need to be provided and means of mitigating the spend given.

The relevant approval processes must be followed, as determined by the CFO.

Changes in Personal Details

Employees are personally responsible for ensuring their personal details, including bank account details, are update within the HR System. Employees are able to view and update these manually by logging in to their [ESS Account](#). In order to take affect in the next months payroll these need to be updated before draft reports are available.

Overtime and Expenses

To claim pay for overtime worked or expenses, the procedures set out within the Expenses Policy and the Overtime Policy must be followed.

These must be submitted via the employees [ESS Account](#) and then approved by their line manager in line with the payroll schedule in [Appendix A](#) in order to ensure it is paid that month.

NB whilst the manual overtime and expense process is still in place these need to be approved by their line managed and sent to the local HR representative, prior to the cut off date specified in the schedule.

Absences

Absences are reported and record by local HR colleagues in the HR system. The absence period is calculated up to the end of the current payroll period (the last calendar day of the current month).

Where a long term absence last over 2 months the local HR colleague should enter this on to the contractual changes spreadsheet to payroll can ensure relevant checks are undertaken.

Third Party Deductions

Third Party Deductions include:

- Pension scheme payments
- Childcare Vouchers
- Union Fees paid via payroll
- Attachment of Earnings
- Direct Earnings Orders
- And other deductions.

Once requests are received from the third parties requesting payment the documentation is passed on to the Trust Payroll Managed Service to action. The documentation is submitted in line with the monthly payroll schedule.

Reporting to Third Parties is completed by the external managed service provider, however any reports submitted should be retained as part of the Trust record keeping.

Family Leave

Family leave includes:

- Maternity
- Adoption
- Shared Parental
- Paternity

Schedules are created once an employee informs HR of their intention to take family leave and the relevant documents are received by the Trust Payroll Team (including MatB1s and Applications Forms.)

The letters and schedules for employees should be sent no later than the month in which the leave is due to be taken.

Overpayments

An overpayment normally arises as the result of either an error, or as a result of incorrect, insufficient or late notification of a change to the individual's circumstances or contract of employment.

If a current employee has been overpaid in their most recent salary payment, then the error will be corrected by the payroll department against their next salary payment. The employee can, if they so wish, make a payment back to the Trust for an estimation of the overpayment prior to their next salary payment. This payment will be taken into account when the payroll department make the correction and adjusted accordingly. Where overpayments have happened over more than one month, these should be recovered in the same time period that they occurred (e.g. an overpayment that occurred over a 3-month period should be recovered in 3 months).

For employees who have left the Trust, the payroll department will write to explain the details of the overpayment and the amount due back, adjusting for deductions such as tax, national insurance and pension. This letter will include the bank account details of the Trust so ex-employees can make the necessary transfer.

The repayment is due within one calendar month, and in exceptional circumstances a repayment plan over a longer period of time can be agreed with the Head of People or CFO.

The vast majority of overpayments for employees who have left the Trust arise through the late submission of leave dates onto the system. However, where historical overpayments come to light that were over a period of time whilst they were in employment, recovery will also occur. The repayment period should be discussed and agreed with the individual but should be no longer than the length of time the overpayments occurred.

In some situations, an employee/ex-employee might be worried about the impact to their personal finances on paying back money, particularly if they work part-time. It is important that the Trust considers the wellbeing and mental health of its employees. In such scenarios the employee/ex-employee should contact either the CFO or Head of People as soon as possible to discuss a longer period of repayment. Specialist help is also available, for example through the employee assistance programme (EAP).

Disputed Overpayments

All overpayments disputed by the employee/ex-employee will be referred immediately to the Payroll Manager and relevant HR Colleague. The Payroll Manager (or delegated officer) will note details of dispute and investigate accordingly.

This process should be completed within 5 working days.

Once dispute investigation has been completed the Payroll Manager (or delegated officer) will confirm and amend the overpayment status if required. If an employee/ex-employee still refuses to pay, then the Trust will pursue recovery through the small claims court.

Loans

In exceptional circumstances a request may be made to the Trust to cover the cost of a payment in relation to their post, such as:

- VISA / Immigration costs (including Health Surcharge)
- Teacher Training Qualifications

In order to qualify for a loan an employee must be a salaried member .

An employee must sign and return the [loan agreement form](#) to the Head of People. This will be saved on their personnel file and a copy provided to the payroll department. This form must be authorised by the CFO and the Head of People.

The employee will agree to repay the loan through monthly deductions from their salary over a period to be agreed, but no longer than 12 months. Where an employee has less than 12 months remaining on their contract, the repayment plan cannot exceed the number of months remaining.

The employee agrees to remain employed by the Trust for the duration of the repayment period.

Should The Employee's employment contract be terminated or end for any reason (except in the cases of Redundancy), the Trust will deduct any outstanding amount still owed by the employee (subject to the provisions of the Employment Rights Act 1996.) Any such amount will be deducted from the employee's final pay. If insufficient funds remain, The Employee agrees to repay the balance within one calendar month of the termination date.

Pay Advances

The Trust will not provide any member of staff with an advance in their salary unless in exceptional circumstances when they start employment after the payroll cut-off. In these circumstances the advance will only be made with approval by the CEO, CFO and the Head of People. The [Pay Advance Agreement](#) needs to be completed and signed. Any advanced payment will be deducted from the first salary payment.

Record Keeping

Records will be kept no longer than necessary and in compliance with GDPR and Data Protection Act 2018, as well as the ICO Toolkit.

Confidentiality

The Trust aims to deal with matters under this policy sensitively and with due respect for the privacy of any individuals involved. All employees must treat as confidential any information communicated to them in connection with a matter which is subject to this policy. Any breach of confidence may be dealt with under the disciplinary procedure.

Monitoring arrangements

This policy will be reviewed every three years but may be revised as needed in consultation with the recognised trade unions.



This policy will be approved by the Trust’s Strategic Delivery Group.

Document control

Date of last review:	New Policy	Author:	Head of People
Date of next review:	September 2026	Version:	1
Approved by:	SDG	Status:	Non-statutory

V1: First policy iteration distributed to staff

Appendix A

2025/26 Payroll Calendar																																
April							May							June							July											
Wk	Su	Mo	Tu	We	Th	Fr	Sa	Wk	Su	Mo	Tu	We	Th	Fr	Sa	Wk	Su	Mo	Tu	We	Th	Fr	Sa	Wk	Su	Mo	Tu	We	Th	Fr	Sa	
52				1	2	3	4	5	4					1	2	3	9	1	2	3	4	5	6	7	13			1	2	3	4	5
1	6	7	8	9	10	11	12	5	4	5	6	7	8	9	10	10	8	9	10	11	12	13	14	14	6	7	8	9	10	11	12	
2	13	14	15	16	17	18	19	6	11	12	13	14	15	16	17	11	15	16	17	18	19	20	21	15	13	14	15	16	17	18	19	
3	20	21	22	23	24	25	26	7	18	19	20	21	22	23	24	12	22	23	24	25	26	27	28	16	20	21	22	23	24	25	26	
4	27	28	29	30				8	25	26	27	28	29	30	31	13	29	30						17	27	28	29	30	31			
August							September							October							November											
Wk	Su	Mo	Tu	We	Th	Fr	Sa	Wk	Su	Mo	Tu	We	Th	Fr	Sa	Wk	Su	Mo	Tu	We	Th	Fr	Sa	Wk	Su	Mo	Tu	We	Th	Fr	Sa	
17						1	2	22		1	2	3	4	5	6	26				1	2	3	4	30							1	
18	3	4	5	6	7	8	9	23	7	8	9	10	11	12	13	27	5	6	7	8	9	10	11	31	2	3	4	5	6	7	8	
19	10	11	12	13	14	15	16	24	14	15	16	17	18	19	20	28	12	13	14	15	16	17	18	32	9	10	11	12	13	14	15	
20	17	18	19	20	21	22	23	25	21	22	23	24	25	26	27	29	19	20	21	22	23	24	25	33	16	17	18	19	20	21	22	
21	24	25	26	27	28	29	30	26	28	29	30					30	26	27	28	29	30	31		34	23	24	25	26	27	28	29	
22	31																							35	30							
December							January							February							March											
Wk	Su	Mo	Tu	We	Th	Fr	Sa	Wk	Su	Mo	Tu	We	Th	Fr	Sa	Wk	Su	Mo	Tu	We	Th	Fr	Sa	Wk	Su	Mo	Tu	We	Th	Fr	Sa	
35		1	2	3	4	5	6	39					1	2	3	43	1	2	3	4	5	6	7	47	1	2	3	4	5	6	7	
36	7	8	9	10	11	12	13	40	4	5	6	7	8	9	10	44	8	9	10	11	12	13	14	48	8	9	10	11	12	13	14	
37	14	15	16	17	18	19	20	41	11	12	13	14	15	16	17	45	15	16	17	18	19	20	21	49	15	16	17	18	19	20	21	
38	21	22	23	24	25	26	27	42	18	19	20	21	22	23	24	46	22	23	24	25	26	27	28	50	22	23	24	25	26	27	28	
39	28	29	30	31				43	25	26	27	28	29	30	31	47								51	29	30	31					
																								52								
* December dates to be confirmed																																
	1	Position Creation Cut Off*						1	Bank Holidays																							
	1	Mileage & Expenses Cut Off																														
	1	HR Team Cut Off																														
	1	Payroll Team Cut Off																														
	1	Draft Reports Available																														
	1	Final Reports Available																														
	1	Pay Day																														