Schools IR35 - 'to be' process for evaluating and setting up a new worker v0.1

Obtaining quotes and evaluating for a contract

Setting up a new worker for schools

School

Worker/Intermediary

HCC Procurement

Serco Payroll for Schools

Requirement for consultants

Complete part 1 of 'Engaging a Consultant or Self-Employed Worker form'

Access to Contract Register?

YES

NO

Check Contract Register and add contract if necessary

Complete Contract Register Access Form

SPG to action Contract Register request and respond to School

Contract value above £100,001

YES

NO

Contract value less than £5k?

YES

NO

Obtain at least one written quotation & complete HMRC ESS questionnaire

Contract value £5,001 - £10k?

YES

NO

Obtain at least 2 or more written quotations & complete HMRC ESS questionnaire

Contract value £10,001 - £100k?

YES

NO

Obtain at least 3 written quotations using the Quotation Document and Quotation Response Document, and complete the HMRC ESS questionnaire. Complete an EqIA and Risk Assessment

Use Tender procedure

Seek advice from HfL

Advise School and provide template Tender documentation (to include the HMRC ESS questionnaire)

Complete Tender process including the HMRC ESS questionnaire with a screenshot of the ESS outcome

Evaluate Tender for successful contract and include HMRC ESS tool outcome (adding 13.8% where IR35 applies)

Save a screenshot of the HMRC ESS result

Check Evaluation, HMRC ESS tool completion and Award decision and respond to School

Evaluate for successful contractor/ worker including ESS tool outcome (adding 13.8% where IR35 applies)

Save a screenshot of the HMRC ESS result

Provide evaluation outcome to preferred suppliers

Provide evaluation outcome to next preferred supplier

More than one acceptable quote?

YES

NO

Accept contractual arrangements?

NO

YES

Provide feedback to any unsuccessful Bidders

HMRC IR35 ESS Test outcome options

Agency worker

Inform agency of Evaluation and test outcome within 31 days of the request

Sole Trader

Should be an employee

Amend the Contract Register, add NT HMRC ESS at end of title. Change status to "Not taken forward"

Follow the schools joining and safeguarding process for setting up a new starter and save a copy of the HMRC ESS result screenshot for audit.

Send a schools 'new starter form' to HfL or direct to HCC Serco payroll

Self-employed

Company where IR35 rules do not apply

Follow school process for setting up a vendor. Keep a copy of the HMRC ESS result screenshot with the Contract documents for audit

Complete contract documentation and update contract register

Intermediary

Self employed

IR35 rules apply

Ask the intermediary to complete their section of the 'schools new starter form' for intermediaries

Complete the Contract Manager section of the 'schools new starter form' for intermediaries and send the completed forms to Serco Payroll with a screenshot of the HMRC ESS result

Provide additional information as requested

Check if the contractor was a vendor. If they are make a note on their file that they are now IR35 intermediaries (non-employees) on payroll.

Advise the intermediary of their payroll reference number and the invoice process including an invoice template

Complete contract documentation and update contract register

Complete contract documentation and update contract register

Correct information received?

NO

Contact the School to request additional information

YES

Set up intermediary as new contract type on monthly PAYE Personnel Area under the new IR35 sub area with the contract end date

Tell HMRC the worker has started, use starter declaration C – secondary employment

Email School the payroll reference number and invoice process including an invoice template

Set up as a school employee on payroll