



MHR Standard Terms and Conditions and SLA's

SALES EXECUTIVE: Mary Watkinson

DATE: December 2025



By Appointment to
His Majesty The King
Supplier of Payroll and HR Systems
MHR International UK Limited
Nottinghamshire



This Master Services Agreement (the “MSA”) is made by and between:

- 1) **MHR INTERNATIONAL UK LIMITED** (the “Company”) whose registered address is at Peterbridge House, The Lakes, Northamptonshire, NN4 7HB, the United Kingdom, registered company number 01852206; and
- 2) **The “Customer”** – whose details are provided on the relevant Order Document.

WHEREAS:

- (a) the Company is a leading provider of HR, Payroll, Finance and Analytics Software and Services; and
- (b) the Customer desires to procure certain Software and Services from the Company as further detailed in the Order Document; and
- (c) both parties hereby agree to do business on the terms and conditions set herein.

1. DEFINITIONS AND INTERPRETATION

1.1 This clause 1 sets out definitions and rules of interpretation for the Agreement.

1.2 Unless the context otherwise requires, the following expressions shall have the following meanings:

“Activity Report” means a document provided by the Company to the Customer that outlines, inter alia, the tasks undertaken and/or completed as part of a scheduled work assignment.

“Agreement” means the entire agreement between the parties, comprising of:

- (a) Order Document(s);
- (b) this MSA;
- (c) the Service Level Agreement(s);
- (d) the Statement of Work; and
- (e) any annexures to them.

“Agreement Date” means the date specified on the relevant Order Documents;

“Agreement Term” means the fixed term of the Agreement set out on the relevant Order Documents;

“Agreement Year” means the 12 month period from the Agreement Date through to the anniversary thereof, and each subsequent 12 month period thereafter;

“Associated Company” means any holding company of the Customer and any subsidiary of the Customer, in each case carrying on business in the United Kingdom. The Customer may request an additional holding company and or subsidiary be incorporated into this Agreement and the Company shall consider such request in good faith and approve or reject (at the Company’s sole discretion) said request. The terms “holding company” and “subsidiary” shall have the meanings given to them by s.1159 Companies Act 2006;

“Authorised Representative” means, in the case of the Company, the officer specified in the Order Documents, or such other officer as may be duly authorised to act on behalf of the Authorised

Representative. In the case of the Customer, Authorised Representative means the officer specified in the Order Documents or such other officer who may hold themselves out as authorised to act on behalf of the Authorised Representative. For the avoidance of doubt, where any person employed by the Customer signs a Contract Document, the Company shall regard that person as authorised by the Authorised Representative to do so;

"Change Control Form" means the appropriate and relevant document as determined by the parties which is used to capture, inter alia, a change in the Statement of Work;

"Charges" means the charges payable in respect of, inter alia, particular Software and/or Services, as more particularly set out on the relevant Contract Document;

"Cloud Provider" means the organisation designated as such on the relevant Order Document(s) providing, inter alia, hosting services;

"Confidential Information" means all information shared by one party with the other including, but not limited to, its business, finances, customers, services, processes, Documentation and products communicated or received in any way whatsoever including, but not limited to, orally, in writing, electronically or obtained through observation. All such information which is designated as confidential or which is otherwise clearly confidential in nature constitutes "Confidential Information";

"Contract Document" means any of the following: the MSA; a Service Level Agreement; a Statement of Work; a Change Control Form; an Order Documents; or any annexures which the parties agree shall form part of this Agreement;

"Controller", "processor", "data subject", "personal data", and "processing" shall have the meanings given by the Data Protection Legislation in the context of which the term is being applied;

"Country of Use" means the country or countries specified in the relevant Order Documents;

"Current Sub-Release" means the most recent mandatory Sub-Release, or a subsequent non-mandatory Sub-Release which the Customer has in fact implemented;

"Customer Host System" means a Host System provided or operated by the Customer, an Associated Company, Permitted Agent or a third party supplier of any of the foregoing;

"Customer Support Contact" means a member of the Customer's personnel who is designated as such;

"Data" means the payroll, personnel, and associated data of the Customer, Permitted Agents, and the Associated Companies;

"Data Incident" means (i) the unlawful or unauthorised processing of personal data; or (ii) the disclosure of or access to personal data in breach of this Agreement (including accidental disclosure of or access to the personal data); or (iii) the temporary or permanent loss or theft of any personal data; or (iv) any other security incident affecting the personal data (including a personal data breach as defined in the Data Protection Legislation) by the Company;

"Data Protection Legislation" means any applicable law relating to the processing and use of personal data as applicable to Customer, the Company and/or the Services, including:

(a) in the United Kingdom:

- i. the (UK) General Data Protection Regulation, Regulation (EU) 2016/679 (GDPR) as amended by the Exit Regulations and the Data Protection Act 2018, and/or any corresponding or equivalent national laws or regulations (Revised UK DP Law) as amended from time to time.
- ii. The Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2019 (the Exit Regulations) as applicable.
- iii. the Privacy and Electronic Communications (EC Directive) Regulations 2003, SI 2003/2426, and any laws or regulations implementing Directive 2002/58/EC (ePrivacy Directive); and/or

(b) in member states of the European Union: the General Data Protection Regulations (Regulation (EU) 2016/679) (GDPR), the ePrivacy Directive, and all relevant member state laws or regulations giving effect to or corresponding with any of them; and

(c) any judicial interpretation of any of the above;

"Data Subject Request" means a request made by a data subject to exercise any rights of data subjects under Data Protection Legislation;

"Documentation" means any documentation or other materials made available by the Company to the Customer under the Agreement;

"Employee" means: for any Customer not using the Software for payroll processing: any person in respect of whom any personal or employment records are kept by the Customer (or an Associated Company or Permitted Agent) using the Software, including current or past employees (full or part time); or for any Customer using the Software for payroll processing: any person in respect of whom any personal or employment records are kept by the Customer (or an Associated Company or Permitted Agent) using the Software, including current or past employees (full or part time) whether deferred or in receipt of payment, but shall not be deemed to include Non-employee Records;

"Expenses" means the Company's reasonable travelling, accommodation (where necessary) and subsistence expenses, incurred in providing any Services at the Customer's Site. Any and all Expenses shall be charged separately and in accordance with the Company's prevailing rates from time to time;

"Fix" means an amendment to the Product which is not classified as a Sub-Release;

"GDPR" means the General Data Protection Regulation (Regulation (EU) 2016/679);

"Good Industry Practice"; means the exercise of the degree of skill and care, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced contractor engaged (in the United Kingdom) in activities of a similar scope and complexity to those that are subject to the relevant Agreement and under the same or similar circumstances, where such contractor is seeking to comply with its contractual obligations and all applicable law and regulatory requirements;

"Host System" means the computer system (including any hardware and software comprised within it) on which Software is installed;

"Implementation Project" has the meaning set out in clause 12.1;

"Implementation Services" means the services detailed as such in the relevant Order Documents and or Statement of Work in connection with the installation and implementation of the Software;

"Initial Charge" means the charge so designated in an Order Documents;

"Installation Address" means means the premises specified in an Order Documents where an item of Software is to be installed and operated;

"Intellectual Property Rights" means copyrights, rights in databases, patents, trademarks, business or trade names, domain names, registered designs, utility models, design rights, inventions, trade secrets, Confidential Information, know-how, get-up, and all other intellectual property and neighbouring rights and rights of a similar or corresponding character anywhere in the world (whether or not the same are registered or capable of registration) and all applications and rights to apply for or for the protection of any of the foregoing;

"Interfaces" means, in relation to the Product, the interfaces (whether standard or bespoke) which operate between the Product and any other software application and which will be provided by the Company to the Customer, as such interfaces are listed in the relevant Order Documents;

"Legislative Change" means an addition to or change in Government legislation (including Acts of Parliament, relevant regulations, and Statutory Instruments) in the United Kingdom and Ireland, but excluding (a) any additions or changes to any other form of regulation, any guidance or any scheme rules, and (b) additions or changes falling within clause 11.3;

"Licence" means a licence granted pursuant to clauses 3.1(a) and 10.1 of this Agreement to Use the Product, Documentation and any Software or Specification as detailed in an Order Documents;

"Losses" means costs, expenses, liability, injuries, losses, damages, claims, demands and legal costs and judgments;

"Malfunction" means any failure of the Product to operate (in the Company's reasonable opinion) in accordance with the Product Documentation or, in the case of a bespoke Interface, with the Specification for that Interface;

"Managed Services" means the services detailed as such in an Order Documents (including any Service Level Agreement referred to in it), including the bureau services, hosting services and outsourced HR services as the case may be;

"New Release" means, in relation to a given Product, a version of that Product offered by the Company which contains significant differences of functionality from the previous version or release and which is designated as a New Release by the Company

"Non-employee Records" means for any Customer using the Software for payroll processing: any person in respect of whom any personal or employment records are kept by the Customer (or an Associated Company or Permitted Agent) who are not paid at all or paid infrequently (three times per year or less) and have limited or no access to the Software.

"Normal Working Hours" means between 09.00 and 17.30 on a Working Day;

"Order Documents" means the document titled as such and executed by the parties setting out the details of, and terms applicable to the provision and receipt of, particular Software and/or Services;

"Permitted Agent" means an organisation which is authorised by the Company in its sole discretion to have Use of the Software and/or Services (such consent to add additional Permitted Agents throughout the Term not to be unreasonably withheld or delayed and the Customer shall incur an Initial Charge and

may incur additional Charges (in accordance with clause 10.5) and which, for the avoidance of doubt, is not required to be a holding company or subsidiary of the Customer as defined by s.1159 Companies Act 2006 and which may be incorporated in, and/or carry out its business within, a country outside of the United Kingdom. Any such Permitted Agents shall be defined on the relevant Order Documents as may be updated from time to time by written agreement of the parties;

"Previous Release" means the release of the Product in use by the Customer prior to the adoption of a New Release;

"Product" means the Company software, with the Sub-Release number and incorporated modules, all as specified in the Order Document as being licensed to Customer (and including any Interfaces listed in the Order Document and any Sub-Releases or Fixes which the Customer has elected to adopt from time to time in accordance with the terms of the Agreement);

"Product Documentation" means, in relation to the Product, the operating manuals, user instructions and user guides for the Product;

"Product Support" means the services detailed as such on an Order Document;

"Professional Services" means the services detailed as such in an Order Document, including (inter alia) the Implementation Services, consultancy services and/or training services;

"Professional Services Charges" means the charges so designated in the relevant Order Document;

"Project Manager" means a Representative of a party designated to act as the project manager in respect of particular Professional Services;

"Quarterly Managed Services Charge" means any charge so designated in an Order Document (as such may be amended from time to time in accordance with the Agreement);

"Representative" means an officer, employee, sub-contractor, independent contractor or agent of the Company or the Customer (in the case of the Company) any other person working under the direction of the Company;

"Service Desk" means the facility made available by the Company for the submission to it of Service Requests;

"Service Level Agreement" means the document titled as such and referred to in an Order Document which sets out additional detail regarding the respective obligations of the parties in relation to the Product and/or Services;

"Service Request" means any request by a Customer Support Contact for assistance in operating the Product, including the notification of a Malfunction;

"Services" means any services provided by the Company to the Customer under the Agreement;

"Site" means the Installation Address and any other premises of the Customer at which Services are to be provided;

"Software" means the Product, any Third Party Product or other software made available by the Company to the Customer under the Agreement;

"Specification" means the specification published by the Company from time to time, or developed or agreed by the parties under a particular Agreement, for a particular Software component or functionality, including but not limited to any design documents or User Guides;

"Stage Gate Acceptance Forms" shall be the form provided by the Company to the Customer for review and sign-off pursuant to the stage gate process as further detailed in the Statement of Work;

"Statement of Work" means the document which contains, inter alia, the scope of works to be completed as part of the Implementation Project;

"Sub-Processor" means any processor engaged by the Company (or by any other Sub-Processor) for carrying out any processing activities in respect of the personal data;

"Sub-Release" means, in relation to the Product, a partial re-issue of the Product by the Company from time to time in order to effect legislative upgrades and minor enhancements or corrections to that Product;

"Supervisory Authority" shall mean an independent public authority which is established by a Member State pursuant to Article 51 of the GDPR. This could include, for example, the UK Information Commissioners Office;

"Term" means the period commencing on the Agreement Date and ending on the date of termination of the Agreement (however such termination is effected);

"Third Party Product" means the third party software (if any) specified in an Order Document;

"Third Party Product Maintenance Services" means any maintenance and support services in relation to the Third Party Product which are specified in an Order Document as being provided or procured by the Company;

"Third Party Provider" means the supplier of a particular Third Party Product or Third Party Product Maintenance Service;

"Transfer Regulations" means the Transfer of Undertakings (Protection of Employment) Regulations 2006 and any successor legislation;

"Use" means:

- (a) the loading, copying, transmitting, or storing of any Software or Documentation onto a Host System;
- (b) the processing or running of any Software or Documentation on a Host System; and
- (c) the reading and possession of Documentation in conjunction with the uses set out in (a) and (b) above.

"User Guides" means a summary of the features and functionality of the Product and/or particular releases of it, as such is made available and updated from time to time through the Company's customer service cloud;

"Working Day" means any day other than Saturdays, Sundays and English bank and other public holidays;

"Working Hours" means the hours estimated to complete the Professional Services as set out in the Order Document, all of which shall be charged and invoiced in accordance with the terms and conditions of the Agreement. All Working Hours (unless otherwise agreed between the parties) shall be performed

within Normal Working Hours.

- 1.3 A reference to a statutory provision includes a reference to that provision as amended, consolidated or re-enacted (whether before or after the date of the Agreement).
- 1.4 Words importing one gender include all genders, words importing the singular include the plural, and (in each case) vice versa.
- 1.5 References to a "person" will be construed so as to include bodies corporate, unincorporated associations and partnerships.
- 1.6 Unless otherwise stated, references in a Contract Document to clauses and paragraphs are to clauses and paragraphs of that Contract Document.
- 1.7 If there is a conflict between any provisions in the Agreement, then (unless expressly stated to the contrary in such Contract Document) the following order of precedence shall apply: the variation section of the Order Document, the MSA, the Statement of Work, the Service Level Agreement, and the Order Document (including any annexures thereto).
- 1.8 Any headings are for ease of reference only and shall not affect the construction of any provisions of a Contract Document.
- 1.9 The words "include", "includes", "including" and "included" will be construed without limitation.
- 1.10 References to a "party" are to the Customer or Company (as applicable), and references to the "parties" are to both of them.

2. AGREEMENT OVERVIEW

- 2.1 Execution of an Order Document by both parties shall create a binding contract for the provision and Use of the Software and/or Services as outlined within such Order Document and in accordance with clauses 3.1 and 10 herein. Once executed by both parties, the Order Document shall form part of the Agreement and thus shall incorporate all of the terms contained in this MSA.
- 2.2 In the absence of an Order Document, the MSA on its own creates no obligation or right on behalf of either party, except where expressly stated otherwise.
- 2.3 The parties understand and expressly declare that neither party is agent for the other, nor does either party have any authority to make any contract, whether expressly or by implication, in the name of or otherwise binding the other party, without that party's prior written consent for express purposes connected with the performance of the Agreement.
- 2.4 The Customer acknowledges and accepts that the relevant Software and/or Services have not been developed to meet the Customer's individual requirements and it is therefore the responsibility of the Customer to ensure that the Software as described in the Documentation and the Contract Documents (including, inter alia, any Product modules) meet its requirements. By entering into this Agreement, the Customer signifies that it has conducted sufficient due diligence to satisfy itself that the Software meets its requirements.
- 2.5 The Company shall supply the Software and/or Services based upon an assessment made in good faith of the Customer's requirements as expressed in the information supplied by the Customer and which the

Customer warrants is, as of the Agreement Date, true and accurate. The Company shall not be liable for any failure to provide or any defect in the relevant Software and/or Services to the extent that such failure or defect is caused by an omission, error, inaccuracy or ambiguity in the expression of the Customer's requirements or in the information provided by the Customer.

2.6 All Professional Services are to be performed within Normal Working Hours.

3. THE COMPANY'S OBLIGATIONS

3.1 In consideration of the payment by the Customer of the Charges in accordance with the terms of the Agreement and as specified in the Order Document, the Company:

- (a) grants to the Customer a Licence to Use the Product, Documentation and any Software or Specification thereof in accordance with clause 10;
- (b) shall provide the relevant Product Support throughout the Term;
- (c) shall permit the Customer (or a third party authorised by it), to carry out audits and inspections of the Company on reasonable notice during Normal Working Hours. The Company may require a third party auditor to enter into a confidentiality agreement before permitting it to carry out an audit. The Company reserves the right to make a reasonable charge for the time of its personnel engaged in assisting with an audit or the completion of a Customer-provided audit questionnaire/report;
- (d) shall, at the request of the Customer, provide the Customer with the Company-standard White Papers which shall provide an overview of, inter alia, the practices carried out by the Company; and shall adhere to the Company-standard Security Data Protection and Assurance White Papers (as amended from time to time) which shall provide an overview of, inter alia, the practices carried out by the Company. Such practices shall be no less stringent than the Company-standard Security and Assurance White Paper in force at the Agreement Date
- (e) shall perform the Services as set out in the Order Document(s) in accordance with any relevant ServiceLevel Agreement.

4. THE CUSTOMER'S OBLIGATIONS

4.1 The Customer shall not, and shall ensure that its Associated Companies shall not (whether by act or omission):

- (a) interfere with the provision of the Services;
- (b) knowingly or recklessly engage in spamming, mail bombing, spoofing or any other fraudulent, illegal or unauthorised attack or use of any Host System;
- (c) knowingly or recklessly introduce into or transmit through the Software or any Host System any virus, worm, trap door, back door, timer, clock, counter or other limiting routine, instruction or design; or
- (d) knowingly or recklessly store, distribute or transmit through any Host System any material which is unlawful, harmful, threatening, defamatory, obscene, harassing or racially or ethnically offensive, facilitates violence, discrimination based on race, gender, colour, religious belief, sexual orientation, disability, or any other illegal activities. Notwithstanding the foregoing, this clause 4.1 (d) shall not serve to prevent the Customer from storing such material for the purpose of the Customer's internal HR records.
- (e) use the Software for any purpose that infringes, misappropriates, or otherwise violates the Intellectual Property Rights of any third party.

4.2 The Customer acknowledges that the provision of the Services under the Agreement is dependent on the Customer's co-operation, and timely provision of both accurate information and assistance. Failure of the Customer to fulfil any such obligations in whole or in part or, where appropriate, by the date specified in the Agreement for such fulfilment, and where such Customer failure causes the Company not to fulfil its obligations under the Agreement:

- (a) the Company shall not be liable for any such failure;
- (b) any date or time period set out in the Agreement for the fulfilment by the Company of any of its obligations shall be extended by a period of time equal to any delay caused by such Customer failure; and
- (c) where due to such failure additional resources are required in order to complete Services, further Charges may apply in accordance with section 13 (Change Control).

5. WARRANTY

5.1 Subject to the other provisions of the Agreement, the Company warrants that the Product and/or Services will be provided:

- (a) in accordance with Good Industry Practice; and
- (b) in compliance with the requirements of any relevant laws.

5.2 The Company further warrants that:

- (a) its title to and property in the Product is free and unencumbered and that it has the right, power and authority to license the same on the terms outlined in the Agreement;
- (b) upon completion of the Implementation Project, when properly used (as indicated in the Product Documentation or other Contract Document), the Product will operate in accordance with the Specification and Product Documentation; and
- (c) in providing the Product, it will use the latest versions of anti-virus software and (in accordance with Good Industry Practice) check for, contain the spread of, and minimise the impact of any corrupt data, viruses, worms and any other computer programs or code found within its systems (including the relevant hardware and software) that might cause harm or disruption to the Customer's systems.

5.3 Without prejudice to the Customer's other rights and/or remedies, if the Company breaches the warranties given in clauses 5.1 and/or 5.2, it shall at its option, and subject to 5.4 and 12.6 at its cost, and as applicable:

- (a) repeat performance of the part of the relevant Services, as appropriate, which are found not to conform to the warranty;
- (b) refund an appropriate proportion of those Charges paid by the Customer which are attributable to the part of the Software and/or Services found not to conform to the warranty;
- (c) provide Product Support to remedy the breach; or
- (d) replace the Software or any part thereof found not to conform to the warranty.

The Customer shall not unreasonably withhold or delay approval of any Change Control Form or variation to this Agreement which is required in order for the Company to provide the applicable remedy

in accordance with this clause 5.3.

5.4 The remedies in clause 5.3 are conditional upon:

- (a) the Customer giving written notice to the Company of any alleged breach of such warranty within 30 days of the date when the Customer discovers or ought reasonably to have discovered the alleged breach;
- (b) the Customer affording the Company reasonable opportunity to investigate the breach; and
- (c) the Customer not having committed any breach of its obligations under the Agreement which has led or contributed to the breach of warranty concerned.

Where the Customer fails to adhere to clauses 5.4 (a) to (c), the Company may, at the request of the Customer, provide a remedy in accordance with 5.3. In such circumstances, where the Company provides a remedy, the Customer agrees to pay on demand any additional fees, expenses and costs associated with providing such remedy to the extent that the Company has incurred such as a result of the Customer's failure to adhere to clauses 5.4 (a) to (c).

5.5 Other than any express warranties set out in the Agreement, and save to the extent prohibited by law, any representation, statement, condition, term or warranty, express or implied, statutory or otherwise, as to any Software, Services or Documentation is hereby excluded.

6. LIMITATION OF LIABILITY

6.1 Nothing in a Contract Document excludes or limits the liability of either party for:

- (a) death or personal injury caused by that party's negligence;
- (b) fraud or fraudulent misrepresentation; or
- (c) payment of the Charges.
- (d) any liability which cannot be excluded or limited by applicable law; or
- (e) the indemnification obligations at clauses 14.9, 15.4 and 17.2.
- (f) breach of clause 9 and 10.14

6.2 The total aggregate liability of each party under all Contract Documents in respect of physical damage caused to the other party's tangible property as a result of the other party's acts or omissions shall not exceed £5,000,000 (five million pounds).

6.3 Subject to clause 6.1, the Company shall not under any circumstances have any liability for any loss or damage which may be suffered by the Customer (or any other person having the benefit of the Agreement) whether arising in respect of any breach of a Contract Document or any representation or tortious act or omission (including negligence and breach of statutory duty) or otherwise howsoever arising under or in connection with a Contract Document, and which falls within any of the following categories:

- (a) indirect or consequential loss or damage (irrespective of whether the Company was aware of the circumstances giving rise to such loss or damage);
- (b) loss of profits;
- (c) loss of revenue;
- (d) loss of anticipated savings;
- (e) loss of business opportunity;

(f) loss of goodwill; or

Provided that this clause 6.3 shall not prevent claims for direct financial loss arising out of a breach of the Data Protection Legislation or any other claims for direct financial loss that are not excluded by clauses 6.3(a) to 6.3(f).

- 6.4 Subject always to clause 6.3 and 6.6 and other than the liability referred to in clauses 6.1 and 6.2, the total aggregate liability of the Company under or in connection with the Agreement (whether arising in contract, tort (including negligence or breaches of statutory duty by the Company or its Representatives), under any indemnity or otherwise) in an Agreement Year shall not exceed an amount equal to 125% (one hundred and twenty five percent) of the total Charges paid or payable by the Customer under the relevant Agreement during such Agreement Year.
- 6.5 Each party shall at its own cost maintain in force throughout the Term, and not less than six (6) years thereafter, policies of insurance covering the Losses which may be incurred by the other party arising out any breach of its obligation(s) in accordance with the Agreement.
- 6.6 Subject always to clause 6.3, the total liability of the Company under or in connection with the Agreement in relation to any Third Party Products or Third Party Product Maintenance Services and/or the relevant Cloud Provider(s) licensed, provided or made available under the Agreement (whether arising in contract, tort including negligence or breaches of statutory duty by the Company or its Representatives, under any indemnity or otherwise) shall not exceed an amount equal to the Charges paid or payable by the Customer during the Agreement Year in which the event giving rise to liability occurs.

7. CHARGES

- 7.1 The Customer shall pay the Charges in accordance with the terms of the Agreement. The Order Document shall stipulate whether the Services as may also be detailed in the Statement of Work or other Contract Document) shall, be delivered by the Company on a fixed price or time and materials basis.
- 7.2 Where the Order Document stipulates that the Services are to be conducted on a fixed price basis, the Customer acknowledges that any change to the agreed scope (as defined by the relevant Contract Document), including additional Software, Services and/or the performance of any Change Control Request shall be delivered by the Company on a time and materials basis at the Company's then prevailing rates.
- 7.3 Where the Order Document stipulates that the Services are to be conducted on a time and materials basis, the Company gives no warranty, representation or guarantee that any additional Software and or Services can be installed, implemented and or maintained within any estimated number of Working Hours. The Company gives no warranty, representation or guarantee that any additional Software and or Services can be installed, implemented and or maintained within any estimated number of Working Hours.
- 7.4 All Charges are separate. Where any element of the Charges is disputed, the Customer shall not be entitled to withhold payment of any other elements of the Charges which are not the subject of that dispute.
- 7.5 All sums set out in the Agreement are net and exclusive of any taxes, duties or other additional sums

associated with Expenses, Value Added Tax, or any other taxes and/or levies imposed by law that relate to the provision of the Product and/or Services which shall in each case be payable by the Customer.

- 7.6 Following the first anniversary of the Agreement Date and each subsequent anniversary, the Company shall increase the Charges payable under the Agreement (a "Charge Adjustment") by an amount equal to 5 (five) percent.
- 7.7 Save for the Initial Charges (which shall be payable within seven (7) days of the Agreement Date) all other Charges shall be due and payable by the Customer within thirty (30) days of receipt of the Company's invoice and by Direct Debit. Where a payment is cancelled by the Customer or is declined by the Customer's bank, the Customer acknowledges that an administrative charge may be applied to replace or reinstate the Direct Debit mandate.
- 7.8 If any sum due from the Customer to the Company is not paid by the Customer by the due date for it and is not subject to a bona fide dispute in accordance with clause 7.2 then the Company may choose (without prejudice to its other rights and remedies) to:
- (a) charge interest on the outstanding sum until payment at the rate set out in the Late Payment of Commercial Debts (Interest) Act 1998, in which case the Customer shall pay such interest on demand; and
 - (b) recover from the Customer (as a debt) any reasonably incurred legal fees associated with the Company seeking the Customer's payment of the Charges.
- 7.9 Where the Customer procures additional training and or consultancy Services, and such Services are expressed on an Order Document as on Site, the Customer shall be charged for a minimum of six (6) Working Hours.
- 7.10 Save for where termination is solely due to the material breach of the Company, no refund of Charges shall be due to the Customer for the Company exercising its rights of suspension of the Product and/or Services, or either party exercising their rights of termination.

8. TERM, TERMINATION & SUSPENSION

- 8.1 The Agreement shall commence on the Agreement Date and shall terminate upon the earlier of:
- (a) expiry of the Agreement Term; or
 - (b) early termination of the Agreement in accordance with the terms herein.
- 8.2 The Agreement may be terminated immediately:
- (a) by either party if the other party commits a material breach of the Agreement which (in the case of a breach capable of being remedied) has not been remedied within fifteen (15) Working Days of a written notice from the party not in default requiring the other party to remedy that breach;
 - (b) by the Company if an undisputed amount due under that or any other Agreement is overdue and is not paid within fifteen (15) Working Days of the Company giving written notice to the Customer setting out details of the amount and stating that it is overdue;

- (c) on written notice by either party if any of the following events (or any event analogous to any of the following, in a jurisdiction other than England and Wales) occurs in respect of the other party:
 - (i) a proposal is made for a voluntary arrangement or for any other composition, scheme, or arrangement with, or assignment for the benefit of, its creditors;
 - (ii) a shareholders' meeting is convened, or a resolution is passed for its winding up (except for a bona fide reconstruction or amalgamation);
 - (iii) a petition is presented for its winding up (which is not dismissed within fourteen (14) days of its service) or an application is made for the appointment of a provisional liquidator or a creditor's meeting is convened pursuant to s.98 Insolvency Act 1986;
 - (iv) a receiver, manager or administrative receiver is appointed over any or all of its undertaking or assets;
 - (v) an administrator is appointed, or an application is made for such an appointment or the making of an administration order;
 - (vi) it becomes insolvent within the meaning of s.123 Insolvency Act 1986;
 - (vii) a moratorium comes into force pursuant to Schedule A1 of the Insolvency Act 1986; or
 - (viii) a party issues a section 114 notice pursuant to the Local Government Finance Act 1988.
- (d) by the Company if the Customer breaches clauses 4.1 (b) to (d), 10.8 and/or 10.9.

8.3 Upon termination of the Agreement:

- (a) any Licence granted under the Agreement shall terminate;
- (b) the Company shall fulfil its obligations pursuant to clause 16.14;
- (c) both parties shall fulfil its obligations pursuant to clause 15.7; and
- (d) where applicable, the Customer shall, at the Company's option, either:
 - (i) expeditiously return (or procure the return) to the Company any Product (and all copies thereof) in the Customer's or an Associated Company's or Permitted Agent's possession or control; or
 - (ii) irretrievably erase the Product from all Customer Host Systems and certify in writing to the Company (in such form as the Company may reasonably require) that the Product has been erased.

8.4 Clauses 2 (Agreement Overview), 6 (Limitation of Liability), 7 (Charges), 8 (Term, Termination & Suspension), 9 (Intellectual Property Rights), 15 (Confidentiality), 16 (Data Protection), 17 (Personnel), 18 (Compliance with Contract Documents), 21 (Waiver), 22 (Severability), 23 (Assignment and Third Party Rights), 25 (General, Notices and Communications) and 26 (Law and Dispute Resolution), shall all survive the termination of the Agreement and termination (howsoever arising) shall be without prejudice to the rights of the parties accrued up to such date.

8.5 The Company may (acting reasonably) suspend access to the Product and/or provision of the Services and/or Product Support (as applicable):

- (a) by giving seven (7) days' prior written notice to the Customer if any sum due from the Customer to the Company is not paid by the Customer within fourteen (14) days of the due date for it and is not

subject to a bona fide dispute in accordance with clause 7.2;

- (b) if Customer's use of the Product disrupts or poses a security risk to the Company's systems;
- (c) if Customer is using (or the Company has reasonable grounds to believe that the Customer is using) the Product for fraudulent or illegal activities; and/or
- (d) if Customer's use of the Product and/or the Company's continued provision of the Services is prohibited by applicable law, or the Company has been instructed or advised by a UK governmental body or authority to suspend the provisions of the Product or Services to the Customer.

8.6 Where the Company has issued a suspension in accordance with clause 8.5 (a) to (c), the Company reserves the right to, where access to and use of the Product, Service and/or Product Support (as applicable) is reinstated, apply a charge (a "Reconnection Charge").

9. INTELLECTUAL PROPERTY RIGHTS

9.1 All Intellectual Property Rights in any Software, Services, Specification and Documentation belong and shall belong to the Company or its licensors, and the Customer shall have no rights in or to them other than the right to Use them in accordance with the terms of the Agreement.

9.2 The Customer hereby grants to the Company, for the Term, a non-exclusive, royalty-free licence to use, operate, copy, and modify the Customer's Intellectual Property Rights for the purpose only of performing the Company's obligations under the Agreement.

9.3 Subject to clauses 9.4 to 9.8, the Company will indemnify the Customer from and against all Losses sustained or incurred by the Customer as a result of any claim made by a third party that the Use of the Product and/or Documentation provided by the Company under the Agreement, or the provision of any Services by the Company under the Agreement, infringes a third party's Intellectual Property Rights (an "IPR Claim").

9.4 The indemnity in clause 9.3 shall not apply in respect of an IPR Claim where the Customer's acts or omissions as outlined in this clause 9.4 (a) through to (e) prevent the Company from being able to exercise any of its options outlined in clause 9.7:

- (a) the IPR Claim is due to the Customer using the Product and/or Documentation other than in accordance with the terms of the Agreement;
- (b) the Customer is in material breach of the Agreement;
- (c) the Customer has failed to notify the Company in writing of the IPR Claim within fifteen (15) Working Days of first knowing or being aware of it;
- (d) the Customer has made an admission of liability in respect of the IPR Claim without the prior written consent of the Company; or
- (e) the Customer has prevented the Company (at the Company's expense) from conducting any litigation and negotiations for settlement of the IPR Claim.

9.5 If the Customer's acts or omissions as defined in 9.4 result in the Company being unable to exercise any of its rights pursuant to clause 9.7 then the Customer shall fully indemnify and hold the Company harmless from and against all Losses sustained or incurred by the Company which might have been avoided but for such act or omission.

9.6 The Company shall defend or make settlement of any IPR Claims at its own discretion and cost and the Customer shall give such assistance as the Company may reasonably require (such reasonable costs to be borne by the Company) to defend or settle any such IPR Claims.

9.7 In relation to any actual or threatened IPR Claim, the Company may at its sole option and expense:

- (a) procure for the Customer the right to continue using the affected part of the Product and Documentation;
- (b) modify or amend the Product and Documentation provided that any such modification or amendment does not (in the Company's reasonable opinion) materially adversely affect the capability and functionality of the Product and/or the Documentation; or
- (c) replace the Product and Documentation (in whole or part) with other software of substantially similar capacity, capability and functionality or equivalent documentation, in which case (where practicable) the Customer shall immediately return to the Company the replaced parts of the Product and/or Documentation and all copies of them or, if so requested by the Company, shall irretrievably erase them from all Customer Host Systems and certify in writing to the Company (in such form as the Company may reasonably require) that they have been so destroyed and erased

Save for any Losses which may be recoverable under the indemnity provided under clause 9.3, the remedies outlined in this clause 9.7 are the Customer's sole and exclusive remedies in relation to an IPR Claim.

9.8 The Company will give the Customer advance notification of the option it intends to pursue under clause 9.7. Following a performance by the Company of any of the above options, the Company shall not be liable in respect of any continuing Use by the Customer of the infringing part of the Product and/or Documentation.

10. LICENCE RESTRICTIONS

10.1 Without prejudice to the rights and restrictions set herein, any Licence granted under this Agreement permits the Customer to Use the Product, Product Documentation and any Software or Specification for processing the Data solely for its own internal business purposes in the Country of Use and for no other purposes whatsoever (but this does not prohibit remote access to the Product from outside the Country of Use). Without limitation, the Customer shall not permit the Use, implementation, configuration or support of the Product or Product Documentation by any third party, agent or subcontractor, nor shall it use the Product or Product Documentation on behalf of or for the benefit of any third party in any way whatsoever, including for the purpose of operating a bureau, rental or facilities management service (unless expressly agreed otherwise by the Company). Breach of this clause 10.1 shall void the warranties (and remedies thereto) set out in clause 5.

10.2 The Licence referred to in clause 10.1 shall commence from the Agreement Date and shall terminate in accordance with the provisions of clause 8.

10.3 The Customer may Use the Product to provide payroll and HR services to an Associated Company and/or Permitted Agent for its own internal business purposes and may also permit the Use of the Product by an Associated Company and/or Permitted Agent in connection with those services (subject always to clause 10.5). Such Use by an Associated Company and/or Permitted Agent shall at no time create a direct contractual relationship between the Company and the Customer's Associated Company and/or Permitted Agent, and any requests or communications must in all cases come directly through the Customer.

10.4 The Product may contain modules in addition to those indicated in an Order Document as being licensed

to the Customer. These additional modules are not covered by the Licence granted under or pursuant to the Agreement. The Customer shall not access, copy, or otherwise use these additional modules.

- 10.5 The Licence of the Product is limited to its Use in storing and/or processing Data in relation to the number of Employees and/or Non-employee Records stated in the relevant Order Document (the "Employee Maximum"). The Customer shall promptly notify the Company in the event an increase in the Employee Maximum is sought. Such change shall be recorded on the relevant Contract Document. The Customer acknowledges that the commercial offering is based on, inter alia, the Employee Maximum. The Company may at its discretion conduct an annual audit of the Customer's Use of the system and carry out a true-up process. The Customer agrees that by placing a record on the system, it acknowledges that they will fall into the category of Employee or Non-Employee Record.
- 10.6 Where the Customer exceeds the Employee Maximum and fails to notify the Company of the increase in accordance with clause 10.5, then (without prejudice to the Company's other rights and/or remedies) the Company shall be entitled to charge the Customer for the period commencing from the date that the Employee Maximum was exceeded to the date of notification by the Customer or the date the Company discovers that the Employee Maximum has been exceeded (as applicable). The Company shall be entitled to charge the Customer in accordance with this clause 10.6 at the Company's prevailing rate applicable at the time of notification or discovery.
- 10.7 The Customer shall keep exclusive possession of and control over all copies of the Product (including any Product Documentation) made available or delivered to it and shall effect and maintain adequate security measures to safeguard them from access or use by any unauthorised person. The Customer shall ensure that it shall not and its Representatives shall not share passwords which are assigned to individual users of the Software. Each user shall keep their password and log in credentials confidential to themselves.
- 10.8 The Customer may not reverse engineer, reverse compile, disassemble, adapt, modify, or correct any errors in the Product or any part of it.
- 10.9 The Customer shall not (whether itself or through any Associated Company, Permitted Agent, agent or third party):
- (a) copy, sell, transfer, lease, license, sublicense or otherwise deal (in whole or in part) with:
 - (i) the Software, Product Documentation, or the Specification;
 - (ii) any variations, modifications, copies, releases, versions, or enhancements thereof; or
 - (iii) any supporting software.
 - (b) have any supporting or other software or program written or developed for it based on any Confidential Information supplied to it by the Company or its Representatives.
- 10.10 Failure of the Customer to adhere to the provisions contained within this section 10 may constitute a breach of section 9 (intellectual property) and/or section 15 (confidentiality).
- 10.11 This section 10 shall not operate to preclude the use by the Customer or Customer Representatives who are not direct employees of the Customer, to perform project management and business analysis roles as part of the project of implementing the Product, provided that those contractors:
- (a) first sign a confidentiality agreement with the Company in the Company's standard form; and
 - (b) only Use the Product or the Product Documentation for the purposes of the Customer's project management and/or business analysis.

- 10.12 Where the Customer intends to use an independent contractor who will access the Product/Services, the Customer shall notify the Company in writing. Upon such notification, if the Company (acting reasonably) determines that the contractor is a competitor of the Company, the Company may reject the Customer's use of the contractor and the Customer hereby agrees not to use the rejected contractor in any capacity which relates to the Company's Product and/or Services.
- 10.13 Where the Customer engages an independent contractor in contravention clause 10.12 for the purposes of, inter alia, providing implementation services, consultancy services, and/or training services in relation to the Product and/or Services the Company reserves the right, without prejudice to the Company's other rights and/or remedies, to apply a charge equal to that which would have been payable by the Customer had such services been provided by the Company. The Customer accepts and agrees that such charges represent a genuine pre-estimate of loss which shall be payable to the Company, upon demand.
- 10.14 The Customer shall indemnify the Company from and against any Losses incurred in the event that the Customer breaches the licensing terms as set out in clauses 10.1, 10.7, 10.8 and 10.9.

11. PRODUCT MAINTENANCE

- 11.1 The Company shall be responsible for installing Sub-Releases and Fixes in accordance with this Agreement and the Service Level Agreement.
- 11.2 The Company shall amend, replace or add to the Product as may be required to give effect to Legislative Changes and shall make reasonable endeavours to make such amendment from the date when the Legislative Change takes effect, but not further or otherwise.
- 11.3 In providing Software and/or Services, the Company shall not be obliged to take account of any additions or changes to local or national collective bargaining or similar arrangements whether statutory or otherwise or to any extra-statutory concessions, arrangements or scheme rules which are industry-specific or sector-specific and not applicable to employees in general in a particular jurisdiction.
- 11.4 The Customer shall:
- (a) notify each Software fault through the Company as it arises, and supply the Company upon request with a documented example of such fault;
 - (b) co-operate fully with the Company in diagnosing any Software fault;
 - (c) not request, permit, or authorise anyone other than the Company or the Company's Representatives to provide any support or maintenance services in respect of the Product;
- 11.5 The Company shall not be obliged to provide support for any part of the Product which has been installed or implemented by a third party without the prior written consent of the Company, nor shall the Customer be entitled to rely on any of the warranties or remedies set forth herein.

12. PROJECT IMPLEMENTATION & PROFESSIONAL SERVICES

- 12.1 The parties shall work together (both acting reasonably and in good faith) to ensure the successful installation and implementation of the Software for live use (the "Implementation Project") in accordance with the Agreement which may include, but is not limited to, the Statement of Work (if applicable). Where Professional Services are procured by the Customer on an Order Documents (and such Professional Services are described as being provided on a time and materials basis), the Customer agrees to co-operate with the Company to ensure that the Professional Services can be carried out

within a reasonable time period. Where the Customer decides not to implement a particular module or modules it agrees to pay the Professional Services Charges associated with those modules no later than twelve (12) months from the Agreement Date as well as Quarterly/Annual Charges stated on the relevant Order Documents.

- 12.2 The Company's project manager and the Customer's project manager will work together to manage the Implementation Project in accordance with the Statement of Work. This will include the scheduling of Professional Services for each party's Representatives to deliver the Implementation Project, which will be subject to approval by the Customer's Project Manager (not to be unreasonably withheld or delayed).
- 12.3 Charges for cancellation or postponements by the Customer of any Professional Services shall be made pursuant to the following calculations (save for MHR Assist which shall be governed by the terms of the MHR Assist Service Level Agreement). If the Customer cancels or postpones;
- (a) more than fifteen (15) Working Days equals no charge;
 - (b) fewer than fifteen (15) clear Working Days equals 50% of the relevant Charges; or
 - (c) fewer than five (5) clear Working Days equals 100% of the relevant Charges.

In each case the calculation is made from the scheduled date of such Professional Services. The Customer accepts and agrees that the fees outlined above represent a genuine pre-estimate of loss which shall be payable to the Company, upon demand.

- 12.4 The Customer's Project Manager will be responsible for managing the Customer's contribution to the Implementation Project. The Customer shall at no cost to the Company:
- (a) provide all the Company's Representatives when at the Customer's Site with such facilities, equipment and media as may be reasonably necessary for the provision of the Professional Services;
 - (b) provide appropriately qualified and experienced staff in sufficient numbers to fulfil the Customer's tasks as part of the Implementation Project;
 - (c) ensure that its staff reasonably co-operate with the Company's Representatives;
 - (d) promptly provide the Company's Project Manager and the Company's Representatives with such information and documents as they may reasonably request, including making decisions on the Implementation Project without undue delay; and
 - (e) ensure that Stage Gate Acceptance Forms are signed off without undue delay.
- 12.5 If the Customer does not raise any objections, issues, or concerns in respect of the performance of the Professional Services during the Acceptance Period, the Customer will:
- (a) be deemed to be satisfied with and otherwise to have accepted such Professional Services; and
 - (b) not be entitled to raise them subsequently (or to claim any breach of warranty under clause 5 or otherwise). For the avoidance of doubt, this clause is not intended to prevent the Customer from accessing remedies available under Product Support.

Notwithstanding the foregoing, the Company may, at the request of the Customer, provide a remedy as detailed in clause 5.3 where the Customer has not raised the relevant objections, issues or concerns within the Acceptance Period. In such circumstances, where the Company provides a remedy, the Customer agrees to pay on demand any additional fees, expenses and costs associated with providing such remedy to the extent that the Company has incurred such.

12.6 The Company shall be liable for the acts or omissions of its Sub-contractors.

13. CHANGE CONTROL

- 13.1 During the Implementation Project, either party shall be entitled to request a change to the Services by notifying the other party of such change (a "Change Control Request"). Performance of any Change Control Request may be subject to additional Charges, including (where applicable), an administration charge.
- 13.2 The Change Control Request shall be considered carefully and in good faith. Where the parties agree on a particular change, they shall execute a Change Control Form formally recording the terms and details of the change. Until such Change Control Form is validly executed by both parties, the parties' obligations shall remain as set out in the then current versions of the applicable Contract Document.
- 13.3 The details of Service Level Agreements and the provisions thereof may be amended at any time by the Company upon ninety (90) days' written notice by the Company to the Customer, provided that such amendment does not materially reduce the level of support or Service Level provided.
- 13.4 The Customer accepts and agrees that the Services associated with the Implementation Project shall be restricted to those contained within the Statement of Work, or other subsequently agreed Contract Document. Services which are out of scope will be managed in accordance with this section 13 and may be chargeable.

14. THIRD PARTY PRODUCT TERMS

- 14.1 The Customer accepts that Third Party Products are licensed in accordance with the Agreement and the relevant third party terms and conditions as found online by the relevant Third Party Provider.
- 14.2 The licence of the Third Party Product shall commence on delivery of the Third Party Product and shall continue until it terminates in accordance with the Agreement.
- 14.3 The Company licences the Third Party Products to the Customer only for Use in conjunction with the Product licensed by the Company. The Customer shall:
- (a) only Use the Third Party Products in conjunction with such Product; and
 - (b) in its Use of the Third Party Products, comply with any obligations and restrictions applicable to such Product under the Agreement as if such obligations and restrictions also referred to such Third Party Products.
- 14.4 To the extent it is able to do so, the Company shall pass on to the Customer the benefit of any warranty given by the relevant Third Party Provider in relation to the Third Party Product and Third Party Product Maintenance Services.
- 14.5 The Company shall be entitled to pass on to the Customer by way of an increase in the Third Party Product licence charge or Third Party Product maintenance charge any price or cost increases imposed on the Company by a Third Party Provider. The Company shall provide the Customer with notice in writing of any such increase.
- 14.6 The provision of maintenance and support services by the Company for any Third Party Product is limited to that described in the Order Documents and in this clause 14.

- 14.7 Queries and requests for support and maintenance relating to a Third Party Product may where the Company is unable to resolve the issue, be referred to the relevant Third Party Provider. The Company shall keep the matter open until such time as a resolution has been found or the parties agree, acting reasonably and in good faith, that no resolution can be found.
- 14.8 Where a Third-Party Provider ceases to provide/licence the relevant Third-Party Product(s) or Third Party Maintenance Services available (due to discontinuation of the Third Party Product/Third Party Maintenance Services or where the Third Party Provider goes into administration), the Company may cease providing those Third Party Product(s) but shall use reasonable endeavours to find a replacement Third Party Provider.
- 14.9 The Customer will indemnify the Company from and against any Losses (including claims from any Third Party Provider) suffered or incurred by the Company in connection with any failure by the Customer to comply with the terms and conditions referred to in clause 14.1.

15. CONFIDENTIALITY

- 15.1 Each party may receive from the other party Confidential Information of the other party and neither party shall use, copy, or disclose any Confidential Information to any third party without the other party's prior written consent.
- 15.2 Nothing in clause 15.1 shall prevent either party from disclosing Confidential Information to such of its Representatives, Associated Companies or Permitted Agent that require access to the Confidential Information in the performance of that party's obligations, provided that such Representatives are contractually bound not to disclose the same. Notwithstanding the foregoing, where the Customer wishes to disclose any of the Company's Confidential Information to a Customer sub-contractor or agent, the Customer shall first notify the Company in writing. Where the Company (acting reasonably) considers such sub-contractor or agent to be a competitor of the Company, the Company may reject the disclosure of such Confidential Information and the Customer hereby agrees not to disclose such Confidential Information.
- 15.3 Without prejudice to clause 15.1, the Software, Services, Documentation, Specification and any information, data, specifications, source or object codes which the Company may from time to time impart to the Customer or its Permitted Agents or Associated Companies are proprietary and confidential to the Company (or its suppliers or licensors), and the Customer shall keep them confidential in accordance with clause 15.1.
- 15.4 Each party shall indemnify the other from and against any Losses suffered or incurred by the other as a result of a breach by the first party of its obligations under this clause 15.
- 15.5 The restrictions in clauses 15.1 and 15.3 shall not apply to:
- (a) items which were already in the possession of the party concerned before disclosure (except as a result of a breach of a Contract Document or any other agreement);
 - (b) items obtained from another source which is free to disclose the same;
 - (c) items which are in the public domain (except as a result of a breach of any Contract Document or any other agreement);
 - (d) the compiling and copying of elements of the Data (which do not, taken together, comprise personal

data or allow for the Customer or its employees to be identified) by the Company for the purposes of collating aggregated data or statistics for research purposes; or

(e) information disclosed in accordance with clause 15.6.

15.6 The following provisions shall apply where the Customer is subject to the provisions of the Freedom of Information Act 2000 ("FOIA"):

- (a) the Company shall provide reasonable assistance to enable the Customer to comply with any request received under the FOIA;
- (b) in the event that any request made under the FOIA relates to the Company, the Product, the Charges, or any other matter which falls under the auspices of the Agreement, the Customer shall consult with the Company prior to disclosure;
- (c) if the Company objects to the disclosure of any information falling within the scope of clause 15.6(b), it shall notify the Customer of its objection within three Working Days of being consulted under clause 15.6(b) setting out in reasonable detail why the Customer should not provide the information requested; and
- (d) in relation to all other information the Customer shall have the discretion to determine whether to disclose the Confidential Information having consulted with the Company in accordance with clause 15.6(c).

15.7 Upon termination of the Agreement, both parties shall, at the request of the other, either return, destroy or delete the other party's Confidential Information and supply written evidence of the same.

16. DATA PROTECTION

16.1 With respect to the parties' rights and obligations under the Agreement, the parties acknowledge that, for the purposes of the Data Protection Legislation, the Company is the processor, and the Customer is the controller in respect of any personal data processed by the Company pursuant to the Agreement. The Order Documents set out the scope, nature, and purpose of processing by the Company, the duration of the processing and the types of personal data and categories of data subject.

16.2 Each party shall comply with all applicable requirements of the Data Protection Legislation in respect of personal data. This clause 16 is in addition to, and does not relieve, remove, or replace, a party's obligations under the Data Protection Legislation.

16.3 Without limiting the generality of the foregoing, the Company shall:

- (a) Process the personal data only on behalf of the Customer, only for the purposes of performing the Agreement and only in accordance with the Customer's documented data controller instructions from time to time, unless required to do so by the law, in which case it will inform the Customer without undue delay and in any event prior to processing, of that legal requirement, subject to any legal requirement prohibiting such notification. The Customer's documented instructions include any tasks attributed to the Company in a Service Level Agreement;
- (b) Only transfer personal data to a third country or international organisation, on the instruction of the data controller (Customer) or with the data controller's authorisation;
- (c) Ensure that access to the personal data processed under the Agreement is limited to the personnel who need access to it to supply the Product and/or Services under this Agreement. The Company shall further ensure that any personnel who have access to the personal data, have been properly trained and appropriately vetted and have committed themselves to confidentiality and are made aware of the Company's obligations hereunder;

- (d) Taking into account the nature of the processing, implements and take such measures in relation to the security, confidentiality, availability, and integrity of the personal data as are required of it by the Data Protection Legislation and this Agreement;
- (e) Observe and comply with the requirements of the Data Protection Legislation with regard to the engagement of, and responsibility for, sub-processors;
- (f) Taking into account the nature of the processing, assist the Customer by appropriate technical and organisational measures, insofar as this is possible, for the fulfilment of the Customer's obligation to respond to requests by data subjects to exercise their rights under the Data Protection Legislation (including the right to transparency and information, the data subject access right, the right to rectification and erasure, the right to the restriction of processing, the right to data portability and the right to object to processing). Where notification of the exercise of such rights is given to the Company, the Company shall notify the Customer without undue delay, but in any case, within five (5) days of the request;
- (g) The Company shall notify the Customer in writing as soon as practicable if it receives any complaint, notice or communication that relates directly or indirectly to the processing of the personal data or to either party's compliance with the Data Protection Legislation.;
- (h) Taking into account the nature of the processing and the information available to the Company, assist the Customer in carrying out its obligations under the Data Protection Legislation with respect to security, breach notifications, data protection impact assessments and consultations with supervisory authorities or regulators. Any such assistance required from the Company (by the Customer) in relation to a breach of Data Protection Legislation that is found to be the sole responsibility of the Customer, shall be chargeable by the Company at the then prevailing rates. Where a Customer has contributed to a breach, the Company may recover costs on a pro-rata basis
- (i) Make available to the Customer information that demonstrates its compliance with appropriate Data Protection Legislation and this clause 16, in relation to its obligations as a processor;
- (j) Notify the Customer without undue delay but in any event within forty-eight (48) hours, after becoming aware of a Data Incident. In the event of a major Data Incident, the Company reserves the right to appoint a National Cyber Security Centre (NCSC) approved independent auditor (selected via <https://www.ncsc.gov.uk/schemes/cyber-incident-response/find-a-provider>) to act on behalf of all customers, as appropriate.

16.4 If the Company notifies the Customer that, in its opinion, an instruction infringes any applicable Data Protection Legislation, or is of the opinion that an instruction to process personal data is for purposes other than the performance of the relevant Agreement, it will consult with the Customer as soon as reasonably possible. If the Company acting reasonably after consultation is still of the same opinion, it will not be obliged to follow that instruction.

16.5 The Company acknowledges that, for the purposes of this Agreement, the personal data belongs to the Customer.

16.6 The engagement of any sub-processor named in the Order Documents or other Contract Document for the purposes stated therein is authorised by the Customer and such shall be a general written authorisation for the purposes of the Data Protection Legislation in relation to the purpose for which the sub-processor is engaged.

16.7 Where a sub-processor ceases to trade, becomes insolvent or is in breach of the Data Protection Legislation, the Company may change that sub-processor without reference to the Customer provided that:

- (a) it notifies the Customer as soon as practicable and in any event prior to the processing being undertaken;
 - (b) the replacement sub-processor is reputable and of such size and standing as to be able to fulfil its obligations to the Company without difficulty; and
 - (c) where requested by the Customer the Company shall provide a summary of the findings of due diligence undertaken in respect of the replacement sub-processor.
- 16.8 If the Customer objects to the change pursuant to clause 16.7 it may terminate the relevant Agreement (or where practicable, that part of it dealing with the relevant services) on the provision of 6 months' notice and (unless it can show that the objection was objectively reasonable in the circumstances) subject to the payment, prior to the expiry of that notice, of all outstanding charges for the balance of the Agreement Term.
- 16.9 Subject to clause 3.1 (c) the Company shall permit the Customer (or a third party authorised by it), to carry out data protection audits and inspections of the Company.
- 16.10 Without limiting the generality of the foregoing, the Customer shall:
- (a) ensure that it, and its Associated Companies, Permitted Agents and Customer Representatives comply with the Data Protection Legislation in respect of the personal data from time to time, including in its role as a controller and in supplying or making available to the Company any personal data for processing by the Company in the performance of its obligations under the Agreement; and
 - (b) not instruct the Company to process personal data for purposes other than the performance of the Agreement.
 - (c) Notify the Company without undue delay but in any event within forty-eight (48) hours, after becoming aware of a Data Incident or security incident which may impact the security or integrity of the personal data processed by the Company
- 16.11 The Customer warrants to the Company that:
- (a) it has all necessary appropriate legal basis and notices in place to enable the lawful transfer of personal data to the Company for the duration and purposes of the Agreement.
 - (b) all personal data provided to the Company pursuant to the Agreement will be, to the best of its knowledge, accurate and complete in all material respects, and the Customer is entitled to provide the same to the Company without recourse to any third party; and
 - (c) the personal data does not and shall not, so far as it is aware, infringe the rights of any third party.
 - (d) That appropriate technical and organisational controls are in place to protect the data of its employees insofar as it is within their control
- 16.12 The Customer acknowledges that the Company is reliant on the Customer for direction as to the extent that the Company is entitled to use and process personal data and that such direction will be set out in the Order Documents.
- 16.13 Where it is determined that both the Company and the Customer are involved in the same processing of the data and are jointly and severally liable under Article 82 paragraphs 2 and 3 for damage caused by the processing; no settlement in relation to that damage shall be made without first consulting the other party.
- 16.14 Upon expiry of the Agreement (except in the event of a renewal agreement) the Customer shall, within five (5) working days of receipt of a request from the Company, provide written instruction to the Company in respect of the return and/or deletion of the Data that has been processed under the Agreement.

- 16.15 Upon receipt of such instruction the Company shall promptly comply and provide a copy of the Customer's data as detailed in the relevant Data Controller Instructions (unless otherwise agreed as part of the Exit process and Charges)
- 16.16 The Company shall upon completion of the deletion of the data provide a certificate of destruction to the Customer.
- 16.17 Where a Customer fails to return the instruction or collect the data extract after a period of 30 days the Company shall delete the Customer's instance and the Data within. The Customer warrants that it shall not hold the Company liable for any breach of the Data Protection Legislation or any Losses incurred through its failure to provide the instruction at clause 16.13.

17. REPRESENTATIVES

- 17.1 Each party shall take reasonable precautions to ensure the health and safety of the other party's Representatives while such Representatives are at its premises, and to ensure that its own Representatives observe the other party's health and safety rules and procedures (as provided by each party to the other) while such Representatives are on the other party's premises.
- 17.2 If the employment of any employee of the Customer or any third party is deemed to transfer to the Company by operation of the Transfer Regulations (a "Transferring Employee"), then the Customer shall be liable for and shall indemnify the Company from and against:
- (a) all wages, bonuses, benefits, holiday pay, employment benefit costs, redundancy costs and unfair dismissal or discrimination awards and costs in respect of the Transferring Employee and all Losses relating directly or indirectly to the terms and conditions of employment, pensions and life assurance arrangements, health, welfare or any other matters concerning the Transferring Employee or any other claims which the Transferring Employee may have against the Customer or any third party in respect of any period before the transfer of the employment of the Transferring Employee to the Company;
 - (b) all claims arising out of any breach by the Customer, the Company or any third party of the Transfer Regulations in respect of any Transferring Employee; and
 - (c) all payments (including redundancy and unfair dismissal or discrimination payments or awards) which the Company may be obliged to make to the Transferring Employee together with all costs (including legal costs) in the event of the dismissal by the Company of the Transferring Employee following the transfer of the employment of the Transferring Employee to the Company.

18. COMPLIANCE WITH CONTRACT DOCUMENTS

- 18.1 The Company shall be entitled to take reasonable steps to verify and confirm that the Customer's Use of any Software and/or Services complies with the Customer's obligations under any Contract Documents in relation to such Use (including that the Customer is only using any Software to the extent it is licensed to do so) and the Customer agrees to provide the Company with reasonable co-operation and assistance to do so.

19. FORCE MAJEURE

- 19.1 In this clause 19, the expression "Force Majeure" shall mean an event which is beyond the control of an affected party and which such party could not reasonably anticipate or mitigate by means of contingency planning or any other prudent business means. Any event will only be considered Force Majeure if it is not attributable to the wilful act, neglect, default, or other failure to take reasonable precautions of the affected party, its agents, employees, or contractors. Industrial dispute or action shall

not give rise to an event of Force Majeure.

- 19.2 No party shall in any circumstances be liable to the other party for any Losses suffered by the other party by reason of any failure or delay in the performance of its obligations under a Contract Document which is due to Force Majeure. Notwithstanding the foregoing, each party shall use reasonable endeavours to continue to perform, or resume performance of, such obligations for the duration of such Force Majeure.
- 19.3 If either party is unable to perform its obligations under a Contract Document due to Force Majeure for a consecutive period of more than three (3) months the other party may terminate such Contract Document by notice in writing and the provisions of clause 8. shall apply.

20. ANTI-BRIBERY AND ANTI-SLAVERY

20.1 Each party shall:

- (a) comply with all applicable laws, statutes, regulations, codes, and guidance relating to anti-bribery and anti-corruption ("Anti-bribery Laws"), including the Bribery Act 2010;
- (b) not do, or omit to do, any act that will cause the other party to be in breach of the Anti-bribery Laws;
- (c) promptly report to the other party any request or demand for any undue financial or other advantage of any kind received by it in connection with the performance of the Agreement;
- (d) maintain throughout the term of the Agreement its own anti-bribery policies and procedures to ensure compliance with the Anti-Bribery Laws, provide a copy of such policies and procedures to the other party on request, and enforce such policies and procedures where appropriate.

20.2 Each Party shall:

- (a) comply with all applicable laws relating to anti-slavery including the Modern Slavery Act 2015 ("Relevant Requirements");
- (b) not engage in any activity, practice, or conduct which would constitute an offence under the Modern Slavery Act 2015 if such activity, practice, or conduct had been carried out in the United Kingdom;
- (d) have and maintain in place throughout the Term its own policies and procedures, including adequate procedures to ensure compliance with the Relevant Requirements, and will enforce them where appropriate.

20.3 Breach of this section 20 shall be deemed a material breach of the Agreement.

21. WAIVER

- 21.1 Failure or neglect by either party at any time to enforce any of the provisions of a Contract Document shall not be construed as, neither shall it be deemed to be, a waiver or abandonment of the respective rights of that party nor in any way affect the validity of the whole or any part of a Contract Document nor prejudice that party's rights to take subsequent action.

22. SEVERABILITY

- 22.1 If any limitation or provision contained in a Contract Document shall be determined invalid, unlawful, or unenforceable it shall be severed from the remainder of a Contract Document which shall continue to be valid to the extent permitted by law.

23. ASSIGNMENT AND THIRD PARTY RIGHTS

- 23.1 The Company shall be entitled to assign the benefit (s of the Agreement to a company or any group of companies of which the Company fromtime to time forms part.
- 23.2 Where the Customer is a statutory authority or agency, it shall be entitled to novate the Agreement to anybody which by law shall succeed to the functions of the Customer.
- 23.3 Save as provided for in clauses 23.1 or 23.2, neither party may assign, novate, sub licence or otherwise transfer a Contract Document or any rights or obligations under it whether in whole or in part, without the written consent of the other party (such consent not to be unreasonably withheld or delayed).
- 23.4 Each Contract Document shall be enforceable by the original parties to it and by their successors in title and permitted assignees.
- 23.5 Save as set out in the relevant Third Party Product terms and conditions, no person may enforce the terms of a Contract Document pursuant to the Contracts (Rights of Third Parties) Act 1999 (or any successor legislation).

24. ENTIRE AGREEMENT

- 24.1 The Agreement, together with the documents referred to in it, constitutes the entire agreement and understanding between the parties in respect of the matters dealt with in that Agreement and supersedes cancels and nullifies any previous agreement between the parties relating to such matters save for the terms of any previous agreement or arrangement expressed to survive termination.
- 24.2 Each of the parties acknowledges and agrees that in entering into the Agreement, and the documents referred to in it, it does not rely on, and will have no remedy in respect of, any statement, representation, warranty or understanding (whether negligently or innocently made) of any person (whether party to the Agreement or not) other than as expressly set out in the Agreement as a warranty. The only remedy available to it for breach of the warranties will be as set out in the Agreement.

25. GENERAL, NOTICES AND COMMUNICATIONS

- 25.1 Any terms and conditions contained within the Customer's form of order shall be superseded by the terms of the Agreement.
- 25.2 The Company may amend these terms from time to time by notice to the Customer where required to ensure legal compliance. The revised terms shall take effect on such date as the Company may nominate, provided that such date must not be less than 30 days from the date of the notice save where the change is required by law to take place earlier. Any other variation of the Agreement shall only be binding if it is in writing and signed by the Authorised Representative of each party.
- 25.3 The Customer will procure that its Associated Companies, Permitted Agents and Representatives comply with any restrictions on theCustomer under the Agreement as if they were a party to the Agreement. The Customer shall be liable for the acts and omissions of its Associated Companies, Permitted Agents and Representatives as if they were the acts and omissions of the Customer.
- 25.4 Any notice required or permitted under the terms of a Contract Document or required by law shall be in writing (in English) and shall either be delivered in person, sent by first class mail, or air mail, to the Authorised Representative of the party to whom the notice is being given at the address stated in this MSA (It shall be deemed to have been given upon delivery (if delivered in person), or otherwise 48 hours

after having been posted or by email (and in the case of notices sent to the Company, to the email address detailed in the Order Documents for the attention of the Company Secretary), and for the purposes of clause 16, to the data protection officer or designated data protection lead via email after an initial verbal notification. For the avoidance of doubt, this clause 25.4 shall not apply to the serving of any documents pertaining to legal proceedings.

- 25.5 Each party warrants that it has the right, power, and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms.

26. LAW AND DISPUTE RESOLUTION

- 26.1 If any non-contractual dispute, or any dispute between the parties about either the interpretation of the provisions of the Agreement or the performance by either of the parties of its obligations under the Agreement cannot be resolved at an operational level, upon the written request of either party, each party will within three (3) Working Days after the date of service of such written request appoint a designated representative (being a senior member of staff of the party who does not devote a substantial part of his time to the operation or performance of the Agreement) who will meet with the equivalent representative of the other party to endeavour to resolve such dispute subject to the further provisions of this clause 26. Nothing in this clause 26 will prevent either party from seeking injunctive or interlocutory relief or interlocutory remedies from the Courts in relation to any dispute.

- 26.2 In any attempt to resolve a dispute in accordance with clause 26.1:

- (a) designated representatives will meet as often as the parties reasonably deem necessary to gather and exchange all information regarding the matter in issue which the parties believe to be relevant to its resolution;
- (b) such representatives will discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any formal proceedings;
- (c) during the course of such negotiation, all reasonable requests made by one party to the other for information will be honoured so that each party may be fully advised of the relevant facts. The specific format for such discussions will be left to the discretion of the relevant representatives.

- 26.3 If at any time when the parties are endeavouring to resolve any dispute in accordance with clauses 26.1 and 26.2, the parties agree that the dispute should be resolved by mediation, or if a period of fifteen (15) Working Days has expired since the service of a written request in accordance with clause 26.1 and either party gives the other notice in writing requiring the dispute to be so referred, the parties shall refer the dispute to a mediator.

- 26.4 If within five (5) Working Days of the decision pursuant to clause 26.3 to appoint a mediator or the parties are unable to agree on the mediator to be appointed, then the mediator shall be determined by the Centre for Effective Dispute Resolution (CEDR).

- 26.5 As of the date of the last signature hereto, the formation, existence, construction, performance, validity, and all aspects whatsoever of each Contract Document (and for any non-contractual claims) shall be governed by the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to settle any disputes arising out of or in connection with any Contract Document.

27. NEW RELEASES

- 27.1 A New Release may be made available from time to time. In such cases, the Customer may opt to

implement the New Release within such period as the parties may reasonably determine.

- 27.2 On adoption of a New Release by the Customer, additional Charges may be payable. Once new Order Documents have been executed, the Company will invoice the Customer for these Charges in accordance with the payment method specified in the relevant Order Documents.
- 27.3 Once delivered to the Customer, a New Release shall be deemed to be the "Product" for the purposes of the Principal Agreement. The Previous Release shall cease to be licensed or supported once the New Release has been purchased.

28. ANONYMOUS DATA PROCESSING

- 28.1 Provided that the Company only undertakes the following activities on an aggregated basis using anonymous data which cannot be linked back to the Customer or any individual, nothing in this clause 28 shall restrict or prevent the Company from recording, retaining and using for monitoring, Product improvement and development, user-experience improvement, statistical analysis or marketing purposes:
- (a) any information derived from the Customer or its Associated Companies and/or Permitted Agents' Representatives access to and use of any Software or Services; or
 - (b) any information or data stored or processed using the Software or Services.
-



SERVICE LEVEL AGREEMENT

Hosted Cloud Services





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1. Introduction

1.1 PURPOSE

This Service Level Agreement defines the Services provided and managed by the Company to the Customer.

1.2 OBJECTIVE OF THE SERVICE

The objective is to deliver a timely, accurate and complete service to the Customer. The Service Level Agreement defines the service and the service level with the objective of:

- Clearly defining roles and responsibilities.
- Ensuring effective management of the Hosted Cloud Service.
- Defining effective communication channels.
- Documenting problem resolution and escalation processes.

Instructions

- The services to be delivered by the Customer's obligations and the Company obligations are denoted by the symbol "✓" within the tables of this document.

2. Overview of Provision

SERVICES IN SCOPE	Section	Provided
Cloud Services	3.0	✓

3. Cloud Services

3.1 PROVISION

The signed Order Document will take precedence over any optional selected Environments or Service Items and Interfaces that are non-standard to this Service Level Agreement.

ENVIRONMENTS	Provided
Standard Environments	
LIVE: The Customer's primary environment containing current data.	✓
TEST: A test environment containing a copy of the LIVE data and used for testing and approving updates, patches, fixes and functionality	✓
DEV: Additional environment for developing new business specific functions	✓



SERVICE ITEMS	Provided
SFTP – Secure File Transfer Protocol to enable the secure transfer of files	✓
Data Encryption at Rest (Standard)	✓

INFRASTRUCTURE RESPONSIBILITIES AND OBLIGATIONS	Company	Customer	N/A
Provide and maintain all IT Infrastructure required for the Supply of the Hosted Service at the Company premises.	✓		
Ensure IT Infrastructure related to the Supply of the Hosted Service at the Company premises always remain under Vendor support during operational lifetime.	✓		
Provide Customer access to the Managed Service	✓		
Provide and maintain all computer hardware, software (with exception of the Product) and associated equipment for the end-users of the product at the minimum specification recommended to operate the Product.		✓	
The Company and Customer will make each other aware of any changes or issues that will impact the delivery of the Managed Service.	✓	✓	
A minimum of multi-factor authentication (MFA) must be implemented to secure end-user access to the Product.		✓	

COMMUNICATION LINKS RESPONSIBILITIES AND OBLIGATIONS	Company	Customer	N/A
Internet presented Service: Provide the Managed Service up to and including the Service Boundary. Provide and manage an alternative (backup) internet link in the event of the primary internet link being unavailable.	✓ ✓		

HOSTED ENVIRONMENT RESPONSIBILITIES AND OBLIGATIONS	Company	Customer	N/A
Live Environments: Perform routine maintenance six times Annually over pre-determined weekends:	✓		



HOSTED ENVIRONMENT RESPONSIBILITIES AND OBLIGATIONS	Company	Customer	N/A
From 18:00 on the Friday to 09.00 on the Monday			
Non-Live Environments: Perform routine maintenance six times Annually over pre-determined weekends: From 18:00 on the Friday to 09.00 on the Monday	✓		
Publish the maintenance schedule for customer consumption prior to the start of the calendar year.	✓		
Details and timings of each maintenance window will be communicated to the Customer yearly in advance and prior to each occurrence.	✓		
Request environment copies. – The Customer is entitled to one environment copy per quarter outside of any copies required to support patch management or upgrades.		✓	
Maintain the application in accordance with the relevant published User Manual to ensure optimum application performance	✓	✓	
Where emergency updates or fixes are required to be applied the Company will endeavour to notify the Customer in writing or by email no less than 5 working days prior to any emergency maintenance	✓		
The company will proactively manage and monitor factors including, I/O, processor, memory, network and application performance that contribute to product performance.	✓		
Maintain the Product in accordance with the Systems Administration section of the relevant published User Manual, to ensure optimum application performance is achieved. (Issues relating to performance may not be dealt with by the Company until adequate maintenance measures are put in place by the Customer. The “System Administration responsibilities and obligations” list below provides a level of guidance but is not exhaustive).	✓	✓	

SYSTEM ADMINISTRATION RESPONSIBILITIES AND OBLIGATIONS	Company	Customer	N/A
Delete report output	✓	✓	
Delete match and gap log		✓	



SYSTEM ADMINISTRATION RESPONSIBILITIES AND OBLIGATIONS	Company	Customer	N/A
Delete expired notes		✓	
Process message logs – Absence/Payroll Calcs / Payroll Cleardown / Payslips + other frequent processes		✓	
Audit archive clear down		✓	
Batch logs		✓	
Correspondence logs		✓	
Workflow audit clear down		✓	
Data conversion logs		✓	
Checking Debug Calcs are switched off when not required	✓	✓	

PRODUCT RELEASE RESPONSIBILITIES AND OBLIGATIONS	Company	Customer	N/A
Monitor the Company Service Cloud for Product Release	✓	✓	
Advise the Customer of availability of upgrade.	✓		
Complete any pre-upgrade actions in TEST environment.		✓	
Agree timetable for applying upgrade to the TEST environment within supported service hours.	✓	✓	
Initiate the required change by raising a Change Control request to cover applying upgrade to TEST environment	✓		
Authorise Change Control to cover applying upgrade to TEST environment.		✓	
Apply upgrade to TEST environment as agreed.	✓		
Complete any post upgrade actions in TEST environment.		✓	
Test effect of upgrade affecting payroll functionality and confirm acceptance.		✓	
Test effect of upgrade affecting HR functionality and confirm acceptance.		✓	
Complete any pre-upgrade actions in LIVE environment.		✓	
Agree timetable for applying upgrade to the LIVE environment and any additional Customer environments inside supported service hours.	✓	✓	



Initiate the required change by raising a Change Control to cover applying upgrade to LIVE environment	✓		
Authorise Change Control to cover applying upgrade to LIVE environment.		✓	
Install upgrade to LIVE environment and any additional Customer environments as agreed.	✓		
Complete any post upgrade actions in LIVE environment and any additional Customer environments.		✓	

ADHOC PATCH MANAGEMENT RESPONSIBILITIES AND OBLIGATIONS	Company	Customer	N/A
Publish the post patch actions in the iTrent release Impact Analysis	✓		
Monitor the Service Cloud for release of patches and determine relevance		✓	
Using the Hosted Service request portal within service cloud: Agree timetable for applying patches to the NON-LIVE environments within supported service hours.	✓	✓	
Raise a Change Control request to cover applying patches to NON-LIVE environments	✓		
Authorise Change Control to cover applying patches to NON-LIVE environments		✓	
Apply patches to NON-LIVE environments as agreed.	✓		
Test effect of patches affecting Payroll and/or HR functionality and confirm acceptance.		✓	
Using the Hosted Service request portal within service cloud: Agree timetable for applying patches to the LIVE Environment and any additional Customer environments within supported service hours.	✓	✓	
Raise a Change Control request to cover applying patches to LIVE environment	✓		
Authorise Change Control to cover applying patches to LIVE environment.		✓	
Install patches to LIVE environment and any additional Customer environments as agreed.	✓		
Implement post patch actions		✓	



BUSINESS CONTINUITY RESPONSIBILITIES AND OBLIGATIONS	Company	Customer	N/A
Publish the post patch actions in the iTrent release Impact Analysis	✓		
Maintain internal Business Continuity Plan to facilitate the recovery of the LIVE environment in the event of a Disaster	✓		
Retain 48 hours of LIVE environment, database backups, database transaction logs, application configurations and Customer specific customisations via Primary Backup Solution.	✓		
Retain 30 days of LIVE environment, database backups, database transaction logs, via Secondary Backup Solution.	✓		
Retain 30 days of LIVE Database snapshots via the offline backup solution.	✓		
Retain 5 days of non- LIVE environment, database backups, database transaction logs, via Secondary Backup Solution.	✓		
In event of a Disaster, recover LIVE environment in accordance with the Company's Business Continuity Plan as per the published RTO and RPO.	✓		
Following a recovery of the LIVE environment validate data integrity and system stability.		✓	
Produce the annual disaster recovery test report for customer on request	✓	✓	
Complete full annual test to recover all Systems to the DR site and maintain the Business Continuity Plan	✓		

3.2 SERVICE LEVEL OBJECTIVES

The following section describes the Service Levels that will be met for the Service items listed within the Service Boundary of the Company.

The Cloud Hosting service and time measurements are applicable to the **LIVE** environments only and will form part of the regular service reviews.

If the live application fails to perform to the above service levels a call will be logged via the Company's Service Desk triggering an investigation process.



3.3 IT SERVICE AVAILABILITY

SERVICE ITEM	AVAILABILITY	RTO	RPO
LIVE iTrent environment	99.8% 24 x 7 x 365	12 Hours	4 Hours
Live Business Objects Environment	99.8% 24 x 7 x 365	12 Hours	4 Hours

3.4 CLOUD HOSTING MEASUREMENT PERIOD

The service measurement period is quarterly within the quarters commencing:

- **1st January**
- **1st April,**
- **1st July**
- **1st October**

3.5 CLOUD HOSTING SERVICE AVAILABILITY

The percentage of service availability is defined in section 3.3, less any perceived down time that is caused by factors beyond the Company's service boundary and not including planned maintenance.

In the event that a problem occurs with the Customer's infrastructure or the Customer's communications link that prevents the Customer from using the hosted services, the Company will make reasonable efforts to provide office accommodation and equipment to allow the Customer's staff to work from the Company's premises in order to assist the customer to complete any critical activities relating to payroll processing.

The Company will make an appropriate charge to the Customer for such a provision, depending on the duration the accommodation is required.

3.6 CLOUD HOSTING SUPPORT HOURS

Monday to Friday (Excluding English Bank Holidays)

08:00 - 18:00

Saturday and Sunday: **N/A**

The above are the hours during which the Company provides standard office-based Hosted Service support related to the Cloud Hosting Service.

Category 'A' faults will be investigated by the out-of-hours support team, all other calls will be attended to during the next working day as defined above.



The scope of the Managed IT out-of-hours technical support line is to provide IT based support for contracted Services and should only be used to log items that are defined as Category A issues.

Items such as payroll queries and software faults are not covered by this service and will need to be raised with the MHR Service Desk during their standard support hours.

4. Exit Management

Exit Management Responsibilities	Company	Customer
Prepare a transition schedule detailing timescales, requirements and milestones to achieve the transfer of Customer data.		✓
Agree transition schedule.	✓	✓
Provide specification of requirements for the data to be transferred.		✓
Agree specification of requirements.	✓	
Provide Customer data in line with the transition plan and specification of requirements. (Depending on the complexity of the requirement this may be a chargeable activity). As standard data will be provided as an oracle database.	✓	
For requests for other data formats the Company will make a charge for the provision of this data. The charge will be based on the number of day's effort required and the Company prevailing rates at that point in time. At all times up to the termination of the relationship the customer will be able to perform their own data extracts to provision and enable the move to a different provider.		✓

5. Escalation Contacts

The following table lists the names, titles, telephone numbers and email addresses of the Company contacts.



Name/ title /email address	Telephone	Responsibilities
Ian Price IT Director ian.price@mhr.co.uk	0115 945 6000	Escalation point for significant IT Hosting service issues

6. Glossary of Terms

Expression	Meaning
Business Continuity Plan	A plan that defines how the Company will deal with potential disasters.
Change Control	A formal process used to ensure that changes to a product or system are introduced in a controlled and coordinated manner
Company	MHR International UK Limited as the licensor of the given software products and services. The term Company may be read as “Supplier”, “Licensor”, “Seller”, or any other term defined in an agreement to denote MHR International UK Limited as the software provider.
Customer	The organisation identified on an Order Document or any other contractual document for the provision of software and services between the parties. The term Customer may be read as “Buyer”, “Authority”, “Council”, “Licensee”, or any other term defined in an agreement to denote the organisation as the recipient of any software or services.
Disaster	An event that causes a disruption to the Managed Service from the company site that will require an invocation of the Business Continuity Plan or Disaster Recovery Plan



Expression	Meaning
Data	Data is all data held in the Product
Malfunction	A failure which affects the delivery of the Service
Primary Backup Solution	SAN BASED: Direct Volume Replication of live Systems to DR Site.
Release	A release of the Product issued by the Company on a 90-day release cycle
RTO	The Recovery Time Objective is the stated time to recovery for Hosted Systems after a disaster is experienced.
RPO	Related to RTO - Recovery Point Objective describes the possible total data loss measured in time that may occur. Measured in time counting back from the disaster being declared.
Secondary Backup Solution	APPLIANCE BASED: On-line (warm) storage of database backups, database transaction logs applications and virtual machines direct to disk and replicated between Company sites.
Encryption at Rest	Data is encrypted at rest on an encrypted file system making physical theft of the data impossible.
TDE (transparent Database Encryption)	Database Application Based encryption to encrypt a Database in addition to Encryption at Rest provision described above.



Expression	Meaning
Service Boundary	The Service Boundary is defined as the point where equipment provided by the Company connects to equipment provided by the Customer. Where the service is provided over the Internet the end-point is the Router that provides access to the internet from the company site.
Planned Maintenance	A time window informed in advance to the Customer by the Company during which the service will not be available.
Unplanned Maintenance	A period of time that has not been informed in advance to the customer during which the service will not be available but is deemed essential for the secure and long-term operation of the service.
Service Desk	The central point of contact between the Company and the Customer for reporting <i>Incidents</i> (disruptions or potential disruptions in service availability or quality) and for users making <i>service requests</i> (routine requests for services).
Service Cloud	Service Cloud is the online ticket logging system used as the primary fault and query recording tool by the Service Desk. Customers have direct access to this to log and record activities around fault reporting, to download software and to access FAQs.
NON-LIVE Environments	This refers to the Standard TEST and DEV Environments as well as to any other temporary or Sandbox environments that the company may host for the Customer.
Systems	Systems for the purposes of this Service Level Agreement means the Product, Third Party Products and interfaces.



Document Control

Version	Date	Authors	Status	Comments
2.0	29/11/2018	David Crewe Ian Price	Draft	Revised and rewritten for managed services and cloud services
2.1	11/01/2018	Keeley Wilson	Draft	Revised to Include P11D section
2.2	12/02/2019	Keeley Wilson, Ian Lonie, Alex Beech	Final	Revised Cloud Services Section/ Data Management / Service Desk Section
2.3	21/11/2019	Keeley Wilson Ian Price	Final	Revised Cloud Services Section/ Data Management / Service Desk Section / Glossary of Terms updated / numbering updated/ Service Items updated
2.4	02/12/2019	Ian Price	Final	Minor Revision and structure
2.5	06/12/2019 20/02/2020	Ian Price David Crewe	Final	Revised glossary for clarification. Clarified uptime and maintenance definitions. Service Desk clarification. Amendment to 4.2.2 with categories.
2.6	08/07/2020	Keeley Wilson	Final	Removed variations section. Changed 'Cust' to 'Customer, and 'Comp' to 'Company' throughout. Removed 'Services not covered' section.
2.7	22/01/2021	Ian Price	Final	Minor Addition of MHRA Products to Service items – Section 4.1 Glossary clarifications and updates.
2.8	19/03/2021	Ian Price	Final	Additional of sandbox environments as selectable item.
2.9	28/06/2021	Ian Price	Final	Clarification on inbound interfaces and addition of service information for SSO and SPF/DKIM
3.0	15/09/2021	Ian Price	Final	Minor Structure, Font change, versioning in Footer. Clarification in wording for Category A incident.
3.1	17/09/2021	Ian Price	Final	Addition of Customer obligation to ensure multi-factor authentication ("MFA") under 'INFRASTRUCTURE RESPONSIBILITIES AND OBLIGATIONS'
3.3	17/01/2022	Ian Price	Final	Agreed Variations section added. TDE / EAR added to service provision section out



				TDE / EAR definitions added to glossary
4.0	01/08/2023	Ian Price	Draft	Version created for online use



SERVICE LEVEL AGREEMENT

People First Managed Payroll Service





Document Control

Version No.	Date of Issue	Authors	Status	Comments
1.0	15/08/2022	MHR	Draft	Creation of new SLA for People First Managed Service
1.1	09/09/2022	MHR	Live	Submitted for approval
1.2	20/11/2022	MHR	Live	Final
1.3	26/01/2023	MHR	Live	Removal of Cloud Services
1.4	15/02/2023	MHR	Live	Additional responsibilities added for BACS
1.5	06/03/2023	MHR	Live	Exit Plan added
1.6	01/09/2023	MHR	Live	Updated for online/ no system access
1.7	16/10/2025	MHR	Live	Review & updates to schedule



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1. Introduction

1.1 Purpose

This Service Level Agreement defines the services provided by MHR ("The Company") to The Customer.

1.2 Objective of the Service

The objective is to deliver a timely, accurate and complete service to The Customer as per the details below. Any items not specifically detailed in this document are excluded and are subject to full scoping, costing, and separate agreement.

The Service Level Agreement defines the service levels with the objective of:

- Clearly defining roles and responsibilities.
- Ensuring services are clearly understood.
- Defining effective communication channels.
- Documenting issue resolution and escalation processes.
- Defining software and service availability

1.3 Instructions

- The services to be delivered by MHR, along with The Customer's obligations are denoted by the symbol "✓" within the tables of this document.

2. Overview of Provision

SERVICES IN SCOPE	Section	Provided
Managed Payroll Service	5	✓
Provision	5.1	✓
Payroll Enquiry Service	5.2	✓
System Administration	5.3	✓
Change Control	5.4	✓
BACS Service	5.5	✓
Processing Schedules	5.6	✓
Service Level Objectives	5.7	✓



3. Data Management - Managed Services

3.1 Data Ownership Policy

The purpose of MHR's Data Ownership Policy is to support documented processes for MHR's Payroll Team. This policy describes the roles and responsibilities of the individuals charged with the handling, processing, and maintenance of this information as part of the Managed Service being provided by MHR.

3.2 Policy

It is the policy of MHR that data and information will be made available to the payroll administrator to perform the necessary HR & Payroll processing required by their position to provide managed services in line with the Contract between MHR and the Customer. The HR & Payroll data for the pay period will be available as necessary and relevant as determined by appropriate authorisation of both the employee and the Data Owner. The Data Owner may be the owner of the entire data set or a segment of the data.

It is the responsibility of the Customer to ensure that the Company employees are not set up as contacts (PSCs/ ACs) on client owned Service User Numbers.

3.3 Scope

This policy covers data entered by The Customer into the Core system for the purposes of payroll processing by MHR's Payroll Team. It is not intended to cover information on individual customer desktops, laptops, or mobile devices nor information held within other Customer applications.

It is the responsibility of The Customer to supply all related data via the secure method supplied by MHR for every payroll processing period. It is also The Customer's responsibility to supply the data to MHR's Payroll Team in the prescribed data template provided, with no errors or omissions, for the purposes of payroll processing.

3.4 Revocation of data access

End of Affiliation: All Data Access will end when The Customer's affiliation with MHR ends for any reason.

It is the Customer's responsibility to de-register MHR as their BACS Bureau.

3.5 Data Standards

All data being supplied to MHR for processing, outside of the Core Product, must be provided to MHR in the data template provided or agreed data entry method. MHR will work with The Customer during the implementation process to explain the quality of the data required.

Where incorrect or incompatible data is supplied to MHR it will be returned to the appropriate Customer representative to correct and resubmit. If data is submitted outside the scheduled timescales, it will not be processed unless mutually agreed with MHR and authorised by The Customer. Additional service charges will be levied as detailed below and agreed payroll processing scheduled dates may not be met by MHR.

Failure to provide data in accordance with the format or schedules removes the obligation on MHR in relation to the SLA standards set out in this document.



The Customer must provide the information via SFTP. Information provided through different delivery methods will not be processed.

Data Standard	KPI	Measurement
Format	All data provided to MHR for processing in MHR's data template or agreed data entry method directly in to the system	100%
Quality	The quality of data provided to MHR for processing is measured through inaccuracies and exceptions.	100%
Method	Data provided to MHR for processing must be via SFTP.	100%

3.6 Data Management

This section outlines how personal data will be managed by both The Customer (data 'Controller') and MHR (data 'Processor'). All personal data will be processed in line with the Data Protection Act 2018 and the General Data Protection Regulation (GDPR).

Activity	Company	Customer
Provide a secure method (SFTP) of sending payroll input data.	✓	
Provide payroll input data for the period in MHR's data template and via the secure method (SFTP) provided by MHR		✓

4. Managed Service

4.1 Provision

If the standard pay date falls on a non-banking day, the pay date will be amended in line with the agreed customer schedule.

Data must be sent by the scheduled cut-off date.

DATA MANAGEMENT	Company	Customer	N/A
PERSONAL INFORMATION			
Maintenance of personal information via Core Product or via MHR's data template		✓	
Processing of personal information provided in the MHR's data template	✓		
Submission of new starter data in MHR's data template		✓	



DATA MANAGEMENT	Company	Customer	N/A
Processing of new starter information provided in MHR's data template	✓		
STRUCTURE			
Collation of organisation structure data for all employees.		✓	
Maintenance of employee personal references and jobs within the organisation structure for all employees in the Core Product.		✓	
Submission of organisation structure data in agreed format		✓	
Processing of organisation structure data in MHR's data template	✓		
Attachment of new employees to the payroll, including payment method, NI category, P45/New Starter Declaration.	✓		
Submission of employee payroll attachment data in MHR's data template or agreed data entry method		✓	
Processing of employee payroll attachment information provided in MHR's data template or agreed data entry method	✓		
TRANSFERS			
Collation of payroll transfer details in agreed format		✓	
Completion of payroll transfer process.	✓		
WORKING PATTERN ADMINISTRATION			
Collation of working pattern information.		✓	
Creation of working patterns in the Core Product.		✓	
Manual attachment of working pattern changes in the Core Product.		✓	
Submission of working pattern data in MHR's data template		✓	
Processing of working pattern data information provided in MHR's data template	✓		
PAYMENTS			
Input of permanent or temporary data via Core Product.		✓	
Submission of permanent or temporary data in MHR's data template or agreed data entry method.		✓	
Processing of permanent or temporary data provided in MHR's data template or agreed data entry method	✓		



DATA MANAGEMENT	Company	Customer	N/A
ABSENCE			
Collect all absence data.		✓	
Input all absence data via Core Product.		✓	
Submission of absence data in prescribed data template or agreed data entry method		✓	
Processing of absence data provided in prescribed data template or agreed data entry method	✓		
Identification of employees requiring an Alabaster calculation.		✓	
Completion of Alabaster calculations.	✓		
Completion and distribution of Statutory Absence Exclusion forms as required.	✓		
PENSION DEDUCTIONS			
Input all pension data via Core Product.		✓	
Submission of pension data in prescribed data template or agreed data entry method		✓	
Processing of pension data provided in prescribed data template or agreed data entry method	✓		
Run pension assessment process.	✓		
Action pension deferments in line with agreed parameters.	✓		
Run the auto enrolment process.	✓		
Ensure payroll calculation process has successfully completed to calculate pension contributions.	✓		
Provide a formal opt out facility for employees.		✓	
Enter opt out information into the Core Product.	✓		
LEAVERS			
Input all leaver data via Core Product or via the standard data template		✓	
Processing of all leaver data via the core product	✓		
Submission of leaver holiday pay details in agreed data entry method		✓	



DATA MANAGEMENT	Company	Customer	N/A
Processing of leaver holiday pay data provided in prescribed data template or agreed data entry method	✓		
Notification of negative net pay for leavers.		✓	
Instruction of Negative Net Pay change		✓	
Amendment of negative net pay for leavers in line with agreed parameters.	✓		
Notify courts of leavers.	✓		
REDUNDANCY			
Make statutory redundancy calculations.	✓		
Input redundancy payments onto Core Product.	✓		
NON-STATUTORY DEDUCTIONS			
Submission of non-statutory deduction data in prescribed data template or agreed data entry method		✓	
Processing of non-statutory deduction data provided in prescribed data template or agreed data entry method	✓		
STATUTORY DEDUCTIONS			
Process all statutory deductions via Core Product.	✓		
Administer statutory deductions in accordance with the legislation and regulations.	✓		
COURT ORDERS (INCLUDING CHILD MAINTENANCE ORDERS)			
Submission of court order data or agreed data entry method		✓	
Input all data relating to court orders.	✓		
Process all court order data via Core Product.	✓		
Processing of court order data provided	✓		
Deduct administration fees at the prevailing rate, if applicable.	✓		
STUDENT & POSTGRADUATE LOANS			
Input all data relating to student & postgraduate loans.	✓		
Process all student & postgraduate loans data	✓		



DATA MANAGEMENT	Company	Customer	N/A
Legislative downloads from Government Gateway	✓		
TAX CODES			
Collect all data relating to tax codes.	✓	✓	
Processing of tax code data provided.	✓		
Legislative downloads from Government Gateway via Core Product.	✓		
BULK PAYROLL CHANGES (INCLUDING SALARY, PAYSACLE, PAYMENT TABLE & PENSION)			
Process all salary, PayScale values via Core Product.	✓		
Provide details of bulk payroll change requirement in a timely manner.		✓	
Process bulk payroll changes in the Core Product.	✓		
Any ad-hoc request for data cleansing or uploads will be chargeable through consultancy.	✓		

PERIODIC PAYROLL PROCESSING	Company	Customer	N/A
FIRST GROSS TO NET CHECKS			
Review Payroll process messages from 'To Do' list and resolve	✓		
Review and resolve HR process messages from 'To Do' list.		✓	
Review Core Product standard payroll dashboard and insights.		✓	
Check and review the tolerances via the net pay report	✓		
Check and review the payroll data headcount via the dashboard		✓	
Check and review the costing via the standard reporting tools	✓		
Check and review pension contributions	✓		
Advise customer of proposed amendments to correct issues identified during the first gross to net checks	✓		
Provide authorisation of proposed amendments or alternative instructions via the agreed data template		✓	



PERIODIC PAYROLL PROCESSING	Company	Customer	N/A
Resolve Payroll process messages from 'to do' list.	✓		
Review Payroll process messages from 'To Do' list.	✓		
Stop the Payroll.	✓		
Review Core Product standard payroll dashboard and insights.		✓	
Check and review the tolerances via the more payroll details report	✓		
Check and review the costing via the more payroll details report	✓	✓	
Check and review pension contributions	✓		
Ensure payslips have generated	✓		
Ensure P45s have generated	✓		
Follow the BACS process as defined in Section in 4.5	✓		

RTI PROCESSING	Company	Customer	N/A
PERIODIC ADMINISTRATION OF RTI SERVICES			
Create the periodic FPS Submissions	✓		
Review FPS process messages from 'To Do' list.	✓		
Provide authorisation of proposed amendments or alternative instructions.		✓	
Resolve FPS process messages from 'To Do' list.	✓		
Send the FPS Submission electronically as per the agreed schedule	✓		
Create the periodic EPS Submissions	✓		
Review EPS process messages from 'To Do' list.	✓		
Provide authorisation of proposed amendments or alternative instructions.		✓	
Resolve EPS process messages from 'To Do' list.	✓		
Send the EPS Submission electronically as per the agreed schedule	✓		



PAYROLL CLOSE DOWN	Company	Customer	N/A
Review next period pay dates and confirm in accordance with the payroll schedule.	✓		
Close current pay period	✓		

AD-HOC TASKS	Company	Customer	N/A
Provide information relating to any required earlier year updates(s).		✓	
Enter adjustments against employee(s) for earlier year updates as per the customer's instruction.	✓		
Creation of earlier year update(s)	✓		
Submission of earlier year update(s).	✓		
ANNUAL TASKS			
Generate P60s to employees as per the legislative deadline	✓		

PAYROLL CHECKING AND APPROVAL	Company	Customer	N/A
CONTROL CHECKS			
Check data input exceptions to highlight any issues.	✓		
Advise Customer of proposed amendments to correct issues identified in the data input exceptions.	✓		
Provide authorisation of proposed amendments or alternative instructions for data input exceptions.		✓	
Using the payroll dashboard check that the payroll balances.	✓		
Check the reasonableness of the highest and lowest gross and net pay values.	✓		
Check reasonableness of total gross pay, tax, NI, and superannuation by reference to previous values.	✓		
Provide list of authorised contacts to approve the payroll.		✓	
Ensure that relevant contacts are available to authorise the payroll as per the agreed schedule. Signature of the BACS authorisation form for net pay is considered by MHR to be acceptance by The Customer of the payroll.		✓	



PAYROLL CHECKING AND APPROVAL	Company	Customer	N/A
Check the payroll output and provide authorisation of payment transmission and legislative submissions as per the agreed schedule.		✓	
Receive authorisation as per agreed schedule.	✓		
Confirm validity of authorised contact.	✓		
Prepare, check, and distribute listings of third-party payments as per agreed schedule.		✓	
Reconcile payments made via BACS to source bank account.		✓	

4.2 Payroll Enquiry Service

PAYROLL ENQUIRY SERVICE	Company	Customer	N/A
Respond to payroll queries from The Customer's authorised representatives. All relevant information must be provided when making an enquiry, including the employee's name, payroll number, and either date of birth or NI Number.	✓		
Provide a telephone helpdesk between the hours of 09:00 and 17:00, Monday to Friday, excluding UK Bank Holidays, which all employees are permitted to call to discuss pay queries.	✓		
Respond to pay queries from The Customer's employees as required. All relevant information must be provided when making an enquiry, including company name, employee name, payroll number, and either date of birth or NI Number.	✓		
Respond to enquiries both written and verbal from HMRC, Courts and Child Maintenance Service.	✓		
Respond to requests for copy payslips, P60s and statement of earnings letters. Please note that these requests may incur an additional cost.	✓		

4.3 System Administration

SYSTEM ADMINISTRATION	Company	Customer	N/A
Define User and Security Profiles for the Customer		✓	
Create new User Accounts for the Customer		✓	
Create new User Accounts for MHR	✓	✓	
Deactivate Users for MHR	✓		



SYSTEM ADMINISTRATION	Company	Customer	N/A
Deactivate Users for The Customer		✓	
Re-set passwords for MHR	✓		
Re-set passwords for the Customer		✓	
Process Annual Increments & Salary Increases	✓		
Identify any national minimum wages discrepancies		✓	
Process National Minimum Wage & National Living Wage updates	✓		
Process Annual Element Uplifts	✓		
Provide Subject Access Requests related to Payroll information Received within 5 working days from The Customer Processed within 10 working days		✓	

4.4 Change Control

A formal process used to ensure that changes to a product or system are introduced in a controlled and coordinated manner. Changes will be reviewed, scoped, and implemented into the live environment.

SYSTEM CONFIGURATION	Company	Customer	N/A
Supply definitions of required system configuration changes, this will include but not limited to: • Payslip items ○ Payments ○ Deductions ○ Notional items • Calculations • Schemes and Benefits ○ Pensions ○ Absence • Costing Rules • Grades and Scale Points		✓	
Investigate and clarify requirements where necessary, and then provide an estimate for the cost, timing, and impact (if any) of	✓		



SYSTEM CONFIGURATION	Company	Customer	N/A
the change			
Specify changes to application configuration.	✓		
Provide necessary documentation detailing the Cost and timings along with a completed Change Control Request Form	✓		
Approve amendments required prior to work commencing		✓	
Agree implementation plan for any changes	✓	✓	
Incorporate agreed changes to System set-up to test in accordance with the specification	✓		
Incorporate agreed changes to employee records to test in accordance with the specification	✓		
Sign off amendments as complete		✓	

4.5 BACS Services

Payments to be made via BACS are detailed in Payroll Service Requirement form during service implementation. These payments will be made on the dates shown. If this is a non-working day, then the pay date will be amended in line with the agreed Customer schedule. These dates may also be varied by mutual consent of both The Customer and MHR and by dates nominated by BACS as non-processing days.

BACS PROCESS	Company	Customer	N/A
Generate the BACS file process for payments as defined in the Payroll Service Requirement form.	✓		
Supply and maintain a list of authorised signatories		✓	
Complete a separate BACS authorisation form for each transmission of employee payments entering the totals and BACS dates.	✓		
Send the completed BACS form to The Customer.	✓		
Confirm accuracy of figures and dates on the BACS authorisation form	✓	✓	
Ensure that relevant contacts are available to authorise the BACS transmission in accordance with the Schedule.		✓	
Sign the BACS authorisation transmission form and return to MHR.		✓	
Transmit the BACS file.	✓		



BACS PROCESS	Company	Customer	N/A
Maintain appropriate limits with BACS to ensure control over payments being made.		✓	
Process any non-BACS payments for employees or third parties		✓	
Ensure sufficient funds are available in the source bank account to fund the BACS transmission. The funding of the BACS payments will be through The Customer's nominated bank account. MHR will not, under any circumstances, be liable for funding the payment or any other costs incurred as a result of the subsequent late availability of funds		✓	
Ensure the Bank holding the source account has given the appropriate permissions for MHR to transmit BACS files on The Customer's behalf.		✓	
Inform Company of any changes to the source bank account or BACS user number, within a minimum 30-day lead time.		✓	
Recall of full BACS transmission(s) file.	✓		
Recall individual line within BACS transmission file.		✓	
Log into BACS Payment Services website and download any associated reports.		✓	
Action any line items identified on the Payment Service reports.		✓	
For the timely collection and verification of the following BACS reports: • BACS Input Report • Automated return of unapplied credits service report. • Advice of wrong account for automated credits service report.		✓	

BACS TIMETABLE	
Day 1	BACS Submission Day
Day 3	BACS Processing Day
Day 4	Payments reach accounts

Each of the days indicated must be nominated by BACS as a day on which processing may occur. These are normally Monday to Friday taking into account English Bank Holidays. MHR schedules BACS transmissions on the day before the submission day. This allows both The Customer and MHR contingency time in the event of difficulties.



MHR will not accept responsibility regardless of circumstances for late payments where The Customer stipulates those transmissions must on a fixed day/date that happen to be a transmission day.

In an exceptional circumstance the company retains the right to submit a payment file to the BACS clearing, in the event that the Customer fails to authorise the submission of that payment file, despite repeated attempts to contact the Customer.

4.6 Processing Schedules

A processing schedule will be agreed and created in the Service Contract. MHR and The Customer will agree on a schedule for the payroll cycle. This will include and outline data inputting, checking, and processing timings of the payroll.

Below is an example schedule, the submission of the BACS file will be on a 4-day BACS submission.

Activity	Pay date Minus	Timing
Submission of payroll data to MHR in the standard format via SFTP	P - 7	9:00
Start data processing	P - 7	9:30
Check payroll data	P - 6	14:00
Process and check amendments	P - 6	09:00
Stop calculation, check, and balance payroll	P - 4	14:00
Make payroll output available to The Customer for checking and produce BACS file	P - 4	09:30
Sign off BACS and payroll	P - 3	14:00
Transmit authorised BACS	P - 3	15:00
Generate Payslips and P45's	P - 1	09:30

The following table lists the annual activities and their statutory deadlines (as applicable).

Activity	Statutory deadline
Provide P60 to employees by	31/5

4.7 Service Level Objectives

Activity	Achievement Target	Comments
Produce payroll on schedule	100%	
Achieve BACS deadlines to schedule	100%	
Issue payroll output to schedule	99%	
Accuracy of payroll processing content	98%	



Activity	Achievement Target	Comments
Payroll queries (Current Tax Year)	80%	Within ONE working day from receipt
	95%	Within TWO working days from receipt
	100%	Within FIVE working days from receipt
Payroll queries (Previous Tax Years)	80%	Within TEN working days from receipt
	100%	Within FIFTEEN working days from receipt
Distribution of P60	100%	By scheduled date (in accordance with statutory requirements)
Calculation of net pay to enable manual payments	Up to 5	Within ONE working day from receipt
	6 to 14	Within TWO working days from receipt
	15 plus	Delivery date to be agreed
Fair Usage Activity	Amount per month	Comments
Calculation of over/underpayments including calculations for leavers.	1-10	Within the last tax year
Make statutory redundancy payment calculations	1-20	
Input redundancy payments	1-20	

4.7.1 Monthly Customer Contact Call

Issues identified by the Payroll Team during the pay period will be logged, investigated, and corrected to ensure the payroll is delivered accurately and on time.

The Payroll Team will issue payroll accuracy reports, including an overall score card. The report details any issues logged during the pay period and the phase at which they occurred, before BACS, after BACS or Dispatch. The report will be placed in the SFTP for retrieval and review.



As an optional additional service at the preference of The Customer, a customer contact call will be scheduled for a mutually agreed time so that the accuracy report can be discussed along with the outcomes of the pay period and any other relevant points.

4.7.2 Managed Service Support Hours

The Payroll Team will deal with pay enquiries, operational and schedule enquiries. The Payroll Team will be contactable between the following hours excluding weekends and English bank and public holidays.

- **09:00 to 17:00**

5. Exit Management

Exit Management Responsibilities	Company	Customer
Prepare a transition schedule detailing timescales, requirements, and milestones to achieve the transfer of Customer data.		✓
Agree transition schedule.	✓	✓
Provide specification of requirements for the data to be transferred.		✓
Agree specification of requirements.	✓	
Provide Customer data in line with the transition plan and specification of requirements. The output of the data will be CSV files. (Depending on the complexity of the requirement this may be a chargeable activity).	✓	
For requests for other data formats the Company will make a charge for the provision of this data. The charge will be based on the number of day's effort required and the Company prevailing rates at that point in time. At all times up to the termination of the relationship the customer will be able to perform their own data extracts to provision and enable the move to a different provider.		✓

6. Escalation Contacts

The following table lists the key contacts, telephone numbers and email addresses for any service escalations.

Name/ title /email address	Telephone	Responsibilities
----------------------------	-----------	------------------



Head of Operations	0115 945 6000	Escalation point for Managed Service issues
Director of Managed Services	0115 945 6000	Escalation point for significant HR and Payroll service issues.



7. Glossary of Terms

Expression	Meaning
BACS	Bankers Automated Clearing Service – usual method of payment
Change Control	A formal process used to ensure that changes to a product or system are introduced in a controlled and coordinated manner
Company	MHR International UK Limited as the licensor of the given software products and services. The term Company may be read as “Supplier”, “Licensor”, “Seller”, or any other term defined in an agreement to denote MHR International UK Limited as the software provider
Customer	The organisation identified on an Order Document or any other contractual document for the provision of software and services between the parties. The term Customer may be read as “Buyer”, “Authority”, “Council”, “Licensee”, or any other term defined in an agreement to denote the organisation as the recipient of any software or services.
HMRC	HM Revenue and Customs
Data	Data is all data held in the Product
P60	Employees summary of total pay and deductions for the tax year
Processing Schedule	The operational schedule detailing critical times and dates for the delivery of the service
RTI	Real Time Information – Communications sent to the HMRC on a periodic basis. This replaces the previous requirements for a P14 & P35.



People First service description

Classification

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People First is a multi-tenanted SaaS application deployed and hosted on Microsoft Azure.

People First is PEN Tested Annually with Reports available to customers.

Encryption at all levels: All traffic is encrypted in transit using HTTPS, all data is encrypted at rest using transparent encryption AES 256.

Zero maintenance: Fortnightly releases out-of-hours. Ensure the availability of the latest features.

Single Sign-on (SSO) People First supports Azure AD, Okta, Google (Open ID Connect providers). **People First** also comes with Azure SSO out of the box.

MHR Require Customers to ensure **MFA** is enabled to protect their highly sensitive data

People First Service levels

Update Time and Recovery

Recovery point objective:	4 hours
Recovery time objective:	12 hours
Availability target:	99.8%
Automatic updates (out-of-hours):	Every 2 Weeks

MHR Service Cloud: 24/7 Online service Cloud Support, FAQ, Knowledge base and Service requests.

Support Response:

Category A - A defect which renders the product inoperable such that a critical business or operational function cannot be met. The company's target shall be to correct such defect or provide an "alternative solution" or a workaround within 8 business hours. During this time, the company shall provide the customer with updates on progress at agreed intervals.

Category B - A defect that renders part of the product inoperable such that an imminent business or operational function cannot be met. The company's target shall be to correct such defect or provide an "alternative solution" or a workaround within 5 business days.

Category C - A defect which has an impact on the functioning of the product where either (a) a required business deadline is known and has been notified, or (b) the company has previously provided an "alternative solution" or a workaround to a defect in category A or B. The company's target shall be to correct such defect or provide an "alternative solution" or a workaround within 30 business days.

Category D - A defect where a function of the product operates other than in accordance with the description of the product in the applicable documentation. The company's target shall be to correct such defect or provide an "alternative solution", at its discretion, within 120 Business days or in a future release or sub-release.

Category E - Any other fault with the Product of a minor or cosmetic nature. The company's target shall be to correct such defect, at its discretion, in a future release or sub release.

Deployment region options	Primary location	Secondary location
UK	Uk- West	UK - South
EU	North Europe (Ireland)	West Europe (Netherlands)
US	East coast	West Coast





About MHR

MHR International Group is a global software and consultancy company specialising in HR, payroll, finance, employee engagement, learning and analytics, and artificial intelligence services. We maximise employee engagement, generate better data insights and improve efficiencies for over 1,300 companies, ranging from SMEs to large multinational corporates across both public and private sectors.





SERVICE LEVEL AGREEMENT

Payroll Processing Service





Document Control

Version No.	Date of Issue	Authors	Status	Comments
2.12	15/02/2023	MHR	Final	Update to BACS details
2.13	31/07/2023	MHR	Final	Online Version
2.14	27/03/2024	MHR	Change	Updated BACS wording
2.15	05/08/2025	MHR	Change	Updating BACS wording



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1. Introduction

1.1 PURPOSE

This Service Level Agreement defines the Services provided and managed by the Company to the Customer.

1.2 OBJECTIVE OF THE SERVICE

The objective is to deliver a timely, accurate and complete service to the Customer. The Service Level Agreement defines the service and the service level with the objective of:

- Clearly defining responsibilities.
- Ensuring effective management of the Payroll Processing Service;
- Ensuring effective management of the Hosted Cloud Service;
- Defining effective communication channels;
- Documenting problem resolution and escalation processes.

Instructions

- The Services to be delivered by the Customer's obligations and the Company obligations are denoted by the symbol "✓" within the tables of this document.

2. Overview of provision

SERVICES IN SCOPE	Section	Provided
Payroll Processing Services	4.0	✓
System Administration	4.3	✓
BACS Services	4.5	✓
Printing Services	4.6	✓
Processing Schedules	4.7	✓
Service Level Objectives	4.8	✓
Exit Management	5.0	✓

3. Data Management Managed Services

3.1 Data Ownership Policy

The purpose of the MHR Data Ownership Policy is to provide guidelines for the MHR Payroll Operations Team, protected by law, or both. This policy describes the roles and responsibilities of the individuals charged with the handling, processing and maintenance of this information as part of the managed service being provided by MHR.



3.2 Policy

It is the policy of MHR that data and information will be made available to the payroll team to perform the necessary Payroll processing required by their position to provide managed services in line with the Contract between MHR and the Customer. The Payroll data for the pay period will be available as necessary and relevant as determined by appropriate authorisation of both the employee and the Data Owner. The Data Owner may be the owner of the entire data set or a segment of the data.

- The Customer is the data 'Controller' and MHR is the data 'Processor'.
- Data Owner is the data 'Controller' = the Customer
- Third Party Services (optional - payslip printing services) is the data 'Sub-Processor'.

It is the responsibility of the Customer to ensure that the Company employees are not set up as contacts (PSCs/ ACs) on client owned Service User Numbers.

3.3 Scope

This policy covers data entered by the Customer into the payroll system for the purposes of payroll processing by the MHR Payroll Operations. It is not intended to cover information on individual customer desktops, laptops or mobile devices nor information held within other Customer applications. It is the responsibility of the Customer to supply all related data via the secure method supplied by MHR for every payroll processing period. It is also the Customers responsibility to supply the data to the MHR Payroll Team in the pertinent data conversion template provided to them, in the exact field order, for the purposes of payroll processing.

3.4 Revocation of data access

End of Affiliation: All Data Access will end when the Customer's affiliation with MHR ends for any reason.

It is the Customer's responsibility to de register MHR as their BACS Bureau.

3.5 Data Management

This section outlines how personal data will be managed by both the Customer (data 'Controller') and MHR (data 'Processor'). All personal data will be processed in line with the Data Protection Act 2018 and General Data Protection Regulation (GDPR)

	MHR	Customer
If applicable provide input data for the period in the prescribed data collection templates and through the secure FTP site method provided by MHR		✓
Provide a secure method of processing data if applicable	✓	

	MHR	Customer
Complete HMRC downloads for tax codes, student loans and post graduate loans	✓	

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4. Payroll Processing Services

4.1 Provision

If the standard pay date falls on a non-banking day, the pay date will be brought forward to the earliest available banking date. Data must have been sent by the cut-off date. It is the customer's responsibility for all payroll data to be entered by the cut-off date that is outlined on the payroll schedule. In the event where payroll deadlines are not adhered to, will mean the payroll will be processed late and payments may not be made on time.

PERIODIC PAYROLL PROCESSING	Company	Customer	N/A
FIRST GROSS TO NET PROCESS			
Run the Absence calculation process	✓		
Run Absence Process Log	✓		
Run the Car Mileage Calculation process	✓		
Run the Payroll Calculation process to • Calculate payments, allowances and reimbursements • Calculate gross pay • Calculate deductions • Calculate net pay • Lock Contracts	✓		
Run the auto-enrolment assessment process	✓		
Run Error and Warning reports	✓		
Check Error and Warnings and take appropriate action		✓	
Check payroll results against Customer parameters and highlight any issues	✓		
Produce and distribute standard reports as defined within the payroll procedures and task lists	✓		
Unlock contracts	✓		
Update the system according to Customer instructions	✓		
FINAL GROSS TO NET PROCESS			
Run the Absence calculation process	✓		
Run Absence Process Log, check and take appropriate action if required.	✓		
Run the Car Mileage Calculation process	✓		
Run the Payroll Calculation process	✓		
Run the auto-enrolment assessment process	✓		
Run Error and Warning reports	✓		



PERIODIC PAYROLL PROCESSING	Company	Customer	N/A
Check Error and Warnings and take appropriate action		✓	
Check payroll results against Customer parameters and highlight any issues	✓		
Follow the BACS process as defined in Section 4.5	✓		
Run Costing Process.	✓		
Run Costing Process Log	✓		
Run Clear down	✓		
Run Clear down Process Log	✓		

PAYROLL CHECKING AND APPROVAL	Company	Customer	N/A
Run standard control and exception reports.	✓		
Using the control reports, exception reports and spot checks, check that the payroll balances and that the results within agreed parameters.	✓		
CONTROL CHECKS			
Check exceptions report and provide to customer for review	✓		
Check brought forward values equal previous carried forward values (taking account of any cumulative value adjustments).	✓		
Check individual net pay values that vary in excess of 20% from previous period.	✓		
Check that values balance within and between reports.	✓		
Check highest and lowest gross and net pay values.	✓		
Check numbers on payrolls (current and leavers).	✓		
Check reasonableness of total gross pay, tax, NI and superannuation by reference to previous values.	✓		
Deliver to the Customer agreed control and exception reports,	✓		
Ensure that relevant contacts are available to authorise the payroll as per agreed schedule. Signature of the BACS authorisation form for net pay is considered by the Company to be acceptance by the Customer of the payroll.		✓	
Provide authorised signatory lists to approve the payroll.		✓	



PAYROLL CHECKING AND APPROVAL	Company	Customer	N/A
Check to confirm accuracy and authorise payroll in order to make payment. Normally this authorisation given by completion of the BACS authorisation form. As a minimum the following checks should be made: Check reasonableness of total gross pay, tax, NI and superannuation by reference to the previous values. Check individual net pay values that vary in excess of 20% from previous period. Check brought forward values equal previous carried forward values (taking account of any cumulative value adjustments). Check highest and lowest gross and net pay values. Check numbers on payrolls (current and leavers).		✓	
Receive authorisation as per agreed schedule.	✓		
Confirm validity of authorised signature.	✓		
Prepare, check and distribute listings of third-party payments as per agreed schedule.	✓		
Reconcile payments made via BACS to source bank account.		✓	

RTI PROCESSING	Company	Customer	N/A
SET UP & GO LIVE OF RTI SERVICES			
Complete a full data audit of the information contained within iTrent to assess the compliance of data for RTI purposes		✓	
Provide advice and guidance on any areas on non-compliance identified within the data audit process	✓		
Supply any data required to ensure that the data contained within iTrent is RTI compliant		✓	
Create the Employer Alignment Summary (EAS)	✓		
Submit the Employer Alignment Summary (EAS) to the HMRC as per the agreed schedule	✓		
Create the FIRST Full Payment Summary (FPS) file	✓		
Submit the FIRST Full Payment Summary (FPS) to the HMRC as per the agreed schedule	✓		
PERIODIC ADMINISTRATION OF RTI SERVICES			
Create the periodic Full Payment Summary (FPS) file	✓		
Provide advice and guidance on data errors contained within the periodic Full Payment Summary (FPS) file	✓		



RTI PROCESSING	Company	Customer	N/A
Complete required actions to address any data errors contained within the periodic Full Payment Summary		✓	
Electronically submit the Full Payment Summary (FPS) to the HMRC as per the agreed schedule	✓		
Create the periodic Employer Payment Summary (EPS) file	✓		
Provide advice and guidance on the reconciliation process required for the periodic Employer Payment Summary file	✓		
Complete required reconciliation actions for the periodic Employer Payment Summary	✓		
Complete required actions to address any reconciliation errors identified within the periodic Employer Payment Summary		✓	
Electronically submit the Employer Payment Summary (EPS) to the HMRC as per the agreed schedule	✓		
ANNUAL TASKS			
Create and distribute P60's to employees as per the agreed schedule via ESS or Email or print	✓		

4.2 Payroll Enquiry Service

PAYROLL ENQUIRY SERVICES	Company	Customer	N/A
Provide a telephone helpdesk between the hours of 9.00am and 5.00pm on any Working Day which all employees are permitted to call		✓	
Respond to pay queries from Customer employees as required. All relevant information should be available when making an enquiry: Company name, employee name, payroll number, and either date of birth or NI Number		✓	
Respond to payroll queries from Customer representative. This must be an authorised contact and have all relevant information available when making an enquiry, employee name, payroll number, and either date of birth or NI Number.	✓		
Respond to enquiries both written and verbal from HMRC, Courts and Child Support Agency.		✓	
Respond to enquiries both written and verbal from pensions or flexible benefits providers		✓	
Respond to requests for copy payslips, P60s and statement of earnings letters. Note these requests may be chargeable.	✓		



4.3 System Administration

SYSTEM ADMINISTRATION	Company	Customer	N/A
Create new user accounts		✓	
Define user and security profiles		✓	
Create and maintain user and security profiles		✓	
Release users whose user profile has been locked		✓	
Make users inactive		✓	
Re-set passwords		✓	

4.4 Change Control

A formal process used to ensure that changes to a Product or system are introduced in a controlled and coordinated manner.

SYSTEM CONFIGURATION	Company	Customer	N/A
Supply definitions of required system configuration changes, this will include but not limited to: • Elements ○ Payments ○ Deductions ○ Benefits • Calculations • Term and Conditions ○ Pensions ○ Absence ○ Car Mileage • Costing Rules • Grades and Scale Points		✓	
Investigate and clarify requirements where necessary, and then provide an estimate for the cost, timing and impact (if any) of the change.	✓		
Specify changes to application configuration.	✓		
Provide necessary documentation detailing the Cost and timings along with a completed Change Control Request Form	✓		
Approve amendments required prior to work commencing.		✓	
Agree implementation plan for any changes.	✓	✓	
Incorporate agreed changes to System set-up in Test Environment in accordance with the specification.	✓		
Incorporate agreed changes to employee records in Test Environment in accordance with the specification.	✓		



SYSTEM CONFIGURATION	Company	Customer	N/A
Sign off and approval of acceptance testing.		✓	
Authorise configuration changes to be applied to Live Environment.		✓	
Implement configuration amendment in Live Environment.	✓		
Sign off amendments as complete.		✓	

4.5 BACS SERVICES

Payments to be made via BACS are detailed in Payroll Service Requirement form during service implementation. These payments will be made on the dates shown. If this is a non-working day, then the pay date will be amended in line with the agreed Customer schedule. These dates may also be varied by mutual consent of both the Customer and MHR and by dates nominated by BACS as non-processing days.

BACS PROCESS	Company	Customer	N/A
Generate the BACS file process for payments as defined in the Payroll Service Requirement form.	✓		
Supply and maintain a list of authorised signatories		✓	
Complete a separate BACS authorisation form for each transmission of employee payments entering the totals and BACS dates.	✓		
Send the completed BACS form to The Customer.	✓		
Confirm accuracy of figures and dates on the BACS authorisation form	✓	✓	
Ensure that relevant contacts are available to authorise the BACS transmission in accordance with the Schedule.		✓	
Sign the BACS authorisation transmission form and return to MHR.		✓	
Transmit the BACS file.	✓		
Maintain appropriate limits with BACS to ensure control over payments being made.		✓	
Process any non-BACS payments for employees or third parties		✓	
Ensure sufficient funds are available in the source bank account to fund the BACS transmission. The funding of the BACS payments will be through The Customer's nominated bank account. MHR will not, under any circumstances, be liable for funding the payment or any		✓	



BACS PROCESS	Company	Customer	N/A
other costs incurred as a result of the subsequent late availability of funds			
Ensure the Bank holding the source account has given the appropriate permissions for MHR to transmit BACS files on The Customer's behalf.		✓	
Inform Company of any changes to the source bank account or BACS user number, within a minimum 30-day lead time.		✓	
Recall of full BACS transmission(s) file.	✓		
Recall individual line within BACS transmission file.		✓	
Log into BACS Payment Services website and download any associated reports.		✓	
Action any line items identified on the Payment Service reports.		✓	
For the timely collection and verification of the following BACS reports: • BACS Input Report • Automated return of unapplied credits service report. • Advice of wrong account for automated credits service report. • Updates from AWACS reports should be applied no later than 3 working days after they are available • ARUCS reports should be collected no later than 4 days after payments/ collection.		✓	

BACS TIMETABLE	
Day 1	BACS Submission Day
Day 3	BACS Processing Day
Day 4	Payments reach accounts

Each of the days indicated must be nominated by BACS as a day on which processing may occur. These are normally Monday to Friday taking into account English Bank Holidays. MHR schedules BACS transmissions on the day before the submission day. This allows both the Customer and MHR contingency time in the event of difficulties.



MHR will not accept responsibility regardless of circumstances for late payments where The Customer stipulates those transmissions must on a fixed day/date that happen to be a transmission day.

In an exceptional circumstance the company retains the right to submit a payment file to the BACS clearing, if the Customer fails to authorise the submission of that payment file, despite repeated attempts to contact the Customer.

4.6 PRINTING SERVICES

PAYSLIPS (Printed or Electronic)	Company	Customer	N/A
Run the Payslip, Email or ESS process.	✓		
Transfer the payslip file to the Company as per the agreed schedule and protocol.			✓
Print payslips. Payslips will be quality checked. Any defective payslips will be securely destroyed and reprinted.	✓		
The number of payslips printed and sealed will be checked against the file provided.	✓		
Payslips will be delivered to the appropriate single location. Courier / delivery costs are excluded from the service charges.	✓		
Payslips will be delivered to multiple locations. Courier / delivery costs are excluded from the service charges. This option may incur additional service charges.			✓
Payslips will be delivered to home addresses. Delivery costs are excluded from the service charges. This option may incur additional service charges.			✓
Provide and maintain list of delivery addresses in a format suitable to produce dispatch labels.		✓	
Inform Company of amendments to delivery addresses.		✓	

P45S (Printed or Electronic)	Company	Customer	N/A
Run the P45 process.	✓		
Transfer the P45 file to the Company as per the agreed schedule and protocol.		✓	
Print P45s. P45s will be quality checked. Any defective P45s will be securely destroyed and reprinted.	✓		
The number of P45s printed will be checked against the file provided.	✓		
P45s will be delivered to the appropriate single location. Courier / delivery costs are excluded from the service charges.	✓		
P45s will be delivered to multiple locations. Courier / delivery costs are excluded from the service charges. This			✓



P45S (Printed or Electronic)	Company	Customer	N/A
option may incur additional service charges.			
P45s will be delivered to home addresses. Delivery costs are excluded from the service charges. This option may incur additional service charges.			✓
Provide and maintain list of delivery addresses in a format suitable to produce dispatch labels.		✓	
Inform Company of amendments to delivery addresses.		✓	

P60S (Printed or Electronic)	Company	Customer	N/A
Run the P60 process.	✓		
Transfer the P60 file to the Company as per the agreed schedule and protocol.			✓
Produce trial P60 for approval.	✓		
Confirm accuracy and authorise production of P60s.		✓	
P60s will be delivered to the appropriate single location by due date. Courier / delivery costs are excluded from the service charges.	✓		
P60s will be delivered to multiple locations. Courier / delivery costs are excluded from the service charges. This option may incur additional service charges.			✓
P60s will be delivered to home addresses by due date. Courier / delivery costs are excluded from the service charges. This option may incur additional service charges.			✓
Provide and maintain list of delivery addresses in a format suitable to produce dispatch labels.		✓	

COURIER SERVICES	Company	Customer	N/A
Nominate courier (The Customer will select a courier of their choice).		✓	

4.7 PROCESSING SCHEDULES

Below is the Company's standard payroll schedule which will be utilised during payroll processing. The timings refer to the number of Working Days prior to (and excluding) the employee payment date (P). If the customer requires additional payroll checking time over and above the standard detailed below the payroll cut off will be brought forward.

The scheduled cut off data will be brought forward by public holidays and peaks of activity such as those associated with pay awards.

Activity	P -	Timing
Run Payroll calculation and iTrent reports	P – 7	12.30

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Activity	P -	Timing
Check and balance payroll	P – 7	15.00
Run final GTN and reports	P – 4	15.00
Check and balance payroll	P – 4	17.30
Provide Final reports and produce BACS file	P – 3	9.30
Sign off BACS and payroll	P – 3	14.00
Transmit authorised BACS	P – 3	17.00
Transfer payslips for printing - payslips are to be provided on payday	P – 3	17.30
Service available for input	P + 0	12.30

Below is MHR standard weekly payroll schedule which will be utilised during payroll processing. The timings refer to the number of Working Days prior to (and excluding) the employee payment date (P). If the customer requires additional payroll checking time over and above the standard detailed below the data submission time will be brought forward.

The scheduled cut off data will be brought forward by public holidays and peaks of activity such as those associated with pay awards.

Activity – Weekly Schedule	P -	Timing
Run Payroll calculation and iTrent reports	P – 4	14:30
Check and balance payroll	P – 4	17:30
Submit payroll reports to customer for checking	P – 4	17.30
Customer to submit amendments	P – 3	12.00
Process amendments	P – 3	14.00
Run final GTN and reports	P – 3	15.00
Check and balance payroll	P – 3	17:30
Provide Final reports and produce BACS file	P – 3	17:30
Sign off BACS and payroll	P – 2	14.00
Transmit authorised BACS	P – 2	15.00
Transfer payslips for printing - payslips are to be provided on payday	P – 2	12:00
Service available for input	P + 0	12.30

In the event that the Customer fails to meet any of the above timescales for which they have actions, then the resulting additional pressure on the Service may result in late payment and/or incomplete payment on the payroll(s) concerned. This will not constitute a service failure on the part of the Company, providing the Company can demonstrate all reasonable endeavours were made to still make timely payment.

Any information that is inputted after the input dates quoted will be carried forward to the next month's payroll.

The following table lists the annual activities and their statutory deadlines (as applicable).



In an exceptional circumstance the company retains the right to submit a payment file to the BACS clearing, in the event that the Customer fails to authorise the submission of that payment file, despite repeated attempts to contact the Customer.

Activity	Statutory deadline
Provide P60 to employees by	31/5
Provide P11D to employees by	6/7
Submit P11D to HMRC by	6/7
Submit P11D(b) to HMRC by	6/7
Pensions return	19/5

4.8 Service Level Objectives

Activity	Achievement Target	Comments
Produce payroll on schedule	100%	
Achieve BACS deadlines to schedule	100%	
Dispatch of payroll output to schedule	99%	
MHR payroll processing content accuracy	98%	
Initial response to query	80%	Within ONE working day from receipt
	15%	Within TWO working days from receipt
	5%	Within FIVE working days from receipt
Distribution of P60	100%	By scheduled date (in accordance with statutory requirements)

4.8.1 Service Support Hours

The Service Teams will deal with Managed Service operational and schedule enquiries. The Service Team will be contactable between the following hours excluding weekends and English bank and public holidays.

- **9:00 to 17:00**



5. Exit Management

Exit Management Responsibilities	Company	Customer
Prepare a transition schedule detailing timescales, requirements and milestones to achieve the transfer of Customer data.		✓
Agree transition schedule.	✓	✓
Provide specification of requirements for the data to be transferred.		✓
Agree specification of requirements.	✓	
Provide Customer data in line with the transition plan and specification of requirements. (Depending on the complexity of the requirement this may be a chargeable activity). As standard data will be provided as an oracle database.	✓	
For requests for other data formats the Company will make a charge for the provision of this data. The charge will be based on the number of day's effort required and the Company prevailing rates at that point in time. At all times up to the termination of the relationship the customer will be able to perform their own data extracts to provision and enable the move to a different provider.		✓

6. Escalation Contacts

The following table lists the names, titles, telephone numbers and email addresses of the Company contacts.

Name/ title /email address	Telephone	Responsibilities
Head of Service Management	0115 945 6000	Escalation point for significant HR and Payroll service issues
Managed Services Director	0115 945 6000	Escalation point for significant HR and Payroll service issues

7. Glossary of Terms



Expression	Meaning
BACS	Bankers Automated Clearing Service – usual method of payment;
BACS	Bankers Automated Clearing Service – usual method of payment;
Change Control	A formal process used to ensure that changes to a product or system are introduced in a controlled and coordinated manner;
Company	MHR International UK Limited as the licensor of the given software products and services. The term Company may be read as “Supplier”, “Licensor”, “Seller”, or any other term defined in an agreement to denote MHR International UK Limited as the software provider;
Customer	The organisation identified on an Order Document or any other contractual document for the provision of software and services between the parties. The term Customer may be read as “Buyer”, “Authority”, “Council”, “Licensee”, or any other term defined in an agreement to denote the organisation as the recipient of any software or services;
HMRC	HM Revenue and Customs;
Data	Data is all data held in the Product;
P60	Employees summary of total pay and deductions for the tax year;
Processing Schedule	The operational schedule detailing critical times and dates for the delivery of the Service;



SERVICE LEVEL AGREEMENT

Pension Admin Service (PAS)





Document Control

Version No.	Date of Issue	Status	Comments
1.0	15/06/2023		Creation of new SLA for Pension Administration Service
1.1	05/08/2025		Update to Pension Year End



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1. Data Management

1.1 Overview

The purpose of the Company's Data Ownership Policy is to provide guidelines for the Company's Pension Team. This policy describes the roles and responsibilities of the individuals charged with the handling, processing, and maintenance of this information as part of the Managed Service being provided by the Company.

1.2 Policy

It is the policy of the Company that data and information will be made available to the Pension Team to perform the necessary pension administration required by their position to provide a Managed Service in line with the Contract between the Company and the Customer. The pension data for the pay period will be available as necessary and relevant as determined by appropriate authorisation of both the employee and the Data Controller. The Data Controller may be the owner of the entire data set or a segment of the data.

- The Customer is the data 'Controller' and the Company is the data 'Processor'.
- Third Party Services, e.g., Pension Funds, is the data 'Sub-Processor'.

1.3 Scope

This policy covers data entered by the Customer into the system for the purposes of pension processing by the Company's Pension Team. It is not intended to cover information on individual customer desktops, laptops, or mobile devices nor information held within other Customer applications.

It is the responsibility of the Customer to ensure the data that is in the system is accurate to enable the pension team to report on it.

1.4 Revocation of data access

End of Affiliation: All Data Access will end when the Customer's affiliation with the Company ends for any reason.

1.5 Data Standards

The Customer must provide information via the system. Information provided through different delivery methods will not be processed.

Data Standard	KPI	Measurement
Format	All data provided to the Company for processing in the agreed data template.	100%



Quality	The quality of data provided to the Company for processing is measured via reporting errors.	100%
Method	Data provided to the Company for processing must be via the payroll system.	100%

1.6 Data Management

This section outlines how personal data will be managed by both the Customer (data 'Controller') and the Company (data 'Processor'). All personal data will be processed in line with the Data Protection Act 2018 and the General Data Protection Regulation (GDPR).

Activity	Company	Customer
Provide a secure method (SFTP) of sending pension remittances.	✓	
Provide pension details/ forms for the use of processing in the agreed data templates and via the secure method (SFTP) provided by the Company.		✓

2. Service Provision

2.1 Introduction

If the standard submission date falls on a non-Working Day, the submission date will be brought forward to the earliest available Working Day.

If the Customer wishes the Company to own the submission of Pension Returns to the appropriate Portal / Website, then the output files must be scoped and built by the Company to ensure the format is fit for purpose.

All returns will be tested prior to the Go-Live of the Pension Administration Format. The Company will only be responsible for any remittance queries from the date of first live run.

Any changes to reporting or administration requirements will follow the Company's Change Control process.

2.2 Private Pension Fund Pension Remittance Service

Pension Managed Service	Company	Customer
Review any errors that are highlighted by the Pension Fund	✓	
Send any required data corrections back to the customer with suggestions on how to correct	✓	
Correct data issues that are flagged by the Company		✓



Pension Managed Service	Company	Customer
Populate Pension Returns	✓	
Submission of Pension Returns via the agreed method area in line with agreed schedules	✓	

2.3 Private Pension Fund Pension Administration Service

Pension Managed Service	Company	Customer
Notify pension providers of changes to employee's payroll data which could include starters, leavers, hours and basis, position using standard output	✓	
Respond to queries from pension funds.	✓	
Respond to queries from MHR Pension Team		✓
Manage and respond to specific employee queries provided by the Customer or Pension Fund, regarding the pension administration.	✓	
Complete other forms as may be required by a pension fund, e.g., retirement estimate requests, requests to buy back contributions.	✓	
Management of employee opts in and opt outs		✓

2.4 LGPS Pension Remittance Service

Pension Managed Service	Company	Customer
Review any errors that are highlighted by the Pension Fund	✓	
Send any required data corrections back to the customer with suggestions on how to correct	✓	
Correct data issues that are flagged by the Company		✓
Populate Pension Returns	✓	
Submission of Pension Returns via the agreed method area in line with agreed schedules	✓	

2.5 LGPS Pension Administration Service

Pension Managed Service	Company	Customer
Notify pension providers of changes to employee's payroll data which could include starters, leavers, hours and basis, position using standard output	✓	



Pension Managed Service	Company	Customer
Respond to queries from pension funds.	✓	
Respond to queries from MHR Pension Team		✓
Manage and respond to specific employee queries provided by the Customer or Pension Fund, regarding the pension administration.	✓	
Complete other forms as may be required by a pension fund, e.g., retirement estimate requests, requests to buy back contributions.	✓	
Management of employee opts in and opt outs		✓

2.6 LGPS Pension Year End Service

Pension Managed Service	Company	Customer
Provide the templates requiring completion for year end		✓
Generate Annual remittance data where required for the current tax year	✓	
Pre go live year end data to be updated on the template prior to submissions		✓
Respond to queries related to the submission data	✓	✓
Complete any missing forms identified as may be required by a pension fund	✓	

2.7 NHS Pension Remittance Service

Pension Managed Service	Company	Customer
Review any errors that are highlighted by the Pension Fund	✓	
Send any required data corrections back to the customer with suggestions on how to correct	✓	
Correct data issues that are flagged by the Company		✓
Populate Pension Returns	✓	
Submission of Pension Returns via the agreed method area in line with agreed schedules	✓	
Complete annual update	✓	



2.8 NHS Pension Administration Service

Pension Managed Service	Company	Customer
Manage POL completing all required forms throughout the year	✓	
Respond to employer queries	✓	
Complete all paper forms started by employees and submit to the fund	✓	
Answer any specific employee queries that are raised by the Company		✓
Management of employee opts in and opt outs		✓

2.9 NHS Pension Year End Service

Pension Managed Service	Company	Customer
Provide the templates requiring completion for year end		✓
Generate Annual remittance data where required for the current tax year	✓	
Pre-go live year end data to be updated on the template prior to submissions		✓
Respond to queries related to the submission data	✓	✓
Complete any missing forms identified as may be required by a pension fund	✓	

2.10 Teachers' Pension Remittance Service

Pension Managed Service	Company	Customer
Generate MCR and create Pension Remittance Template	✓	
Review of data and provide errors and warnings	✓	
Correct any data issues		✓
Submit files to Pension Provider	✓	
Send rejection errors where applicable	✓	
Correct errors identified by rejection report	✓	✓
System to be corrected to ensure errors are resolved for the following month		✓
Missing service extracted and held for following period where updates will be required in the following month's submission template	✓	✓



2.11 Teacher's Pension Administration Service

Pension Managed Service	Company	Customer
Tasks in task manager actioned accordingly	✓	
Service queries to be addressed	✓	✓
Non MPO member report to be reviewed and actions applied		✓
Generalised email queries to be responded to	✓	
Pension Portal Employer mailbox to be managed		✓
MCR data mailbox to be managed	✓	✓
Completion of hard copy paper forms for non-portal members	✓	
Missing service extracted and held for following period where updates will be required in the following month's submission template	✓	✓

2.12 Teachers Pension Year End Service

Pension Managed Service	Company	Customer
Provide the confirmed annual payment figure to balance the Unaudited EOYC against.		✓
Generate Annual Unaudited EOYC remittance data where required for the current tax year.	✓	
Pre-go live year end data to be updated on the template prior to submissions.		✓
Submission of the Unaudited EOYC	✓	
Respond to queries related to the submission data of the Unaudited EOYC data	✓	✓
Arrangement of Auditing for the EOYC and submission of the audited version		✓

2.13 MyCSP Pension Remittance Service

Pension Managed Service	Company	Customer
Generate interface files for current period	✓	
Collate errors from incomplete file and send to customer for review/resolution where required	✓	
Confirm the fixes required have been completed where applicable or confirm to submit file as is		✓
Rerun interface where required and submit through fund to connect	✓	



Pension Managed Service	Company	Customer
Generate interface files for current period	✓	
Collate errors from incomplete file and send to customer for review/resolution where required	✓	
Confirm the fixes required have been completed where applicable or confirm to submit file as is		✓
The DVR report will be reviewed and responded to		✓
Generate and submit the Annual PIP file	✓	

2.14 Pension Enquiry Service

Pension Enquiry Service	Company	Customer	N/A
Respond to pension queries from the Customer's authorised representatives. All relevant information must be provided when making an enquiry, including employee name, payroll number, and either date of birth or NI Number.	✓		
Provide a telephone contact between the hours of 09:00 and 17:00	✓		

3. Change Control

A formal process used to ensure that changes to a product or system are introduced in a controlled and coordinated manner.

System Configuration	Company	Customer	N/A
Supply definitions of required system configuration changes, this will include but not limited to: • Elements ○ Payments ○ Deductions ○ Benefits • Calculations • Term and Conditions ○ Pensions ○ Absence ○ Car Mileage • Costing Rules • Grades and Scale Points		✓	
Investigate and clarify requirements where necessary, and then provide an estimate for the cost, timing, and impact (if any) of the change	✓		



System Configuration	Company	Customer	N/A
Specify changes to application configuration.	✓		
Provide necessary documentation detailing the Cost and timings along with a completed Change Control Request Form	✓		
Approve amendments required prior to work commencing		✓	
Agree implementation plan for any changes	✓	✓	
Incorporate agreed changes to System set-up in Test Environment in accordance with the specification	✓		
Incorporate agreed changes to employee records in Test Environment in accordance with the specification	✓		
Sign off and approval of acceptance testing		✓	
Authorise configuration changes to be applied to Live Environment		✓	
Implement configuration amendment in Live Environment	✓		
Sign off amendments as complete		✓	

4. Processing Schedules

Pension Return submission dates and administration submissions will be agreed as part of the onboarding process, a standard schedule with agreed dates will be created and used by both the Company and Customer.

The scheduled submission date will be brought forward by public holidays and peaks of activity such as those associated with pay awards.

If the Customer fails to meet any of the agreed timescales for which they have actions, then the resulting additional pressure on the Service may result in late submissions and/or incomplete submissions on pension returns concerned. This will not constitute a service failure on the part of the Company, providing the Company can demonstrate all reasonable endeavours were made to still make timely payment.



4.1 Service Level Objectives

Activity	Achievement Target	Comments
Produce Submission on Schedule	100%	
Achieve Pension Submission deadlines to schedule	100%	
Dispatch of Pension Submission to schedule	100%	
Pension Queries (Current Tax Year)	80%	Within 5 working days of receipt
	20%	Within 10 working days of receipt
Pension Queries (Previous Tax Year)	80%	Within 10 working days of receipt
	20%	Within 15 working days of receipt
Pension Year End Queries	100%	Within 30 working days of receipt

4.2 Managed Service Support Hours

The Pension Team will deal with pay enquiries, operational and schedule enquiries. The Payroll Team will be contactable between **09:00 – 17:00 (GMT)**, excluding weekends and English bank and public holidays.

5. Exit Management

Exit Management Responsibilities	Company	Customer
Prepare a transition schedule detailing timescales, requirements, and milestones to achieve the transfer of Customer data.		✓
Agree transition schedule.	✓	✓
Provide specification of requirements for the data to be transferred.		✓
Agree specification of requirements.	✓	
Provide Customer data in line with the transition plan and specification of requirements. (Depending on the complexity of the requirement this may be a chargeable activity). As standard data will be provided as an oracle database.	✓	
For requests for other data formats the Company will make a charge for the provision of this data. The charge will be based on the number of day's effort required and the Company prevailing rates at that point in time.		✓



Exit Management Responsibilities	Company	Customer
At all times up to the termination of the relationship the customer will be able to perform their own data extracts to provision and enable the move to a different provider.		

6. Escalation Contacts

The following table lists the names, titles, telephone numbers and email addresses of the Company contacts.

Name/ title /email address	Telephone	Responsibilities
Service Team Leader	0115 945 6000	First point of contact of any escalations relating to the service
Head of Service Management	0115 945 6000	Second point of contact for escalations around service issues
Managed Services Director	0115 945 6000	Escalation points for significant Pension service issues.

7. Definitions

Expressions within this document shall have the same meaning as in the Agreement or shall have the following meanings unless inconsistent with the context:

Expression	Meaning
Company	MHR International UK Limited as the licensor of the given software products and services. The term Company may be read as “Supplier”, “Licensor”, “Seller”, or any other term defined in an agreement to denote MHR International UK Limited as the software provider.
Customer	The organisation identified on an Order Document or any other contractual document for the provision of software and services between the parties. The term Customer may be read as “Buyer”, “Authority”, “Council”, “Licensee”, or any other term defined in an agreement to denote the organisation as the recipient of any software or services.
DVR	MyCSP error/query report released by the fund based on the interface files received
Portal/ Website	Site where pension remittances and changes are submitted to pension provider



SFTP	Secure site used for transferring processing data and reports between the Company and the Customer
Portal/ Website	Area where pension remittances are submitted to pension provider
POL	Pensions online
MPO	Member pension online account



SERVICE LEVEL AGREEMENT

People First BACS Service





Document Control

Version No.	Date of Issue	Authors	Status	Comments
1.0	07/07/2023	MHR	Final	
1.1	31/08/2023	MHR	Final	Online version
1.2	02.08.2025	MHR	Final	BACS update



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1. Introduction

Purpose

This Service Level Agreement defines the Services provided and managed by the Company to the Customer.

Objective of the service

The objective is to deliver a timely, accurate and complete service to the Customer as per the agreed details below. Any items not specifically discussed in this document are excluded and would need to be scoped, costed, and agreed separately.

The Service Level Agreement defines the service and the service level with the objective of:

- Clearly defining roles and responsibilities
- Ensuring services are clearly understood
- Defining effective communication channels
- Documenting problem resolution and escalation processes
- Defining software service availability

Instructions

The services to be delivered by the Customer's obligations and the Company obligations are denoted by the symbol "✓" within the tables of this document.

Overview of provision

SERVICES	Section	Provided
BACS Services	5.1	✓
System Administration	5.2	✓
Processing Schedules	5.3	✓
Service Level Objectives	5.4	✓
Exit Management	7	✓



2. Data Management – Managed Services

Data Ownership Policy

The purpose of the Company's Data Ownership Policy is to provide guidelines for the Company's Payroll Team. This policy describes the roles and responsibilities of the individuals charged with the handling, processing and maintenance of this information as part of the Managed Service being provided by the Company.

Policy

It is the policy of the Company that data and information will be made available to the Payroll Team to perform the necessary payroll processing required by their position to provide Managed Services in line with the Contract between the Company and the Customer. The payroll data for the pay period will be available as necessary and relevant as determined by appropriate authorisation of both the employee and the Data Controller. The Data Owner may be the owner of the entire data set or a segment of the data.

- The Customer is the data 'Controller' and the Company is the data 'Processor'.
- Third Party Services, e.g. payslip printing services, is the data 'Sub-Processor'.

It is the responsibility of the Customer to ensure that the Company employees are not set up as contacts (PSCs/ ACs) on client owned Service User Numbers.

Scope

This policy covers data entered by the Customer into the payroll system for the purposes of payroll processing by the Company's Payroll Team. It is not intended to cover information on individual customer desktops, laptops or mobile devices nor information held within other Customer applications.

It is the responsibility of the Customer to supply all related data via the secure method supplied by the Company for every payroll processing period. It is also the Customer's responsibility to supply the data to the Company's Payroll Team in the pertinent data conversion template provided to them, in the exact field order, for the purposes of payroll processing.

Revocation of data access

End of Affiliation: All Data Access will end when the Customer's affiliation with MHR ends for any reason.

It is the Customer's responsibility to de register MHR as their BACS Bureau.

3. BACS

BACS Services

Payments to be made via BACS are detailed in the Payroll Service Requirement form during service implementation. These payments will be made on the dates shown. If this is a non-working day, then the pay date will be amended in line with the agreed Customer schedule. These dates may also be varied by mutual consent of both the Customer and Company and by dates nominated by BACS as non-processing days.



BACS PROCESS	Company	Customer	N/A
Run the BACS file and report creation process for payments as defined in the Payroll Service Requirement form		✓	
Run BACS Process Log, check and take appropriate action if required.		✓	
Transfer BACS files to Company for transmission in accordance with The Schedule.		✓	
Supply and maintain a list of authorised signatories.		✓	
Transmit the BACS file.	✓		
Maintain appropriate limits with BACS to ensure control over payments being made.		✓	
Process any non-BACS payments for employees or third parties.		✓	
Ensure sufficient funds are available in the source bank account to fund the BACS transmission. The funding of the BACS payments will be through the Customer's nominated bank account. The Company will not, under any circumstances, be liable for funding the payment or any other costs incurred as a result of the subsequent late availability of funds.		✓	
Ensure the Bank holding the source account has given the appropriate permissions for the Company to transmit BACS files on the Customer's behalf.		✓	
Inform Company of any changes to the source bank account or BACS user number.		✓	
Recall complete BACS transmissions		✓	
For the timely collection and verification of the following BACS reports: • BACS Input Report • Automated return of unapplied credits service report. • Advice of wrong account for automated credits service report. • Updates from AWACS reports should be applied no later than 3 working days after they are available • ARUCS reports should be collected no later than 4 days after the payments/ collection date		✓	



BACS TIMETABLE	
Day 1	BACS Submission day
Day 3	BACS Processing day
Day 4	Payments reach accounts

Each of the days indicated must be nominated by BACS as a day on which processing may occur. These are normally Monday to Friday taking into account English Bank Holidays. The Company schedules BACS transmissions on the day before the submission day. This allows both Customer and Company contingency time in the event of difficulties.

The Company will not accept responsibility regardless of circumstances for late payments where the Customer stipulates transmissions must on a regular basis happen on transmission day.

4. System Administration

SYSTEM ADMINISTRATION	Company	Customer	N/A
Create new user accounts		✓	
Define user and security profiles		✓	
Create and maintain user and security profiles		✓	
Release users whose user profile has been locked		✓	
Make users inactive		✓	
Re-set passwords		✓	

5. Processing Schedules

Below is the Company's standard monthly payroll schedule for BACS only customer. This schedule will be utilised during processing of the BACS payment(s). The timings refer to the number of Working Days prior to (and excluding) the employee payment date (P).

If the customer requires additional payroll checking time over and above the standard detailed below the payroll cut off will be brought forward.

The scheduled BACS transmission date will be brought forward by public holidays and peaks of activity if required.

Activity	P -	Timing
Sign off BACS and payroll	P - 3	14.00
Transmit authorised BACS	P - 3	17.00



Activity	P -	Timing
Service available for input	P + 0	12.30

Below is the Company's standard weekly payroll schedule for BACS only customer. This schedule will be utilised during processing of the BACS payment(s). The timings refer to the number of Working Days prior to (and excluding) the employee payment date (P).

The scheduled BACS transmission date will be brought forward by public holidays and peaks of activity if required.

Activity – Weekly Schedule	P -	Timing
Transmit authorised BACS	P – 2	15.00
Service available for input	P + 0	12.30

If the Customer fails to meet any of the above timescales for which they have actions, then the resulting additional pressure on the Service may result in late payment and/or incomplete payment on the payroll(s) concerned. This will not constitute a service failure on the part of the Company, providing the Company can demonstrate all reasonable endeavours were made to still make timely payment.

In an exceptional circumstance the company retains the right to submit a payment file to the BACS clearing, in the event that the Customer fails to authorise the submission of that payment file, despite repeated attempts to contact the Customer.

Service Level Objectives

Activity	Achievement Target	Comments
Achieve BACS deadlines to schedule	100%	

Managed Service Support Hours

The Payroll Team will deal with Managed Service operational and schedule enquiries. The Payroll Team will be contactable between the following hours excluding weekends and English bank and public holidays.

6. Exit Management



Exit Management Responsibilities	Company	Customer
Prepare a transition schedule detailing timescales, requirements and milestones to achieve the transfer of Customer data.		✓
Agree transition schedule.	✓	✓
Provide specification of requirements for the data to be transferred.		✓
Agree specification of requirements.	✓	
Provide Customer data in line with the transition plan and specification of requirements. (Depending on the complexity of the requirement this may be a chargeable activity). As standard data will be provided as an oracle database.	✓	
For requests for other data formats the Company will make a charge for the provision of this data. The charge will be based on the number of day's effort required and the Company prevailing rates at that point in time. At all times up to the termination of the relationship the customer will be able to perform their own data extracts to provision and enable the move to a different provider.		✓

7. Escalation Contacts

The following table lists the names, titles, telephone numbers and email addresses of the Company contacts:

Name/ title /email address	Telephone	Responsibilities
Head of Service Management	0115 945 6000	Escalation point for significant Payroll service issues
Managed Services Director	0115 945 6000	Escalation point for significant Payroll service issues

8. Glossary of Terms

Expression	Meaning
BACS	Bankers Automated Clearing Service – usual method of payment;



Expression	Meaning
Company	MHR International UK Limited as the licensor of the given software products and services. The term Company may be read as “Supplier”, “Licensor”, “Seller”, or any other term defined in an agreement to denote MHR International UK Limited as the software provider.
Customer	The organisation identified on an Order Document or any other contractual document for the provision of software and services between the parties. The term Customer may be read as “Buyer”, “Authority”, “Council”, “Licensee”, or any other term defined in an agreement to denote the organisation as the recipient of any software or services.
Processing Schedule	The operational schedule detailing critical times and dates for the delivery of the Service;
RTI	Real Time Information – Communications sent to the HMRC on a periodic basis. This replaces the previous requirements for a P14 & P35;



SERVICE LEVEL AGREEMENT

P11D Service





Document Control

Version No.	Date of issue	Authors	Status	Comments
1.0	08/03/2021	Gemma Wright	Draft	P11D Service SLA created.
1.1	11/03/2021	James Manning/ Rachel Dove/ Rachael Benner	Draft	Update to wording and font.
1.2	01/12/2021	MHR	Final	Updated Service
1.3	31/07/2023	MHR	Final	Online Version



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1 Introduction

1.1 Purpose

This Service Level Agreement defines the Services provided and managed by the Company to the Customer.

1.2 Objective of the Service

The objective is to deliver a timely, accurate and complete service to the Customer as per the agreed details below. Any items that sit outside of this would need to be scoped, costed, and agreed.

The Service Level Agreement defines the service and the service level with the objective of:

- Clearly defining responsibilities.
- Ensuring effective management of the P11D Service.
- Defining effective communication channels.
- Documenting problem resolution and escalation processes.

1.3 Instructions

- The services to be delivered by the Customer's obligations and the Company obligations are denoted by the symbol "✓" within the tables of this document.

2 Overview of Provision

SERVICES IN SCOPE
Extraction of data from the Product
P11D submission to HMRC
P11D(b) submission to HMRC
P11D Nil Submission to HMRC
P11D dispatch to Employee

3 Data Management

3.1 Data Ownership Policy

The purpose of the Company's Data Ownership Policy is to provide guidelines for the Company's Payroll Operations Team. This policy describes the roles and responsibilities of the individuals charged with the handling, processing, and maintenance of this information as part of the Managed Service being provided by the Company.



3.2 Policy

It is the policy of the Company that data and information will be made available to the Payroll team to perform the necessary processing required by their position to provide Managed Services in line with the Contract between the Company and the Customer. The benefit data will be available as necessary and relevant as determined by appropriate authorisation of both the employee and the Data Owner. The Data Owner may be the owner of the entire data set or a segment of the data.

- The Customer is the data 'Controller' and the Company is the data 'Processor'.
- Data Owner is the data 'Controller' = the Customer
- Third Party Services (optional – benefit statement printing services) is the data 'Sub-Processor'.

3.3 Scope

This policy covers data entered by the Customer into the payroll system and P11D processing software for the purposes of P11D processing by the Company's Payroll Operations. It is not intended to cover information on individual customer desktops, laptops or mobile devices nor information held within other Customer applications.

It is the responsibility of the Customer to supply all related data via the secure method supplied by the Company for the annual production of P11D data. It is also the Customer's responsibility to supply the data to the Company's Payroll Team in the pertinent data conversion template provided to them, in the exact field order, for the purposes of P11D Production.

3.4 Revocation of Data Access

End of Affiliation: All Data Access will end when the Customer's affiliation with the Company ends for any reason.

3.5 Data Standards

All data must be provided to the Company in standard data format set out by the Company. The format will be explained to the Customer as part of the implementation as will the quality of data required.

Where incorrect or incomplete data is supplied to the Company it will be returned to the appropriate Customer representative to correct and resubmit. If this is then submitted outside the scheduled timescales it will not be processed unless requested and authorised by the Customer, in which case additional service charges will be levied as detailed below and agreed P11D processing scheduled dates may not be met by the Company.

The Customer must provide the information via SFTP. Information provided through different delivery methods will not be processed.

Data Standard	KPI	Measurement
Format	All data provided in the agreed data conversion format and method.	100%



Quality	Quality of data provided, this is measured through any inaccuracies or data sent back to managers to complete.	100%
Method	Data provided in SFTP	100%

3.6 Data Management

This section outlines how personal data will be managed by both the Customer (data 'Controller') and the Company (data 'Processor'). All personal data will be processed in line with the Data Protection Act 2018 and the General Data Protection Regulation (GDPR).

Activity	Company	Customer
Provide payroll input data for the period in the prescribed data collection templates and through the secure FTP site method provided by the Company.		✓
Provide a secure method of processing payroll input data.	✓	

4 Managed Services

4.1 Provision

The submission of P11D data and dispatch of employee P11Ds will take place in line with HMRC statutory submission deadline.

Data must have been sent by the cut-off date as per the P11D processing schedule. Failure to supply the P11D data by this date by the Customer means the data will be processed late and may not be submitted to HMRC or dispatched to employees on time.

4.2 P11D Service

This service is only applicable to this Service level Agreement if procured in a signed Order Document:

ACTIVITY	Company	Customer	N/A
Provide details of service requirements for each active PAYE reference via the P11D Service Requirement Form.		✓	
Extract benefit values and other required details from the Product in line with the P11D Service Requirement Form and supply to the Customer via SFTP. *Requires the data to be stored in iTrent and Business Objects. Further service charges may apply.			✓
Populate the P11D Data Import Template with the extracted data from the Product.			✓
Populate the P11D Data Import Template with any benefits to be included in the P11D/P11D(b) that are not recorded within the Product.		✓	



ACTIVITY	Company	Customer	N/A
Submit the completed P11D Data Import Template to the Company by the P11D processing schedule date.		✓	
Complete and Submit to MHR the P11D Nil Submission Form, if applicable.		✓	
Produce a draft copy of the P11D Benefit Statements	✓		
Provide Customer with PDF copy of the data for verification.	✓		
Provide to the Customer any P11D data load exceptions for resolution.	✓		
Check the draft P11D information, resolve data load exceptions and make corrections via the P11D Data Import Template.		✓	
Approve P11D 1 st Drafts.		✓	
Dispatch 1 st Drafts as per requested method on the P11D Service Requirement Form.	✓		
Collate any advised amendments from Employees.		✓	
Update the P11D Data Import Template used to submit the original data with any required amendments.		✓	
Make changes as required.	✓		
Produce Final P11D Benefit Statements.	✓		
Approve Final P11D Benefit Statements.		✓	
Create P11D(b)	✓		
Submit P11D(b) to HMRC	✓		
Complete Nil Submission Process with HMRC	✓		
Customer to complete the payment of the Class 1A NICs to HMRC.		✓	
Collate any P11D amendments following the HMRC submission.		✓	
Provide amendments to the Company via the P11D Data Import Template.		✓	
Notify HMRC of the P11D Amendments. *This item attracts additional Service Charges if the responsibility is chosen to be that of the Company.		✓	

4.3 Processing Schedule

The following table lists the annual activities and their statutory deadlines (as applicable).

Activity	Statutory Deadline
Provide P11D to employees by	6/7
Submit P11D to HMRC by	6/7
Submit P11D(b) to HMRC by	6/7

4.4 Service Level Objectives

Activity	Achievement Target	Comments
Submission of P11D to HMRC	100%	By scheduled date (in accordance with statutory requirements)
Submission of P11D(b) to HMRC	100%	By scheduled date (in accordance with statutory requirements)



Activity	Achievement Target	Comments
Distribution of P11D to Employees	100%	By scheduled date (in accordance with statutory requirements)

5 Escalation Contacts

The following table lists the names, titles, telephone numbers and email addresses of the Company contacts.

Name/ title /email address	Telephone	Responsibilities
Head of Service Management	0115 945 6000	Escalation point for significant Payroll service issues
Managed Services Director	0115 945 6000	Escalation point for significant Payroll service issues

6 Glossary of Terms

Expression	Meaning
Company	MHR International UK Limited as the licensor of the given software products and services. The term Company may be read as “Supplier”, “Licensor”, “Seller”, or any other term defined in an agreement to denote MHR International UK Limited as the software provider.
Customer	The organisation identified on an Order Document or any other contractual document for the provision of software and services between the parties. The term Customer may be read as “Buyer”, “Authority”, “Council”, “Licensee”, or any other term defined in an agreement to denote the organisation as the recipient of any software or services.
HMRC	HM Revenue and Customs.
Data	Data is all data relating to the production of the P11D.
P11D	Statutory annual return of expenses and benefits for certain employees or directors.
P11D(b)	Covering Certificate for forms P11D.
Processing Schedule	The operational schedule detailing critical times and dates for the delivery of the service.

End of Document



MHR



SERVICE LEVEL AGREEMENT

MHR Assist



1. Document Control

Version No.	Date of issue	Status	Comments
2.0	11/01/2021	Issued	
2.1	19/01/2021	Issued	Minor updates
2.2	20/01/2021	Issued	Minor updates
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2.5	26/05/2021	Issued	Minor updates
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4.0	01/07/2022	Issued	Minor updates
5.0	31/07/2023	Issued	Review and amends
5.1	12/11/2023	Issued	Update to escalation contacts
5.2	04/09/2024	Issued	Update from Adam Bridges
5.3	16/06/2025	Issued	Update from Adam Bridges



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3. Introduction

3.1 Purpose

This Service Level Agreement (SLA) defines the Services provided by the Company (**MHR**), which are delivered to the Customer (**You**) for the service hours purchased. It also defines the service and the service level with the objective of:

- Clearly defining responsibilities
- Defining the MHR Assist Service that will be provided to the Customer.
- Defining effective communication channels
- Documenting problem resolution and escalation processes

Any questions or clarification regarding the SLA should be referred to your Account Manager.

3.2 MHR Assist – services in scope

The following products and services are **in scope** for MHR Assist:

In scope services
Cyber security support (see section 3.2.2)
Additional consultancy and project management during implementation
Advice & Guidance across any MHR product and MHR supplied third-party products
Business Intelligence advisory requests to include security requests, report fixes or configuration changes
Changes to configuration across any MHR product and MHR supplied third-party products
Cloud Service configuration and service requests (see section 3.2.1)
Configuration reviews for any MHR product or MHR supplied third-party products
Configuration updates for standard MHR interfaces; for example, General Ledger
Implementation of new features and modules (iTrent and People First platforms), including configuration



Initial iTrent or People First implementation consultancy and project management with additional requirements
New business intelligence report writing or completion of report
On premise upgrade support for iTrent and MHR supplied third-party products
Security reviews and assessment of iTrent and People First, MHR supplied third-party products
Software and technical health checks
Support for post upgrade actions
System Administration support for iTrent and People First, MHR supplied third-party products
Training & Knowledge transfer (see section 3.2.3)
UAT and post go-live support
Investigation or review services provided to the Customer by the Company's Data Protection Officer for any data incidents caused by the Customer

3.2.1 Cloud Services

The scope of services for Cloud Services, include work and support that is not already covered within the Cloud Service SLA such as:

- IP Whitelisting changes
- Database copies
- Expired certificate support

3.2.2 Cyber Security

The scope of services provided for Cyber Security support are:

- Audit log analysis
- Network traffic forensics (for hosted customers)
- Highlighting potentially suspicious activity for further investigation
- Undertaking response actions such as password reset and access right review.
- Production of incident report and timeline

3.2.3 Training & Knowledge Transfer

The scope of Training & Knowledge Transfer is as follows:



- Introduction to iTrent and People First
- Consultancy knowledge transfer

3.3 MHR Assist – services out of scope

The following products and services are out of scope for MHR Assist:

Out of scope
Examination of any systems or services that were not purchased from MHR
iTrent or People First implementation consultancy and project management included as part of fixed-price or TPM. (MHR Assist can be used to 'top-up' hours for any extended or additional project activities)
Major legislation updates to the product (e.g. RTI) does not include general legislative updates (e.g. updates to tax year end) as defined in the MHR contract – variations may occur in contracts such as G-Cloud, other government frameworks
Public Training Courses
Purchasing of new software modules
Specifically related to Cyber Security: • Investigation with employees to validate potentially suspicious behaviour. • Communication to any third parties about the incident, such as management, employees, regulators, or suppliers • Overall co-ordination of the incident

The SLA covers only the areas stated, anything not detailed will not be covered as standard.

Requests for services not in scope, should be referred to your MHR Project Manager or Account Manager.



3.4 Exceptions

The following are **exceptions** related to the provision of the MHR Assist service:

Exceptions
There may be the requirement for a database to be copied from Live to Test prior to any amendments being performed to the configuration of your system. Where a database copy request is required, the MHR Assist time will start once the database copy has been completed.
If a defect has been resolved in a future release, service pack or hotfix, the preference of MHR is to install the latest software updates – no hours will be consumed. MHR Assist Hours will be consumed if you choose not to install any hot fix or service pack and a new alternative solution is required.
MHR Assist Hours will not be consumed if an issue is solely caused by MHR, such as rework of configuration or software defect from an original MHR Assist request.
Out of hours work where agreed in advance will consume double the number of hours.

3.4.1 How are hours consumed?

Requests are made to the MHR Service Cloud. The MHR Assist team will contact you to discuss your requirements. The minimum time allocation is 15 minutes.

For some uses of MHR Assist hours, a higher charge rate will be applied – if this is the case the estimate will be discussed prior to work commencing.

If additional hours from your allocation are required to complete a service request, this will be confirmed with you prior to the hours being consumed.

Any new work undertaken will require customer sign-off at key process stages as follows:



Stage	Action by MHR from Sign-off	Customer Commitment
Solution design and costs	MHR staff will then undertake the build in a test solution ready for customer testing.	Agreement to pay based on an agreed scope
Testing & Refinement	MHR staff will undertake any agreed modifications and support testing and retesting.	Agreement to complete request testing obligations
Move to live operation	MHR staff will undertake the agreed final build in the live environment	Agreement that the final solution has been fully tested and they are instructing MHR to place into the live processing environment.

Charges for cancellation or postponements by the Customer of a work assignment shall be made pursuant to the following calculations.

If the Customer cancels or postpones:

- (a) more than 15 Working Days equals no charge;
- (b) fewer than 15 clear Working Days equals 50% of the relevant Charges; or
- (c) fewer than 5 clear Working Days equals 100% of the relevant Charges.

In each case the calculation is made from the scheduled date of such work assignment. The Customer accepts and agrees that the fees outlined above represent a genuine pre-estimate of loss which shall be deducted from the customers MHR Assist allowance to the Company, upon demand.

3.4.2 Additional Hours

If you do not have enough hours in your MHR Assist allocation for a service request to be delivered, additional hours can be purchased through your Account Manager or your MHR Project Manager (if in project).

Alternatively you can also request additional hours through your customer portal.



3.4.3 Hours of Operation

The MHR Assist Service operates **Monday to Friday** (excluding English Bank Holidays) between **9am – 5pm**.

4. Process & Responsibilities

	Company	Customer
Work Requests		
Raising a Work Request		✓
Work request is to be raised via the Service Cloud		✓
Work request raised by nominated employee		✓
Work request responded to within 1 hour	✓	
Investigate and clarify requirements where necessary, and then provide an estimate for work to be completed, timing and (if any) impact of change	✓	
Change Control Requests (CCR)		
In circumstances where MHR Assist are required to update/ change configuration in the system a CCR form must be completed on the service request case	✓	✓
The CCR form will be approved by the nominated user		✓
The change will be made in the test system in accordance with specification	✓	
Sign off and approval of acceptance testing		✓
Authorise configuration to be applied to Live		✓
Implement configuration changes to be applied to live environment	✓	
Sign off changes in Live		✓
Service Usage		
The units purchased shall be called off in 15-minute periods of time, with 15-minutes the minimum usage per session	✓	



As and when MHR Assist is used, the hours will be automatically deducted from the customers balance	✓	
Any report writing requests will be estimated prior to the work taking place	✓	
Hours available will be available on the Service Cloud Portal	✓	
If a work request is not covered by this SLA, MHR will notify the Customer within 1 full working day following the date of the request and will recommend additional supporting services.	✓	
Any hours not used within the contracted period (12 months) will expire and will not be carried forward	✓	✓
Cancellation Charges will be incurred as follows: If the Customer cancels or postpones; 1. more than 15 Working Days equals no charge; 2. fewer than 15 clear Working Days equals 50% of the relevant Charges; or 3. fewer than 5 clear Working Days equals 100% of the relevant Charges.	✓	✓

5. Escalation Contacts

The following table lists the names, titles, telephone numbers and email addresses of the Company contacts. Please follow the escalation route:

Escalation Level	Contact	Telephone	Responsibilities
Tier 1	MHR Assist Team MHRassist@mhrglobal.com	0115 945 6944	Initial Escalation Route
Tier 2	Adam Bridges MHR Assist Consultancy Manager Adam.Bridges@mhrglobal.com	0115 945 6000	Escalation point for significant MHR Retained Service Issues



Tier 3	Customer Services Director Alex.Loach@mhrglobal.com	0115 945 6000	Escalation point for significant HR, Payroll and Technical service issues
Tier 4	Iain Moffat Chief Delivery Officer Iain.Moffat@mhrglobal.com	0115 945 6000	Chief Delivery Officer responsible for all Professional Services Consultancy

**END OF
DOCUMENT**



SERVICE LEVEL AGREEMENT

Learn Now Subscription



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1. Introduction

This Service Level Agreement defines the Services provided and managed by MHR to the Customer, as well as each party's respective responsibilities and obligations. The objective is to deliver a timely and defined service.

The Service Level Agreement defines the service and the service level with the objective of:

- Clearly defining responsibilities
- Ensuring effective management of content, including core updates as appropriate
- Defining effective communication channels
- Documenting problem resolution and escalation processes

The services to be delivered as part of the agreed Customer's obligations and the Company obligations are denoted by the symbol "✓" in the relevant tables of this document.

REQUESTS FOR SERVICES NOT COVERED UNDER THIS AGREEMENT

This Agreement covers only the areas stated, anything not detailed will not be covered as standard. Requests for services not covered under this Agreement should be referred to the MHR Project Manager or Account Manager. The following are examples of areas not covered under this Agreement:

- Additional eLearning courses, video content or documentation provided by MHR unless otherwise stipulated as part of the offering.
- Additional training courses or consultancy services provided by unless otherwise stipulated as part of the offering.

2. About MHR Learn Now Subscription

MHR Learn Now Subscription boasts a growing library of content/resources related to MHR HCM solutions. This will be securely hosted on MHR's market leading LMS. Subject to contract, and the product which LearnNow has been purchased for, this will comprise of some/all the following:

- A library of bite-size videos or GIFs and process steps to develop knowledge of how to use and maintain the system across a wide range of system areas.
- Digital content showcasing new functionality as part of our product updates and releases.
Formal eLearning to learn topics from the ground up.

3. Service Description



This subscription offering is hosted by MHR unless otherwise stipulated. The fee covers access to the corresponding subscription content, updates, and new material where appropriate during the subscription term and maintaining the underlying environment if hosted by MHR.

MHR LEARNING SUPPORT

Raising a query or incident

The method of contacting MHR Learning is to raise a query or a support case by email.

- Simply send an email to elarningsupport@mhrglobal.com detailing:
 - Company name
 - Interface & Login Username
 - Full details of anomaly, error, or inaccuracy

You can log an online incident via:

- 'Service Cloud link:
https://midlandhrcommunity.force.com/ServiceDesk/CustomLogin_ServiceDesk

IT SERVICE AVAILABILITY

SERVICE	AVAILABILITY	RTO	RPO
LIVE environment, Additional Service Items, and Interfaces	98.8% 24 x 7 x 365	12 Hours	4 Hours

INFRASTRUCTURE RESPONSIBILITIES AND OBLIGATIONS	Company	Customer
Provide and maintain all IT Cloud Infrastructure required for the running of Learn Now	✓	
Provide and maintain all computer hardware, software (with the exception of the Product) and associated equipment situated on the Customer premises such as equipment to meet as a minimum the specification required to operate the Product.		✓



INFRASTRUCTURE RESPONSIBILITIES AND OBLIGATIONS	Company	Customer
The Company and Customer will make each other aware of any changes or issues that will impact the consumption of content.	✓	✓

4. MHR Learn Now Subscription

	MHR	Customer
Work Request Permissions - The Customer will nominate no more than two employees who are permitted to provide delegate details to MHR and raise queries with MHR.		✓
Release cycles – In the event of a significant functionality change, appropriate content related to the product shall be updated and released whilst a subscription is still in place no later than 12 weeks from the date of release, keeping the update within that release window. Changes which do affect functionality or processes may be updated outside of this window. Any updates to content will be supplied to the Customer via agreed means.	✓	
Version Control – Updates to content should be subject to appropriate version control	✓	
Content variations – The content Library (where it forms part of the subscription) will be based on a generic builds, and therefore some functionality may differ based on specific customer build.	✓	

5. Hours of Operation

The following table outlines the Hours of Operation for MHR Learning. Please note that any reference within this document or any subsequent document to 'Working Days' will mean those days as outlined below.

	Start Time	Finish Time
MONDAY	9.00 am	5.30 pm
TUESDAY	9.00 am	5.30 pm
WEDNESDAY	9.00 am	5.30 pm
THURSDAY	9.00 am	5.30 pm
FRIDAY	9.00 am	5.30 pm
SATURDAY	CLOSED	CLOSED
SUNDAY	CLOSED	CLOSED



No services will be provided outside of these hours of operation unless pre-agreed.

5.1 Bank Holiday Operation

Please note that MHR Learning does NOT currently provide any service(s) on any the statutory public/bank holidays observed in England. This includes any additional bank holidays that may occur from time to time, but currently includes as standard the following:

New Year's Day	The Last Monday in May
Good Friday	The Last Monday in August
Easter Monday	Christmas Day
The First Monday in May	Boxing Day

5.2 Set Closed Periods

Access to the LMS platform will remain live for the period between Christmas Day and New Year's Day with reduced hours of support, Normal service will usually resume on the first working day in January (statutory public/bank holidays are not classed as working days).

6. Definitions

Expression	Meaning
Communication	Main communication channels will be defined although these can be varied to suit the Customer and /or Company. Where communication channels are not defined the default communication channel for both Customer and Company will be email.
Company	MHR International UK Limited as the licensor of the given software products and services. The term Company may be read as "Supplier", "Licensor", "Seller", or any other term defined in an agreement to denote MHR International UK Limited as the software provider.
Customer	The organisation identified on an Order Document or any other contractual document for the provision of software and services between the parties. The term Customer may be read as "Buyer", "Authority", "Council", "Licensee", or any other term defined in an agreement to denote the organisation as the recipient of any software or services.



Expression	Meaning
Working day	A Working Day for the purposes of the service is Mon-Fri 09.00 to 17.30 (excluding Bank Holidays).
LMS	MHR's Learning Management Platform

Document Control

Version No.	Date of issue	Authors	Status	Comments
1.0	1st April 2021	Cheryl Miles	Draft	Published – adapted from V1.2.1 of MHR Hosted Core SLA
2.0	21st February 2023	Laura Robson and Simon George		Terminology changes, small changes to product
3.0	16th August 2023	Simon George	Final Draft	Updated in readiness of standardisation and as per feedback from legal.

End of Document



SERVICE LEVEL AGREEMENT

iTrent BACS and Payslips Service





Document Control

Version No.	Date of Issue	Authors	Status	Comments
2.0	29/11/2018	David Crewe Ian Price	Draft	Revised and rewritten for managed services and cloud services
2.1	11/01/2019	Keeley Wilson	Draft	Revised to Include P11D section
2.2	12/02/2019	Keeley Wilson Kathryn Reynolds Ian Lonie Alex Beech	Final	Revised Cloud Services section Revised Data Management section Revised Service Desk section
2.3	01/05/2019	Keeley Wilson	Final	Re-formatted
2.4	21/11/2019	Keeley Wilson	Final	Revised Cloud Services section/ Service Desk section updated/ Glossary of Terms updated/ Service Items updated.
2.5	06/12/2019	Ian Price/David Crewe	Final	Revised glossary for clarification. Clarified uptime and maintenance definitions. Service Desk clarification
2.6	16/12/2019	D Crewe	Final	BACS and Payslips only
2.7	17/07/2020	K.Wilson	Final	Removed 'Approved Variations' section. Change 'Comp' to 'Company' and 'Cust' to 'Customer' throughout.
2.8	01/04/2021	Rachael Benner	Final	Update to Section 6
2.9	15/04/2021	MHR	Final	Update to formatting
2.10	02/08/2021	MHR	Final	Amended formatting to allow payslip only selection
2.11	02/08/2023	MHR	Final	Online Version
2..12	02/08/2025	MHR	Final	Updated BACS AWACS



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1. Introduction

Purpose

This Service Level Agreement defines the Services provided and managed by the Company to the Customer.

Objective of the service

The objective is to deliver a timely, accurate and complete service to the Customer as per the agreed details below. Any items not specifically discussed in this document are excluded and would need to be scoped, costed, and agreed separately.

The Service Level Agreement defines the service and the service level with the objective of:

- Clearly defining roles and responsibilities
- Ensuring services are clearly understood
- Defining effective communication channels
- Documenting problem resolution and escalation processes
- Defining software service availability

Instructions

The services to be delivered by the Customer's obligations and the Company obligations are denote by the symbol "✓" within the tables of this document.

2. Overview of provision

SERVICES	Section	Provided
BACS Services	3	✓
Printing Services	4	✓
System Administration	5	✓
Processing Schedules	6	✓
Service Level Objectives	7	✓
Exit Management	8	✓



3. Data Management Managed Services

Data Ownership Policy

The purpose of the Company's Data Ownership Policy is to provide guidelines for the Company's Payroll Team. This policy describes the roles and responsibilities of the individuals charged with the handling, processing and maintenance of this information as part of the Managed Service being provided by the Company.

Policy

It is the policy of the Company that data and information will be made available to the Payroll Team to perform the necessary payroll processing required by their position to provide Managed Services in line with the Contract between the Company and the Customer. The payroll data for the pay period will be available as necessary and relevant as determined by appropriate authorisation of both the employee and the Data Controller. The Data Controller may be the owner of the entire data set or a segment of the data.

- The Customer is the data 'Controller' and the Company is the data 'Processor'.
- Third Party Services, e.g. payslip printing services, is the data 'Sub-Processor'.

It is the responsibility of the Customer to ensure that the Company employees are not set up as contacts (PSCs/ ACs) on client owned Service User Numbers.

Scope

This policy covers data entered by the Customer into the payroll system for the purposes of payroll processing by the Company's Payroll Team. It is not intended to cover information on individual customer desktops, laptops or mobile devices nor information held within other Customer applications.

It is the responsibility of the Customer to supply all related data via the secure method supplied by the Company for every payroll processing period. It is also the Customers responsibility to supply the data to the Company's Payroll Team in the pertinent data conversion template provided to them, in the exact field order, for the purposes of payroll processing.

Revocation of data access

End of Affiliation: All Data Access will end when the Customer's affiliation with MHR ends for any reason.

It is the Customer's responsibility to de register MHR as their BACS Bureau.

4. BACS & Payslips

BACS Services

The BACS service is only applicable to the Service Level Agreement if procured in a fully



executed Order Document.

Payments to be made via BACS are detailed in the Payroll Service Requirement form during service implementation. These payments will be made on the dates shown. If this is a non-working day, then the pay date will be amended in line with the agreed Customer schedule. These dates may also be varied by mutual consent of both the Customer and Company and by dates nominated by BACS as non-processing days.

BACS PROCESS	Company	Customer	N/A
Run the BACS file and report creation process for payments as defined in the Payroll Service Requirement form		✓	
Run BACS Process Log, check and take appropriate action if required.		✓	
Transfer BACS files to Company for transmission in accordance with The Schedule.		✓	
Supply and maintain a list of authorised signatories.		✓	
Transmit the BACS file.	✓		
Maintain appropriate limits with BACS to ensure control over payments being made.		✓	
Process any non-BACS payments for employees or third parties.		✓	
Ensure sufficient funds are available in the source bank account to fund the BACS transmission. The funding of the BACS payments will be through the Customer's nominated bank account. The Company will not, under any circumstances, be liable for funding the payment or any other costs incurred as a result of the subsequent late availability of funds.		✓	
Ensure the Bank holding the source account has given the appropriate permissions for the Company to transmit BACS files on the Customer's behalf.		✓	
Inform Company of any changes to the source bank account or BACS user number.		✓	
Recall complete BACS transmissions		✓	
For the timely collection and verification of the following BACS reports: • BACS Input Report • Automated return of unapplied credits service report. • Advice of wrong account for automated credits service report. • Update from AWACS reports should be applied no later than 3 working days after they are available		✓	



BACS PROCESS	Company	Customer	N/A
ARUCS report should be collected no later than 4 days after the payment/ collection date.			

BACS TIMETABLE	
Day 1	BACS Submission day
Day 3	BACS Processing day
Day 4	Payments reach accounts

Each of the days indicated must be nominated by BACS as a day on which processing may occur. These are normally Monday to Friday taking into account English Bank Holidays. The Company schedules BACS transmissions on the day before the submission day. This allows both Customer and Company contingency time in the event of difficulties.

The Company will not accept responsibility regardless of circumstances for late payments where the Customer stipulates transmissions must on a regular basis happen on transmission day.

5. Printing Services

The Payslip service is only applicable to the Service Level Agreement if procured in a fully executed Order Document.

PAYSLIPS (Printed or Electronic)	Company	Customer	N/A
Run the Payslip, Email or ESS process.		✓	
Transfer the payslip file to the Company as per the agreed schedule and protocol.		✓	
Print payslips. Payslips will be quality checked. Any defective payslips will be securely destroyed and reprinted.	✓		
Payslips will be delivered to the appropriate single location. Courier / delivery costs are excluded from the service charges.	✓		
Payslips will be delivered to multiple locations. Courier / delivery costs are excluded from the service charges. This option may incur additional service charges.			✓
Payslips will be delivered to home addresses. Delivery costs are excluded from the service charges. This option may incur additional service charges.			✓



PAYSLIPS (Printed or Electronic)	Company	Customer	N/A
Provide and maintain list of delivery addresses in a format suitable to produce dispatch labels.		✓	
Inform Company of amendments to delivery addresses.		✓	

P45S (Printed or Electronic)	Company	Customer	N/A
Run the P45 process.		✓	
Transfer the P45 file to the Company as per the agreed schedule and protocol.		✓	
Print P45s. P45s will be quality checked. Any defective P45s will be securely destroyed and reprinted.	✓		
P45s will be delivered to the appropriate single location. Courier / delivery costs are excluded from the service charges.	✓		
P45s will be delivered to multiple locations. Courier / delivery costs are excluded from the service charges. This option may incur additional service charges.			✓
P45s will be delivered to home addresses. Delivery costs are excluded from the service charges. This option may incur additional service charges.			✓
Provide and maintain list of delivery addresses in a format suitable to produce dispatch labels.		✓	
Inform Company of amendments to delivery addresses.		✓	

P60S (Printed or Electronic)	Company	Customer	N/A
Run the P60 process.		✓	
Transfer the P60 file to the Company as per the agreed schedule and protocol.		✓	
P60s will be delivered to the appropriate single location by due date. Courier / delivery costs are excluded from the service charges.	✓		
P60s will be delivered to multiple locations. Courier / delivery costs are excluded from the service charges. This option may incur additional service charges.			✓
P60s will be delivered to home addresses by due date. Courier / delivery costs are excluded from the service charges. This option may incur additional service charges.			✓
Provide and maintain list of delivery addresses in a format suitable to produce dispatch labels.		✓	



COURIER SERVICES	Company	Customer	N/A
Nominate courier (The Customer will select a courier of their choice).		✓	

6. System Administration

SYSTEM ADMINISTRATION	Company	Customer	N/A
Create new user accounts		✓	
Define user and security profiles		✓	
Create and maintain user and security profiles		✓	
Release users whose user profile has been locked		✓	
Make users inactive		✓	
Re-set passwords		✓	

7. Processing Schedules

Below is the Company's standard monthly payroll schedule for a BACS and Payslip only customer. This schedule will be utilised during payroll processing of the BACS payment(s) and print tasks. The timings refer to the number of Working Days prior to (and excluding) the employee payment date (P).

If the customer requires additional payroll checking time over and above the standard detailed below the payroll cut off will be brought forward.

The scheduled BACS and print tasks will be brought forward by public holidays and peaks of activity if required.

Activity	P -	Timing
Sign off BACS and payroll	P - 3	14.00
Transmit authorised BACS	P - 3	17.00
Transfer payslips for printing - payslips are to be provided on payday	P - 3	17.30
Service available for input	P + 0	12.30

Below is the Company's standard weekly payroll schedule for a BACS and Payslip only customer. This schedule will be utilised during payroll processing of the BACS payment(s) and



print tasks. The timings refer to the number of Working Days prior to (and excluding) the employee payment date (P).

If the customer requires additional payroll checking time over and above the standard detailed below the data submission time will be brought forward.

The scheduled BACS and print tasks will be brought forward by public holidays and peaks of activity if required.

Activity – Weekly Schedule	P -	Timing
Transmit authorised BACS	P – 2	15.00
Transfer payslips for printing - payslips are to be provided on payday	P – 2	12:00
Service available for input	P + 0	12.30

If the Customer fails to meet any of the above timescales for which they have actions, then the resulting additional pressure on the Service may result in late payment and/or incomplete payment on the payroll(s) concerned. This will not constitute a service failure on the part of the Company, providing the Company can demonstrate all reasonable endeavours were made to still make timely payment.

In an exceptional circumstance the company retains the right to submit a payment file to the BACS clearing, in the event that the Customer fails to authorise the submission of that payment file, despite repeated attempts to contact the Customer.

8. Service Level Objectives

Activity	Achievement Target	Comments
Achieve BACS deadlines to schedule	100%	

Managed Services Support Hours

The Payroll Team will deal with Managed Service operational and schedule enquiries. The Payroll Team will be contactable between the following hours excluding weekends and English bank and public holidays.

- **9:00 to 17:00**

9. Exit Management



Exit Management Responsibilities	Company	Customer
Prepare a transition schedule detailing timescales, requirements and milestones to achieve the transfer of Customer data.		✓
Agree transition schedule.	✓	✓
Provide specification of requirements for the data to be transferred.		✓
Agree specification of requirements.	✓	
Provide Customer data in line with the transition plan and specification of requirements. (Depending on the complexity of the requirement this may be a chargeable activity). As standard data will be provided as an oracle database.	✓	
For requests for other data formats the Company will make a charge for the provision of this data. The charge will be based on the number of day's effort required and the Company prevailing rates at that point in time. At all times up to the termination of the relationship the customer will be able to perform their own data extracts to provision and enable the move to a different provider.		✓

10. Escalation Contacts

The following table lists the names, titles, telephone numbers and email addresses of the Company contacts.

Name/ title /email address	Telephone	Responsibilities
Head of Service Management	0115 945 6000	Escalation point for significant HR and Payroll service issues
Managed Services Director	0115 945 6000	Escalation point for significant HR and Payroll service issues

11. Glossary of Terms



Expression	Meaning
BACS	Bankers Automated Clearing Service – usual method of payment.
Change Control	A formal process used to ensure that changes to a product or system are introduced in a controlled and coordinated manner.
Company	MHR International UK Limited as the licensor of the given software products and services. The term Company may be read as “Supplier”, “Licensor”, “Seller”, or any other term defined in an agreement to denote MHR International UK Limited as the software provider.
Customer	The organisation identified on an Order Document or any other contractual document for the provision of software and services between the parties. The term Customer may be read as “Buyer”, “Authority”, “Council”, “Licensee”, or any other term defined in an agreement to denote the organisation as the recipient of any software or services.
Data	Data is all data held in the Product.
P60	Employees summary of total pay and deductions for the tax year.



SERVICE LEVEL AGREEMENT

MHR Retained Consultancy Service





1. Document Control

Version No.	Date of issue	Status	Comments
1.0	01/10/2023	Issued	
1.1	16/06/2025	Issued	Update from Adam Bridges



2. Contents

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3. Introduction

3.1 Purpose

This Service Level Agreement (SLA) defines the Services provided by the Company (**MHR**), which are delivered to the Customer (**You**) for the service hours purchased. It also defines the service and the service level with the objective of:

- Clearly defining responsibilities.
- Defining the MHR Retained Consultancy Services
- Defining effective communication channels.
- Documenting problem resolution and escalation processes.

Retained Services – This is delivered by a dedicated MHR resource group, consisting of experts from across Payroll, HR, Analytics, and Technical (the ‘MHR Retained Team’). The Retained Service will be pre-booked every anniversary of the Agreement start date, to mutually agreed dates and within an agreed budget.

Any other work falling outside of your pre-booked Retained time must be raised via MHR Assist. These requests are chargeable and subject to the MHR Assist SLA.

Any questions or clarification regarding the SLA should be referred to your Account Manager.

3.2 MHR Retained Consultancy Service – services in scope

The following products and services are **in scope** for MHR Retained Consultancy Services:

In scope services
Additional consultancy and project management during implementation
Advice & guidance across any MHR product and Third-Party Products



Business Intelligence advisory requests to include security requests, report fixes or configuration changes
Changes to configuration across any MHR product and Third-Party Products
Configuration reviews for any MHR product or Third-Party Products
Configuration updates for standard MHR interfaces; for example, General Ledger.
Implementation of new features and modules, including configuration
New business intelligence report writing or completion of report
Security reviews and assessment of iTrent configuration
Software and technical health checks
Support for post upgrade actions
System administration support for iTrent and Third-Party Products
Training & knowledge transfer
UAT and post go-live support
Offboarding support
Service continuity – MHR to document processes. If needed, work will be raised and delivered via MHR Assist.
Onboarding support using automation services

3.2.1 Knowledge Transfer

The scope of Knowledge Transfer is as follows:

- Consultancy knowledge transfer – After the work has been completed, we will provide documentation and a call if needed to explain the changes and why.



3.3 MHR Retained Consultancy Services – services out of scope

The following products and services are out of scope for MHR Retained Consultancy Services:

Out of scope
Examination of any systems or services that were not purchased from MHR
All Training Courses
Raising and monitoring cases with MHR
Onboarding new businesses (MHR will provide documentation, automation services & build if agreed, You are responsible for scope, testing and roll out)
Purchasing of new software modules
Cloud Services Requests, including, but not limited to, out of hours upgrades; IP Address changes; additional third-party software deployments; certificate updates.
Specifically related to Cyber Security: • Investigation with employees to validate potentially suspicious behaviour. • Communication to any third parties about the incident, such as management, employees, regulators, or suppliers • Overall co-ordination of the incident

The SLA covers only the areas stated in clause 3.2, anything not detailed will not be covered as standard. Requests for services not in scope should be referred to your Account Manager (AM).

3.4 Exceptions

The following are **exceptions** related to the provision of the MHR Retained Consultancy Services:

Exceptions
If a defect has been resolved in a future release, service pack, or hotfix, the preference of MHR is to install the latest software updates – no hours will be consumed . MHR Retained Consultancy Service Hours will be consumed if you choose not to install any hotfix or service pack and a new alternative solution is required.



MHR Retained Consultancy Service Hours will not be consumed if an issue is solely caused by MHR, including but not limited to a software defect
--

Out of hours work where agreed in advance will consume double the number of hours. (6 hours per day)

3.4.1 How are hours consumed?

Requests for Retained Consultancy Services are made via the MHR Service Cloud. Pre-booked time is used to complete the request in full. The work is delivered in line with the agreed scope for the pre-booked session.

If additional hours from Your allocation, are required to complete a service request, this will be confirmed with You, prior to the hours being consumed.

Charges for cancellation or postponement by You of a work assignment shall be made pursuant to the following calculations.

If You cancel or postpone;

- (a) with more than fifteen [15] Working Days equals no charge;
- (b) with fewer than fifteen [15] clear Working Days equals 50% of the relevant Charges; or
- (c) with fewer than five [5] clear Working Days equals 100% of the relevant Charges.

In each case, the calculation is made from the scheduled date of such work assignment. You accept and agree that the fees outlined above represent a genuine pre-estimate of loss which shall be deducted from the Your MHR Retained Consultancy Services allowance to MHR, upon demand.

3.4.2 Additional Hours

If You do not have enough hours in your MHR Retained Consultancy Services allocation for a service request to be delivered, additional hours can be purchased through your Account Manager (AM).



3.4.3 Hours of Operation

The MHR Retained Consultancy Services operate **Monday to Friday** (excluding UK Bank Holidays) between **9am – 5pm**.

4. Process & Responsibilities

Company Customer		
MHR Retained Service: Work Request		
All bookings agreed at each anniversary of their agreement date	✓	✓
Additional Work Request is to be raised via the Service Cloud		✓
Work Request raised by a nominated employee		✓
On the pre-booked day, the consultant will complete the planned tasks e.g. housekeeping and any cases raised as retained (You will be notified is some items aren't completed)	✓	
Service Usage		
If a work request is not covered by this SLA, MHR will notify You within one [1] Working Day following the date of the request and will recommend additional supporting services.	✓	
Ad Hoc Requests are to be raised under MHR Assist		✓



5. Escalation Contacts

The following table lists the names, titles, telephone numbers, and email addresses of the Company contacts. Please follow the escalation route:

Escalation Level	Contact	Telephone	Responsibilities
Tier 1	MHR Assist Team MHRassist@mhrglobal.com	0115 945 6944	Initial Escalation Route
Tier 2	Adam Bridges MHR Assist Consultancy Manager Adam.Bridges@mhrglobal.com	0115 945 6000	Escalation point for significant MHR Retained Service Issues
Tier 3	Customer Services Director Alex.Loach@mhrglobal.com	0115 945 6000	Escalation point for significant HR, Payroll and Technical service issues
Tier 4	Iain Moffat Chief Delivery Officer Iain.Moffat@mhrglobal.com	0115 945 6000	Chief Delivery Officer responsible for all Professional Services Consultancy

END OF DOCUMENT



SERVICE LEVEL AGREEMENT

Learning Management System (LMS)





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1. Introduction

PURPOSE

This Service Level Agreement defines the Services provided and managed by the Company to the Customer in order to provision the MHR Learning Management System (LMS).

OBJECTIVE OF THE SERVICE

The objective is to deliver a timely, accurate and complete service to the Customer regarding the agreed LMS in terms of confirmed scope and concurrency.

The SLA defines the provision and the service level with the objective of:

- Clearly defining responsibilities
- Ensuring availability of the LMS as per specified uptime below
- Defining effective communication channels
- Documenting problem resolution and escalation processes

The services to be delivered as part of the agreed Customer's obligations and the Company obligations are denoted by the symbol "✓" in the relevant tables of this document.

2. Provision

Expressions within this document shall have the same meaning as in the Agreement or shall have the following meanings unless inconsistent with the context:

LMS
Standard LMS Environments
LIVE: The Customer's primary LMS environment – full Cloud-based hosting. Defaults to London unless agreed otherwise.
Additional Optional Environments (subject to costs being agreed)
SANDBOX: An optional test environment containing a snapshot copy of the LIVE data and used for testing and approving updates, patches, fixes and functionality. This is subject to additional costs.
Optional bolt-ons (subject to costs being agreed)
A market place content bundle – loaded and managed on the MHR LMS



3. Infrastructure Responsibilities

INFRASTRUCTURE RESPONSIBILITIES AND OBLIGATIONS	Company	Customer
Provide and maintain all Cloud Infrastructure required for the running of the MHR LMS.	✓	
Provide Customer access to the MHR LMS	✓	
Provide and maintain all computer hardware, software (with the exception of the MHR LMS) and associated equipment situated on the Customer premises such as equipment to meet as a minimum the specification required to operate the MHR LMS.		✓
The Company and Customer will make each other aware of any changes or issues that will impact the delivery of the MHR LMS.	✓	✓

COMMUNICATION LINKS RESPONSIBILITIES AND OBLIGATIONS	Company	Customer
Provide and manage the appropriate inbound connections at point of entry to the Customer network		✓
As appropriate, provide and manage the iTrent / People First system availability for use by the MHR LMS for the productised integration to function.		✓

BUSINESS CONTINUITY RESPONSIBILITIES AND OBLIGATIONS (LMS)	Company	Customer
Maintain internal Business Continuity Plan to facilitate the recovery of the LMS in the event of a Disaster	✓	
In the event of a Disaster, recover the LMS environment – as per the RTO and RPO guidelines.	✓	
Complete full annual test for Disaster Recovery / Business Continuity	✓	

4. Data Management (iTrent / People First)

Where iTrent or People First are used and a customer wishes to utilise the out of the box integration between said system and the LMS, the following Data Management protocols shall apply.

DATA MANAGEMENT (ITRENT / PEOPLE FIRST) WHERE APPLICABLE	Company	Customer
PERSONAL INFORMATION		



DATA MANAGEMENT (ITRENT / PEOPLE FIRST) WHERE APPLICABLE	Company	Customer
Maintenance of personal information		✓
Update of manual changes; e.g. Starters, Leavers, Changes, etc.		✓
CONFIGURATION		
Data quality		✓
Management of core structure and data to ensure validity of source data including “Branch” or “Groups” functionality in LMS		✓

SYSTEM ADMINISTRATION RESPONSIBILITIES AND OBLIGATIONS (LMS)	Company	Customer
Delete user data as required e.g. to conform to GDPR / Data Protection retention periods		✓
Access to the Application to adhere to all approved Company security measures and protocols.	✓	
LMS to be cloud hosted out of London, UK unless explicitly agreed otherwise.	✓	

5. LMS Environment / Cloud Hosting

The LMS itself is built on the solid foundations of AWS (Amazon Web Services) being full cloud based - managed out of London (unless agreed otherwise). The web front end (supporting multiple browsers such as Chrome, Edge, Safari etc) infrastructure has all of the expected security, encryption and GDPR protocols which are actively enforced and managed under the ISO27001 framework. Audit is also available to monitor and track access.

LMS ENVIRONMENT / CLOUD HOSTING	Company	Customer
Customers’ data is stored in their own S3 bucket and is segregated from other environments.	✓	
Rigorous policies keeping each customer’s data and information secured and separated from one instance to the other	✓	
The LMS is managed under an information security management system (“ISMS”), which is ISO 27001 certified.	✓	
Upgrades are applied automatically on behalf of customers as part of the cloud based agreement. Patch release / point releases are typically applied fortnightly, with core updates applied typically on a monthly basis.	✓	
The Recovery Time Objectives (RTO) is 36 hours, and the Recovery Point Objective (RPO) is determined by the frequency of the backups, based on the service type subscribed for.	✓	



LMS ENVIRONMENT / CLOUD HOSTING	Company	Customer
AWS RDS servers with full back ups, including dedicated snapshots stored in AWS S3.	✓	
Maintain the LMS in accordance with the User Manual to ensure optimum application performance	✓	✓
Customers can request a platform point in time restore based on raising an Incident Request (see above). This restore can be based on a saved backup that is no more than seven (7) days old. Should a customer request a backup older than two weeks, it requires between 4 and 24 hours on average to perform such a restore.	✓	✓

6. Enquiry Services

LMS SUPPORT

The purpose of the Company's Service Desk is to investigate suspected software defects.

The Company provides a 24/7 service cloud that allows our customers to find the information that they need when they need it.

Customers can nominate up to 4 support users who can access information and log suspected defects via the Service Cloud portal.

When reporting a suspected software defect, the customer will provide the steps to replicate the issue in the form of either an annotated document or video.

RAISING AN INCIDENT

There are 2 methods to raise a case / incident related to the LMS;

By Email during implementation ONLY:

Send an email detailing the following to learningsolutionssupport@mhr.co.uk

- Interface URL
- Full details of issue including screenshots / evidence / impact / error message / steps to re-create the issue (if known), user(s) affected etc
- Any other relevant detail

Support Requests lacking this information will *not* be considered as part of any service level measuring report, except to the extent that such information is not available to the Customer.



By logging an online incident (which will be the primary route when in Business As Usual (BAU):

Use the 'Service Cloud link:

https://midlandhrcommunity.force.com/ServiceDesk/CustomLogin_ServiceDesk

The expected outcome of the Service Desk's investigation is the successful identification of a defect. When a defect is identified and confirmed, the case is closed and linked to a defect record; which will be resolved and implemented accordingly. Other outcomes may include a data issue or a complex configuration issue.

The Service Desk will provide documentation to customers when configuration issues are identified; consultancy will be offered where appropriate.

ENQUIRY SERVICES	Company	Customer
Provide a support service between the hours of 9.00am and 5.30pm on any Working Day excluding English Bank Holidays and Public Holidays.	✓	
Customer to highlight the impact when raising Emergency / Incident cases including full justification as outlined above.		✓

7. Service Availability (LMS)

SERVICE ITEM	Availability
Live LMS – this is based on a monthly calendar basis ("availability percentage") of at least 99.5% as follows; $\text{Availability Percentage} = ((T - EO) - IEO / (T - EO)) \times 100\%$ T = Total Monthly Time EO = Total Monthly Excused Outages IEO = Total Monthly Non-Excused Outages	99.5%



8. Exit Management

EXIT MANAGEMENT RESPONSIBILITIES	Company	Customer
Prepare a transition schedule detailing timescales, requirements and milestones to achieve the transfer of Customer data.		✓
Agree transition schedule.	✓	✓
Provide specification of requirements for the data to be transferred.		✓
Agree specification of requirements.	✓	
On request from the customer, The Company can provide a portable copy of the Customer proprietary information in accordance with the Data Protection Laws with respect to Personal Data.	✓	✓
Terminated customer proprietary information stored in the LMS platform is rendered unreadable or disabled by AWS and the underlying storage areas on the AWS network that were used to store the content are wiped, prior to being reclaimed and overwritten, in accordance with AWS standard policies including a secure decommissioning process. The Company will carry out the logical deletion within thirty (30) days from the termination of the Agreement and, on the customer request, may provide the Customer with written confirmation of such deletion.	✓	

9. Escalations

The following table lists the names, titles, telephone numbers and email addresses of the Company contacts.

Name/ title /email address	Telephone	Responsibilities
Appointed Account Manager	0115 945 6000	First point of escalation for any significant LMS related issues
Head of Customer Education	0115 945 6000	Secondary point of escalation for any significant LMS related issues if appropriate.

10. Definitions

Expressions within this document shall have the same meaning as in the Agreement or shall have the following meanings unless inconsistent with the context:



Expression	Meaning
Business Continuity Plan	A plan that defines how the Company will deal with potential disasters.
Cloud	Confirmation that the LMS is a full cloud based hosted system – see AWS above.
Communication	Main communication channels will be defined although these can be varied to suit the Customer and /or Company. Where communication channels are not defined the default communication channel for both Customer and Company will be email.
Company	MHR International UK Limited as the licensor of the given software products and services. The term Company may be read as “Supplier”, “Licensor”, “Seller”, or any other term defined in an agreement to denote MHR International UK Limited as the software provider.
Concurrent User	A concurrent user in terms of the core LMS will have the following definition: • Every time a user accesses training material of any type on the MHR LMS • Every time a user is evaluated or marked as attended by an instructor into an ILT on the MHR LMS • Every time a user accesses a session within a webinar course or views recordings on the MHR LMS
Customer	The organisation identified on an Order Document or any other contractual document for the provision of software and services between the parties. The term Customer may be read as “Buyer”, “Authority”, “Council”, “Licensee”, or any other term defined in an agreement to denote the organisation as the recipient of any software or services.
Data	Refers to all data held in the Product.
Docebo	The Company’s strategic partner and the provider of the LMS. For the avoidance of doubt, The Company will be responsible for all implementation and support activities thereafter. The Company only backs off identified bugs to Docebo and the Cloud Based hosting and upgrades which defaults to London, UK unless agreed otherwise.
Excused outage	means, any Unavailability that is due to: (1) Planned downtime. Planned downtimes are downtimes that are scheduled during “Maintenance Windows”. (2) Emergency downtime. With respect to emergency downtime, the Company shall provide the Customer with as much notice as practical under the circumstances. (3) Force Majeure. Any Unavailability caused by a Force Majeure Event.
Full Working Day	A full working day for the purposes of the service is Mon-Fri 09.00



	to 17.30 (excluding UK Bank Holidays and Public Holidays).
iTrent	The Company's HCM / HRIS offering.
LMS	Learning Management System.
Non excused outage	Means anything other than an Excused Outage.
People First	The Company's HCM / HRIS offering.
Service Cloud	The central point of contact between the Company and the Customer for reporting <i>incidents</i> (disruptions or potential disruptions in service availability or quality) and for users making <i>service requests</i> (routine requests for Services).

Document Control

Version	Date	Author	Comments
0.1	15/12/2021	P Marnoch & C Miles	Updated draft
0.2	20/12/2021	P Ward & S Hartshorne	Review
1.0	18/02/2022	P Marnoch & P Ward	Final release
2.0	31/08/2023	L Morgan	Online version



SERVICE LEVEL AGREEMENT

Managed Payroll Service



Document Control

Version No.	Date of Issue	Authors	Status	Comments
1.0	25/02/2021	MHR		Creation of new SLA for Managed Payroll Service
1.1	14/05/2021	MHR		Update of name to Fully Managed Payroll Service
1.2	29/06/2021	MHR	Final	Update to Cloud Services section
1.3	03/08/2021	MHR	Final	Update to wording in section 5.1 Tax Codes
1.4	06/10/2021	MHR	Final	Inclusion of MFA requirement at 'INFRASTRUCTURE RESPONSIBILITIES AND OBLIGATIONS'.
1.5	14/02/2023	MHR	Final	Updates following BACS Audit
1.6	28/07/2023	MHR	Final	Online Version
1.7	02/08/2025	MHR	Final	BACS update

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1. Introduction

1.1 Purpose

This Service Level Agreement defines the services provided and managed by the Company to the Customer.

1.2 Objective of the Service

The objective is to deliver a timely, accurate and complete service to the Customer as per the agreed details below. Any items not specifically discussed in this document are excluded and would need to be scoped, costed, and agreed separately.

The Service Level Agreement defines the service and the service level with the objective of:

- Clearly defining roles and responsibilities.
- Ensuring services are clearly understood.
- Defining effective communication channels.
- Documenting problem resolution and escalation processes.
- Defining software service availability

1.3 Instructions

- The services to be delivered by the Customer's obligations and the Company obligations are denoted by the symbol "✓" within the tables of this document.
- The services denoted by the "Y" symbol mark any additional items which have been procured via the Order Document.

2. Overview of Provision

SERVICES IN SCOPE	Section	Provided
Managed Payroll Service	5	✓
Provision	5.1	✓
Payroll Enquiry Service	5.2	✓
Post Payroll Reporting & Third-Party Payment Returns	5.3	✓
Third-Party Administration	5.4	✓
System Administration	5.5	✓
Change Control	5.6	✓
BACS Service	5.7	✓
Printing Service	5.8	✓

SERVICES IN SCOPE	Section	Provided
Processing Schedules	5.9	✓
Service Level Objective	5.10	✓
Service Management and Review	5.11	✓
Cloud Services	6	✓
Service Desk	7	✓
Exit Management	8	✓

3. Data Management - Managed Services

3.1 Data Ownership Policy

The purpose of the Company's Data Ownership Policy is to provide guidelines for the Company's Payroll Team. This policy describes the roles and responsibilities of the individuals charged with the handling, processing, and maintenance of this information as part of the Managed Service being provided by the Company.

3.2 Policy

It is the policy of the Company that data and information will be made available to the Payroll Team to perform the necessary payroll processing required by their position to provide a Managed Service in line with the Contract between the Company and the Customer. The payroll data for the pay period will be available as necessary and relevant as determined by appropriate authorisation of both the employee and the Data Controller. The Data Controller may be the owner of the entire data set or a segment of the data.

- The Customer is the data 'Controller' and the Company is the data 'Processor'.
- Third Party Services, e.g. payslip printing services, is the data 'Sub-Processor'.

3.3 Scope

This policy covers data entered by the Customer into the payroll system for the purposes of payroll processing by the Company's Payroll Team. It is not intended to cover information on individual customer desktops, laptops, or mobile devices nor information held within other Customer applications.

It is the responsibility of the Customer to supply all related data via the secure method supplied by the Company for every payroll processing period. It is also the Customer's responsibility to supply the data to the Company's Payroll Team in the mutually agreed data template provided to them, in the exact field order, for the purposes of payroll processing.

3.4 Revocation of data access

End of Affiliation: All Data Access will end when the Customer's affiliation with the Company ends for any reason.

It is the Customer's responsibility to de register MHR as their BACS Bureau.

3.5 Data Standards

All data being supplied to the Company for processing, must be provided to the Company in the mutually agreed data template. The format will be explained to the Customer as part of the implementation as will the quality of the data required.

Where incorrect or incompatible data is supplied to the Company it will be returned to the appropriate Customer representative to correct and resubmit. If this is then submitted outside the scheduled timescales it will not be processed unless mutually agreed with the Company and authorised by the Customer. Additional service charges will be levied as detailed below and agreed payroll processing scheduled dates may not be met by the Company.

The Customer must provide the information via SFTP. Information provided through different delivery methods will not be processed.

Data Standard	KPI	Measurement
Format	All data provided to the Company for processing in the agreed data template.	100%
Quality	The quality of data provided to the Company for processing is measured through inaccuracies and exceptions.	100%
Method	Data provided to the Company for processing must be via SFTP.	100%

3.6 Data Management

This section outlines how personal data will be managed by both the Customer (data 'Controller') and the Company (data 'Processor'). All personal data will be processed in line with the Data Protection Act 2018 and the General Data Protection Regulation (GDPR).

Activity	Company	Customer
Provide a secure method (SFTP) of sending payroll input data.	✓	
Provide payroll input data for the period in the agreed data template and via the secure method (SFTP) provided by the Company.		✓

4. Managed Service

4.1 Provision

If the standard pay date falls on a non-banking day, the pay date will be amended in line with the agreed customer schedule.

Data must be sent by the scheduled cut-off date.

DATA MANAGEMENT	Company	Customer	N/A
PERSONAL INFORMATION			
Maintenance of personal information via ESS, MSS or Core Product.		✓	
Submission of New Starter data in agreed data template.		✓	
Processing of New Starter information provided in agreed data template.	✓		
STRUCTURE			
Collation of organisation structure data (new units, posts, positions) for all employees.		✓	
Maintenance of employee personal references, units, and positions within the organisation structure for all employees in the Core Product.		✓	
Submission of organisation structure data in agreed data template.		✓	
Processing of organisation structure information provided in agreed data template.	✓		
Attachment of new employees to the organisation structure.		✓	
Submission of employee position attachment data in agreed data template.		✓	
Processing of employee position attachment information provided in agreed data template.	✓		
Attachment of new employees to the payroll, including the attachment of contract to payroll, payment method, NI category, P45/New Starter Declaration.	✓		
Submission of employee payroll attachment data in agreed data template.		✓	
Processing of employee payroll attachment information provided in agreed data template.	✓		
TRANSFERS			
Collation of organisational payroll transfer data.		✓	
Completion of payroll transfer process.	✓		
WORKING PATTERN ADMINISTRATION			
Collation of working pattern information.		✓	
Creation of working patterns in the Core Product.		✓	
Manual attachment of working pattern changes in the Core Product.		✓	
Submission of working pattern data in agreed data template.		✓	

DATA MANAGEMENT	Company	Customer	N/A
Processing of working pattern data information provided in agreed data template.	✓		
PAYMENTS			
Process permanent or temporary data via ESS, MSS or Core Product.		✓	
Submission of permanent or temporary data in agreed data template.		✓	
Processing of permanent or temporary data provided in agreed data template.	✓		
ABSENCE			
Collect all absence data.		✓	
Process all absence data via ESS, MSS or Core Product.		✓	
Submission of absence data in agreed data template.		✓	
Processing of absence data provided in agreed data template.	✓		
Identification of employees requiring an Alabaster calculation.	✓		
Completion of Alabaster calculations.	✓		
Completion and distribution of Statutory Absence Exclusion forms as required.	✓		
Provide standard Core Product absence management reports as required.	✓		
PENSION DEDUCTIONS			
Process all pension data via Core Product.		✓	
Submission of pension data in agreed data template.		✓	
Processing of pension data provided in agreed data template.	✓		
Run pension assessment process.	✓		
Supply standard Core Product pension assessment reports as required.	✓		
Action pension deferments in line with agreed parameters.	✓		
Run the auto enrolment process.	✓		
Run the Gross to Net to calculate pension contributions.	✓		
Provide a formal opt out facility for employees.		✓	

DATA MANAGEMENT	Company	Customer	N/A
Enter opt out information into the Core Product.	✓		
Confirmation and submission of 3-year re-enrolment dates		✓	
Enter 3-year re-enrolment dates into the Core Product	✓		
LEAVERS			
Process all leaver data via ESS, MSS or Core Product.		✓	
Calculate holiday pay due for leavers via Core Product.	✓		
Identification of negative net pay for leavers.	✓		
Amendment of negative net pay for leavers in line with agreed parameters.	✓		
Notify courts of leavers.	✓		
REDUNDANCY			
Make statutory redundancy calculations.	✓		
Enter redundancy payments onto Core Product.	✓		
NON-STATUTORY DEDUCTIONS			
Process all non-statutory deduction data via Core Product.		✓	
Submission of non-statutory deduction data in agreed data template.		✓	
Processing of non-statutory deduction data provided in agreed data template.	✓		
STATUTORY DEDUCTIONS			
Process all statutory deductions via Core Product.	✓		
Administer statutory deductions in accordance with the legislation and regulations.	✓		
COURT ORDERS (INCLUDING CHILD MAINTENANCE ORDERS)			
Collect all data relating to court orders.		✓	
Process all court order data via Core Product.	✓		
Submission of court order data in agreed data template.		✓	
Processing of court order data provided in agreed data template.	✓		
Deduct administration fees at the prevailing rate, if applicable.	✓		

DATA MANAGEMENT	Company	Customer	N/A
STUDENT & POSTGRADUATE LOANS			
Collect all data relating to student & postgraduate loans.		✓	
Process all student & postgraduate loans data via Core Product.	✓		
Submission of student & postgraduate loans data in agreed data template.		✓	
Processing of student & postgraduate loans data provided in agreed data template.	✓		
Legislative downloads from Government Gateway via Core Product.	✓		
TAX CODES			
Collect all data relating to tax sources.		✓	
Process all tax source data via Core Product.	✓		
Submission of tax code data in agreed data template.		✓	
Processing of tax code data provided in agreed data template.	✓		
Legislative downloads from Government Gateway via Core Product.	✓		
EXPENSES (INCLUDING CAR MILEAGE)			
Process expense data via ESS, MSS or Core Product.		✓	
Submission of expense data in agreed data template.		✓	
Processing of expense data provided in agreed data template.	✓		
BULK PAYROLL CHANGES (INCLUDING SALARY, Payscale, PAYMENT TABLE & PENSION)			
Provide details of bulk payroll change requirement in a timely manner.		✓	
Provide bulk payroll changes in agreed data template.		✓	
Process bulk payroll changes in the Core Product.	✓		
Any any-hoc request for data cleansing or uploads will be chargeable through consultancy.	✓		
REPORTING			
Produce Core Product Gender Pay report as required.	✓		
Produce Core Product Terms and Conditions Analysis report as required.	✓		

DATA MANAGEMENT	Company	Customer	N/A
Produce Core Product Absence reports as required.	✓		
Produce Core Product Furlough reports as required.	✓		
Any any-hoc request for bespoke report will be chargeable through consultancy.	✓		

PERIODIC PAYROLL PROCESSING	Company	Customer	N/A
FIRST GROSS TO NET PROCESS			
Run the absence calculation.	✓		
Run the car mileage calculation.	✓		
Run the payroll calculation.	✓		
Run costing calculation.	✓		
Produce Core Product standard payroll outputs.	✓		
Run the payroll errors and warnings report.	✓		
Run the absence process message log report.	✓		
Run the car mileage process message log report.	✓		
Run the costing process message log report.	✓		
Check payroll output and process message log reports to highlight any issues.	✓		
Advise Customer of proposed amendments to correct issues identified during the first gross to net process.	✓		
Customer to provide authorisation of proposed amendments or alternative instructions.		✓	
Unlock contracts.	✓		
Process amendments as instructed by the Customer.	✓		
FINAL GROSS TO NET PROCESS			
Run the absence calculation.	✓		
Run the car mileage calculation.	✓		
Run the payroll calculation.	✓		
Run costing calculation.	✓		

PERIODIC PAYROLL PROCESSING	Company	Customer	N/A
Produce Core Product standard payroll outputs.	✓		
Run the payroll errors and warnings report.	✓		
Run the absence process message log report.	✓		
Run the car mileage process message log report.	✓		
Run the costing process message log report.	✓		
Check payroll output and process message log reports highlight any issues.	✓		
Follow the BACS process as defined in Section 5.7.	✓		
Run the GL extract.	✓		
Run the cleardown process.	✓		
Run the cleardown process message log report, check the output. and take appropriate action as required.	✓		
Run Core Product Management Information reports as required.	✓		

PAYROLL CHECKING AND APPROVAL	Company	Customer	N/A
CONTROL CHECKS			
Check data input exceptions to highlight any issues.	✓		
Advise Customer of proposed amendments to correct issues identified in the data input exceptions.	✓		
Customer to provide authorisation of proposed amendments or alternative instructions for data input exceptions.		✓	
Using the payroll outputs, process message log reports, and spot checks, check that the payroll balances.	✓		
Check the brought forward values are equal to the previous carried forward values, taking account of any cumulative value adjustments.	✓		
Check individual net pay values that vary more than 20% from the previous period.	✓		
Check that values balance within and between reports.	✓		
Check the reasonableness of the highest and lowest gross and net pay values.	✓		
Check reasonableness of total gross pay, tax, NI, and superannuation by reference to previous values.	✓		

PAYROLL CHECKING AND APPROVAL	Company	Customer	N/A
Deliver to the Customer the standard payroll outputs.	✓		
Provide list of authorised contacts to approve the payroll.		✓	
Ensure that relevant contacts are available to authorise the payroll as per the agreed schedule. Signature of the BACS authorisation form for net pay is considered by the Company to be acceptance by the Customer of the payroll.		✓	
Check the payroll outputs and provide authorisation of payment transmission and legislative submissions as per the agreed schedule.		✓	
Receive authorisation as per agreed schedule.	✓		
Confirm validity of authorised contact.	✓		
Prepare, check, and distribute listings of third-party payments as per agreed schedule.	✓		
Reconcile payments made via BACS to source bank account.		✓	

RTI PROCESSING	Company	Customer	N/A
PERIODIC ADMINISTRATION OF RTI SERVICES			
Create the periodic FPS/PAYE Submission Extract file.	✓		
Propose amendments on data errors contained within the periodic FPS/PAYE Submission Extract file.	✓		
Customer to provide authorisation of proposed amendments or alternative instructions.		✓	
Complete required actions to address any data errors contained within the periodic FPS/PAYE Submission Extract file.	✓		
Electronically submit the FPS/PAYE Submission Extract as per the agreed schedule	✓		
Create the periodic EPS file.	✓		
Propose amendments on data errors contained within the periodic EPS file.	✓		
Complete required reconciliation actions for the periodic Employer Payment Summary	✓		
Customer to provide authorisation of proposed amendments or alternative instructions.		✓	
Complete required actions to address any data errors contained within the periodic EPS file.	✓		
Electronically submit the EPS file as per the agreed schedule.	✓		
AD-HOC TASKS			

RTI PROCESSING	Company	Customer	N/A
Provide information relating to any required earlier year updates(s).		✓	
Enter adjustments against employee(s) for earlier year updates as per the Customer's instruction.	✓		
Creation of earlier year update(s) in the Core Product.	✓		
Electronically submit earlier year update(s).	✓		
ANNUAL TASKS			
Create and distribute P60s to employees as per the legislative deadline via ESS, email, or print (printing may incur an additional cost).	✓		

4.2 Payroll Enquiry Service

PAYROLL ENQUIRY SERVICE	Company	Customer	N/A
Respond to payroll queries from the Customer's authorised representatives. All relevant information must be provided when making an enquiry, including the employee name, payroll number, and either date of birth or NI Number.	✓		
Provide a telephone helpdesk between the hours of 09:00 and 17:00, Monday to Friday, excluding UK Bank Holidays, which all employees are permitted to call to discuss pay queries.	✓		
Respond to pay queries from the Customer's employees as required. All relevant information must be provided when making an enquiry, including company name, employee name, payroll number, and either date of birth or NI Number.	✓		
Respond to enquiries both written and verbal from HMRC, Courts and Child Maintenance Service.	✓		
Respond to requests for copy payslips, P60s and statement of earnings letters. Please note that these requests may incur an additional cost.	✓		

4.3 Post Payroll Reporting & Third-Party Payment Returns

POST PAYROLL REPORTING	Company	Customer	N/A
PAYROLL REMITTANCES & THIRD-PARTY RETURNS			
Produce non pension remittance reports in third party desired format, i.e. GAYE or Private Medical (Additional charges may apply if a bespoke format is required).	✓		
Submit the breakdown of payment to the appropriate provider.	✓		
THIRD-PARTY RETURNS			
Run third-party BACS files from the Core Product.	✓		
Check the payroll outputs and provide authorisation of payment transmission.		✓	

POST PAYROLL REPORTING	Company	Customer	N/A
Transmit to third-party values as per the agreed schedule.	✓		
CORRESPONDENCE			
Reference Letters (Mortgage, Employment, Financial)	✓		
Ad-hoc forms such as loss of earnings and insurance claims	✓		
Over and under payment correspondence to employees	✓		
Debt collection liaison		✓	
Create and distribute Maternity pay letters	✓		
Create and distribute letters to employees who trigger half pay or nil pay	✓		

4.4 Third-Party Personal Administration

THIRD PARTY ADMINISTRATION	Company	Customer	N/A
ADMINISTRATION OF THIRD-PARTY CHANGES			
Notify third parties applicable to the client (which could include, private medical providers) of starter and leavers in the payroll period		✓	
Notify third parties applicable to the client (which could include, private medical providers) of relevant changes personal information changes		✓	

4.5 System Administration

SYSTEM ADMINISTRATION	Company	Customer	N/A
Define User and Security Profiles for Customer		✓	
Define User and Security Profiles for Company	✓		
Create new User Accounts for Customer		✓	
Create new User Accounts for Company	✓		
Create and maintain User and Security profiles for the Company	✓		
Create and maintain User and Security profiles for the Customer		✓	
Release locked User Profiles for the Company	✓		
Release locked User Profiles for the Customer		✓	

SYSTEM ADMINISTRATION	Company	Customer	N/A
Deactivate Users for the Company	✓		
Deactivate Users for the Customer		✓	
Re-set passwords for the Company	✓		
Re-set passwords for the Customer		✓	
Create Function Access for the Company	✓		
Annual Increments & Salary Increases	✓		
National Minimum Wage & National Living Wage updates	✓		
Annual Element Uplifts	✓		
Ad-hoc Transactional Audit Reporting	✓		
Post Upgrade Actions	✓		
Initial Creation of Working Patterns	✓		
Subject Access Requests related to Payroll information <i>Received within 5 working days from the customer</i> <i>Processed within 10 working days</i>	✓		

4.6 Change Control

A formal process used to ensure that changes to a product or system are introduced in a controlled and coordinated manner.

SYSTEM CONFIGURATION	Company	Customer	N/A
Supply definitions of required system configuration changes, this will include but not limited to: • Elements ○ Payments ○ Deductions ○ Benefits • Calculations • Term and Conditions ○ Pensions ○ Absence ○ Car Mileage • Costing Rules • Grades and Scale Points		✓	
Investigate and clarify requirements where necessary, and then provide an estimate for the cost, timing, and impact (if any) of the change	✓		

SYSTEM CONFIGURATION	Company	Customer	N/A
Specify changes to application configuration.	✓		
Provide necessary documentation detailing the Cost and timings along with a completed Change Control Request Form	✓		
Approve amendments required prior to work commencing		✓	
Agree implementation plan for any changes	✓	✓	
Incorporate agreed changes to System set-up in Test Environment in accordance with the specification	✓		
Incorporate agreed changes to employee records in Test Environment in accordance with the specification	✓		
Sign off and approval of acceptance testing		✓	
Authorise configuration changes to be applied to Live Environment		✓	
Implement configuration amendment in Live Environment	✓		
Sign off amendments as complete		✓	

4.7 BACS Services

Payments to be made via BACS are detailed in Payroll Service Requirement form during service implementation. These payments will be made on the dates shown. If this is a non-working day, then the pay date will be amended in line with the agreed Customer schedule. These dates may also be varied by mutual consent of both the Customer and Company and by dates nominated by BACS as non-processing days.

It is the responsibility of the Customer to ensure that the Company employees are not set up as contacts (PSCs/ ACs) on client owned Service User Numbers.

BACS PROCESS	Company	Customer	N/A
Run the BACS file and report creation process for payments as defined in the Payroll Service Requirement form.	✓		
Run the BACS process message log report	✓		
Check BACS process message log report to highlight any issues.	✓		
Advise Customer of proposed amendments to correct issues identified during BACS process.	✓		
Customer to provide authorisation of proposed amendments or alternative instructions.		✓	
Process amendments as instructed by the Customer.	✓		
Supply and maintain a list of authorised signatories		✓	

BACS PROCESS	Company	Customer	N/A
Complete a separate BACS authorisation form for each transmission of employee or third-party payments entering the totals and BACS dates.	✓		
Send the completed BACS form to the Customer.	✓		
Confirm accuracy of figures and dates on the BACS authorisation form	✓	✓	
Ensure that relevant contacts are available to authorise the BACS transmission in accordance with the Schedule.		✓	
Sign the BACS authorisation form and return to the Company to authorise transmission of BACS.		✓	
Transmit the BACS file.	✓		
Maintain appropriate limits with BACS to ensure control over payments being made.		✓	
Process any non-BACS payments for employees or third parties		✓	
Ensure sufficient funds are available in the source bank account to fund the BACS transmission. The funding of the BACS payments will be through the Customer's nominated bank account. The Company will not, under any circumstances, be liable for funding the payment or any other costs incurred as a result of the subsequent late availability of funds		✓	
Ensure the Bank holding the source account has given the appropriate permissions for the Company to transmit BACS files on the Customer's behalf.		✓	
Inform Company of any changes to the source bank account or BACS user number, within a minimum 30 day lead time.		✓	
Recall of full BACS transmission(s) file.	✓		
Recall individual line within BACS transmission file.		✓	
Log into BACS Payment Services website and download any associated reports.		✓	
Action any line items identified on the Payment Service reports.		✓	
For the timely collection and verification of the following BACS reports: • BACS Input Report • Automated return of unapplied credits service report. • Advice of wrong account for automated credits service report. • Updates from AWACS reports should be applied no later than 3 working days after they are available • ARUCS reports should be collected no later than 4 days after the payments/ collection date		✓	

BACS TIMETABLE	
Day 1	BACS Submission day
Day 3	BACS Processing day
Day 4	Payments reach accounts

Each of the days indicated must be nominated by BACS as a day on which processing may occur. These are normally Monday to Friday taking into account English Bank Holidays. The Company schedules BACS transmissions on the day before the submission day. This allows both Customer and Company contingency time in the event of difficulties.

The Company will not accept responsibility regardless of circumstances for late payments where the Customer stipulates transmissions must on a regular basis happen on transmission day.

In an exceptional circumstance the company retains the right to submit a payment file to the BACS clearing, in the event that the Customer fails to authorise the submission of that payment file, despite repeated attempts to contact the Customer.

4.8 Printing Services

PAYSLIPS (Printed or Electronic)	Company	Customer	N/A
Run the Payslip, Email or ESS process.	✓		
Print payslips. Payslips will be quality checked. Any defective payslips will be securely destroyed and reprinted.	✓		
The number of payslips printed and sealed will be checked against the file provided.	✓		
Payslips will be delivered to the appropriate single location. Courier / delivery costs are excluded from the service charges.	✓		
Payslips will be delivered to multiple locations. Courier / delivery costs are excluded from the service charges. This option may incur additional service charges			✓
Payslips will be delivered to home addresses. Delivery costs are excluded from the service charges. This option may incur additional service charges			✓
Provide and maintain list of delivery addresses in a format suitable to produce dispatch labels.		✓	
Inform Company of amendments to delivery addresses.		✓	

P45S (Printed or Electronic)	Company	Customer	N/A
Run the P45 process.	✓		
Print P45s. P45s will be quality checked. Any defective P45s will be securely destroyed and reprinted	✓		

P45S (Printed or Electronic)	Company	Customer	N/A
The number of P45s printed will be checked against the file provided	✓		
P45s will be delivered to the appropriate single location. Courier / delivery costs are excluded from the service charges	✓		
P45s will be delivered to multiple locations. Courier / delivery costs are excluded from the service charges. This option may incur additional service charges			✓
P45s will be delivered to home addresses. Delivery costs are excluded from the service charges. This option may incur additional service charges			✓
Provide and maintain list of delivery addresses in a format suitable to produce dispatch labels		✓	
Inform Company of amendments to delivery addresses		✓	

P60S (Printed or Electronic)	Company	Customer	N/A
Run the P60 process.	✓		
Produce trial P60 for approval.	✓		
Confirm accuracy and authorise production of P60s.		✓	
P60s will be delivered to the appropriate single location by due date. Courier / delivery costs are excluded from the service charges.	✓		
P60s will be delivered to multiple locations. Courier / delivery costs are excluded from the service charges. This option may incur additional service charges.			✓
P60s will be delivered to home addresses by due date. Courier / delivery costs are excluded from the service charges. This option may incur additional service charges.			✓
Provide and maintain list of delivery addresses in a format suitable to produce dispatch labels.		✓	

COURIER SERVICES	Company	Customer	N/A
Nominate courier (The Customer will select a courier of their choice)		✓	

4.9 Processing Schedules

Below is the Company's standard monthly payroll schedule which will be utilised during payroll processing. The timings refer to the number of Working Days prior to (and excluding) the employee payment date (P). If the customer requires additional payroll checking time over and above the standard detailed below the payroll cut off will be brought forward.

The scheduled cut off data will be brought forward by public holidays and peaks of activity such as those associated with pay awards.

Activity	P -	Timing
Submission of payroll data to MHR in the standard format via SFTP	P – 9	17.30
Start Data processing	P – 8	09.30
Check Payroll data	P – 7	09.30
Run Payroll calculation and Core payroll standard output	P – 7	12.30
Check and balance payroll	P – 7	15.00
Submit payroll reports to customer for checking	P – 6	10.00
Customer to notify of any amendments via MHR standard format These should be limited to - Late leavers - Bank changes	P – 6	17.30
Process and check amendments	P – 5	17.30
Run final GTN and reports	P – 4	15.00
Check and balance payroll	P – 4	17.30
Provide Final reports and produce BACS file	P – 3	09.30
Sign off BACS and payroll	P – 3	14.00
Transmit authorised BACS	P – 3	17.00
Transfer payslips for printing - payslips are to be provided on payday	P – 3	17.30
Service available for input	P + 0	12.30

Below is the Company's standard weekly payroll schedule which will be utilised during payroll processing. The timings refer to the number of Working Days prior to (and excluding) the employee payment date (P). If the customer requires additional payroll checking time over and above the standard detailed below the data submission time will be brought forward.

The scheduled cut off data will be brought forward by public holidays and peaks of activity such as those associated with pay awards.

Activity – Weekly Schedule	P -	Timing
Submission of payroll data to MHR in the standard format via SFTP	P – 4	09.00
Start Data processing	P – 4	09.30
Check payroll data	P – 4	14.00
Run Payroll calculation and Core payroll standard output	P – 4	14.30
Check and balance payroll	P – 4	17.30
Submit payroll reports to customer for checking	P – 4	17.30
Customer to submit amendments	P – 3	12.00
Process amendments	P – 3	14.00
Run final GTN and reports	P – 3	15.00
Check and balance payroll	P – 3	17.30
Provide Final reports and produce BACS file	P – 3	17.30

Activity – Weekly Schedule	P -	Timing
Sign off BACS and payroll	P – 2	14.00
Transmit authorised BACS	P – 2	15.00
Transfer payslips for printing - payslips are to be provided on payday	P – 2	12:00
Service available for input	P + 0	12.30

If the Customer fails to meet any of the above timescales for which they have actions, then the resulting additional pressure on the Service may result in late payment and/or incomplete payment on the payroll(s) concerned. This will not constitute a service failure on the part of the Company, providing the Company can demonstrate all reasonable endeavours were made to still make timely payment.

All payroll changes to be supplied as the information becomes available. Any information received after the input dates quoted will be carried forward to the next month's payroll.

The following table lists the annual activities and their statutory deadlines (as applicable).

Activity	Statutory deadline
Provide P60 to employees by	31/5
Provide P11D to employees by	6/7
Submit P11D to HMRC by	6/7
Submit P11D(b) to HMRC by	6/7

4.10 Service Level Objectives

Activity	Achievement Target	Comments
Produce payroll on schedule	100%	
Achieve BACS deadlines to schedule	100%	
Dispatch of payroll output to schedule	99%	
Accuracy of payroll processing content	98%	
Payroll queries (Current Tax Year)	80%	Within ONE working day from receipt
	95%	Within TWO working days from receipt
	100%	Within FIVE working days from receipt
Payroll queries (Previous Tax Years)	80%	Within TEN working days from receipt

Activity	Achievement Target	Comments
	100%	Within FIFTEEN working days from receipt
Distribution of P60	100%	By scheduled date (in accordance with statutory requirements)
Calculation of net pay to enable manual payments	Up to 5	Within ONE working day from receipt
	6 to 14	Within TWO working day from receipt
	15 plus	Delivery date to be agreed
Fair Usage Activity	Amount per month	Comments
Payroll Transfer	1-10	Per 1000 employee's
Amendment of negative nets for leavers	1-10	
Calculation of over/underpayments including calculations for leavers.	1-10	Within the last tax year
Make statutory redundancy payment calculations	1-20	
Input redundancy payments	1-20	

4.11 Service Management and review

This service is only applicable to this Service level Agreement if procured in a signed Order Document:

4.11.1 Reviews

Service Review Meetings will be held as per the agreed frequency and method.

	Company	Customer	N/A
The Service Management Team Representative will have a review with the Customer on an annual basis.			✓
The Service Management Team Representative will have a review with the Customer on a six-monthly basis.			✓

The Service Management Team Representative will have a review with the Customer on a quarterly basis.	✓		
The Service Management Team Representative will have a review with the Customer on a monthly basis.			✓
The review meetings will be held via web conference or tele-conference facilities			✓
The review meetings will be held at the Site of the Company or Customer			✓
The review meetings will alternate between Tele-conference / web conferencing and held at the Site of the Company or Customer	✓		

4.11.2 Monthly Customer Contact Call

Issues identified by the Payroll Team during the pay period will be logged, investigated, and corrected to ensure the payroll is delivered accurately and on time.

The Payroll Team will issue payroll accuracy reports, including an overall score card. The report details any issues logged during the pay period and the phase at which they occurred, before BACS, after BACS or Dispatch. The report will be placed in the SFTP for retrieval and review.

A Customer contact call will be scheduled for a mutually agreed time so that the accuracy report can be discussed along with the outcomes of the pay period and any other relevant points.

4.11.3 Managed Service Support Hours

The Payroll Team will deal with pay enquiries, operational and schedule enquiries. The Payroll Team will be contactable between the following hours excluding weekends and English bank and public holidays.

- **09:00 to 17:00**

5. Exit Management

Exit Management Responsibilities	Company	Customer
Prepare a transition schedule detailing timescales, requirements, and milestones to achieve the transfer of Customer data.		✓
Agree transition schedule.	✓	✓
Provide specification of requirements for the data to be transferred.		✓
Agree specification of requirements.	✓	
Provide Customer data in line with the transition plan and specification of requirements. (Depending on the complexity of the requirement this may be a chargeable activity).	✓	

Exit Management Responsibilities	Company	Customer
As standard data will be proded as an oracle database.		
For requests for other data formats the Company will make a charge for the provision of this data. The charge will be based on the number of day's effort required and the Company prevailing rates at that point in time. At all times up to the termination of the relationship the customer will be able to perform their own data extracts to provision and enable the move to a different provider.		✓

6. Escalation Contacts

The following table lists the names, titles, telephone numbers and email addresses of the Company contacts.

Name/ title /email address	Telephone	Responsibilities
Head of Service Management	0115 945 6000	Escalation point for significant HR and Payroll service issues.
Managed Services Director	0115 945 6000	Escalation point for significant HR and Payroll service issues.

7. Glossary of Terms

Expression	Meaning
BACS	Bankers Automated Clearing Service – usual method of payment
Business Continuity Plan	A plan that defines how the Company will deal with potential disasters.
Change Control	A formal process used to ensure that changes to a product or system are introduced in a controlled and coordinated manner.
Company	MHR International UK Limited as the licensor of the given software products and services. The term Company may be read as “Supplier”, “Licensor”, “Seller”, or any other term defined in an agreement to denote MHR International UK Limited as the software provider

Expression	Meaning
Customer	The organisation identified on an Order Document or any other contractual document for the provision of software and services between the parties. The term Customer may be read as “Buyer”, “Authority”, “Council”, “Licensee”, or any other term defined in an agreement to denote the organisation as the recipient of any software or services.
Disaster	An event that causes a disruption to the Managed Service from the company site that will require an invocation of the Business Continuity Plan or Disaster Recovery Plan
HMRC	HM Revenue and Customs
Data	Data is all data held in the Product
Malfunction	A failure which affects the delivery of the Service
P60	Employees summary of total pay and deductions for the tax year
Processing Schedule	The operational schedule detailing critical times and dates for the delivery of the service
Systems	Systems for the purposes of this Service Level Agreement means the Product, Third Party Products and interfaces.