



THE FREELANCER & CONTRACTOR SERVICES ASSOCIATION

BEST PRACTICE CODE OF CONDUCT

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Best Practice Code of Conduct

Introduction

The Freelancer & Contractor Services Association (FCSA) operates a best practice code (“the Code”) designed to ensure that its members are providing compliant advice and/or employment supported by the highest level of professional and ethical standards. New applicants for membership are required to comply with the following Best Practice Code of Conduct questionnaire (‘the FCSA Code’) and to provide the necessary supporting evidence as well as providing certain additional general information. The declaration and information provided will be subject to testing in certain cases by our assessors as part of our review process, as outlined below. Appointed assessors will undertake their review and present their findings to the FCSA board. The FCSA will consider this, together with other publically available data, before deciding on the merits of any application.

For more information on the different operating models covered by this code and the types of services offered by FCSA members, please refer to the FCSA website.

Appointed Assessors

FCSA has a selection of appointed assessors who are authorised to review compliance with the FCSA Code of Conduct. The assessors are partnerships between firms with proven ability to provide the necessary financial and legal expertise to review the code. Appointed assessors are:

- BDO and Brabners
- Ernst & Young
- Saffery Champness and Brabners

You can select your preferred assessor partnership from the above list. The cost of the review is the same whichever assessor you select.

Important information

The Code of Conduct review (the review) is a sample review of certain transactions of a member’s or prospective member’s business within a defined period, based upon the signed declaration of the code and the information/documentation and explanations (together, “the information”) supplied by the business in question. In conducting the review, FCSA’s assessors will rely on the information supplied by the business in question and will not conduct any independent verification as regards the accuracy or completeness of this. Accordingly, the FCSA and it’s assessors accept no responsibility whatsoever for any error or inaccuracy contained in the information, or for any loss or damage suffered by any person who relies on such information. For the avoidance of doubt, the FCSA (and it’s assessors) review does not constitute any form of independent audit of the business in question and should not be held out to be, or be taken,

as such. The review cannot, in itself, guarantee current, past or future compliance with relevant legislation, regulations and appropriate industry practices and neither should it be taken to mean that HMRC or any other professional or regulatory body will not enquire into any matter that is subject to the requirements of the FCSA Code. Any prospective or current member is at all times responsible for ensuring its compliance with relevant legislation, regulations and related industry practices and the FCSA (and its assessors) accept no responsibility to them or any third parties whatsoever in this regard.

The Code of Conduct

Our code of conduct sets out the minimum standard required of members who operate and offer employment and self-employed solutions to workers and provide advice to limited companies.

You will be asked to sign a declaration at the end of the code to confirm that you act and adhere to the code. If there are any areas within the code that you are unable to comply with, please provide the appropriate information in detail to explain why you are unable to comply. Information/documentation received from you will be used to ascertain whether you are adhering to the code.

For new applicants, this information should be supplied as part of your application. Existing members should provide this information before each renewal date in accordance with the review timetable. If changes occur which may mean that they no longer operate in accordance with the code, this should be raised with the FCSA as soon as they become aware of any concerns and, in any event, before any renewal application.

References to “you” and “your” relate to all businesses which provide employment, self-employed and/or advice covered by this code.

FCSA will notify HMRC once your application is successful. Applicants will be asked to agree to this information being shared with HMRC, should the application be successful.

There are 4 sections to the code:

- Section 1 – Relevant to all applicants
- Section 2 – Relevant only to Umbrella Employers
- Section 3 – Relevant only to Limited Company Advisors
- Section 4 – Relevant only to contracting businesses operating in the CIS/ Self-employed sector.

Any member/applicant will be expected to comply with all areas of the code in which their business operates irrespective of the number of workers operating under that model.

You must send supporting documents as part of your application and samples as required by FCSA assessors from the list at the end of this code.

Documents must be provided **at least 2 weeks** prior to the site visit. All information provided during the application/renewal will be presumed to have a 3

month “shelf life” such that, if an application is delayed or suspended, it will be necessary to provide new sample data and a renewed application pack if a period of 3 months has expired. This will carry an additional cost to the member/proposed member’s application.

Your application will be reviewed on our behalf by our assessors, who will check whether the declaration has been signed and that the supporting information is provided, and will request any additional data, etc. Once all data has been received, assessors will then review the information and undertake an onsite assessment to review your processes and check whether, based on a sample of documents to be made available upon request, that your actual business practices appear to be accordance with our code.

Once this external review process has been completed, the completed signed declaration, supporting data, etc., is provided to the FCSA. The FCSA will also perform a review of the responses after which the FCSA CEO will make the recommendation on membership to the FCSA Board. If the Board considers that you appear to meet the requirements of the FCSA Code, we will submit a copy of the FCSA Code and the supporting documentation to HMRC.

If you do not appear to have met the requirements of the FCSA Code, the FCSA will advise you of this as soon as possible and you will be invited to discuss with the FCSA any changes required in order for the application to proceed. No information will be passed to HMRC until the FCSA is satisfied that you appear to meet the requirements of the FCSA Code. If you need any professional advice regarding compliance with the FCSA Code, you may consult an appropriate advisor. You are not required to share any such separate advice with the FCSA, although the FCSA will need to be satisfied that you are operating in accordance with the FCSA Code before the application can proceed. If as a result of subsequent action, advice, etc., you consider that you should meet the requirements of the FCSA Code (for example, if you have made changes to your systems or provided additional staff training), you can request that we re-test any relevant areas before your application proceeds. You will be responsible for meeting any additional FCSA costs incurred, e.g., in the event of a follow up on-site assessment and/or review of documentation.

This review process will be completed annually for all FCSA members with changes being made to working practices between reviews as the Code is updated.

All existing members will be required to abide by the annual review process which is adopted by the board. Failure to adhere to this process will result in the matter being referred to the CEO with the expectation being that your membership will be rescinded and your details removed from the FCSA website.

You consent to the above process as part of the membership application process.

Declaration

By signing the declaration below you confirm that the your business accepts and agrees that it operates to the code as set out below, that your processes, policies and documentation are consistent and reflect the code and represent a true and full view of the business you operate. There is space to add additional information in support of your declaration against each section.

Before completing this declaration, you should consult either appropriately qualified colleagues or external advisors particularly if you do not hold the suitable professional qualifications.

You also agree to this information being shared with HMRC upon this application and/or review being successful.

Please note: Incomplete or incorrect applications could result in application/renewal being delayed. For existing members, who are then not assessed as operating in accordance with the code on or before their renewal date, this will mean automatic suspension from the FCSA. Please therefore check that the details contained in this document are both accurate and complete before signing and that all supporting documentation is included with this document.

Signed:

Name:

Date:

Capacity in which signed (Board level required):

Professional qualifications:

General Background for all applicants

A	General	
A1.	<p>a. None of your directors has ever been disqualified from acting as a director;</p> <p>b. No-one involved in the management of the company is currently disqualified from acting as a director.</p>	
A2.	<p>Your latest accounts have been filed at Companies House within 9 months of the year end.</p>	
A3.	<p>Your accounts have been prepared on a “going concern” basis and that at the time of application this statement is still true.</p>	
A4.	<p>Your most recent accounts have an unqualified audit opinion (if a statutory audit is required and/or undertaken anyway) and that there are no matters of emphasis / references to any areas for consideration. This is required at the trading company level and at all group company levels.</p>	
A5	<p>All group companies operating activities covered by this code are based in the UK and the significant majority of your services are undertaken in the UK.</p>	
A6	<p>All your employees (including umbrella employees) who are working in the UK are paid in the UK under current PAYE/NIC legislation.</p>	
A7.	<p>The total capital and reserves figure on the balance sheet of your latest statutory accounts for either your trading company or ultimate parent company has a positive net worth of at least 2.5% of your margin (Umbrella Employers or self employed models) and/or fee income (Limited Advisors and self-employed models) for the year.</p>	

A8.	<p>If your company pays incentives/gifts to individuals:</p> <ul style="list-style-type: none"> a. that these are all covered by an HMRC Taxed Awards Scheme for both PAYE and NIC's (if applicable, provide supporting evidence); b. that no incentives/gifts are paid in cash; c. that the directors (or similar) of the receiving business are aware of the incentives being provided and <u>provide</u> supporting evidence of this. 	
A9.	<p>If you offer a self-employed solution, you also offer an umbrella model solution to the worker as an alternative at the take on stage (subject to status).</p>	

B	IDENTITY AND RIGHT TO WORK IN THE UK CHECKS	
B1.	<p>You have a policy setting out that the worker cannot become an employee, self-employed worker or limited company customer before you verify/authorise their identity</p>	

C	COMPLAINTS/GRIEVANCE	
C1.	<p>A copy of your grievance and/or complaints procedure (whichever is applicable) is included within or referred to in your introduction and/or engagement letter to the worker.</p>	

D	HMRC	
D1.	<p>The Umbrella employer/Self Employed Contractor/Limited company advisor and its directors have no outstanding tax filings or tax payments including Income Tax, Corporation Tax, National Insurance Contributions, Construction Industry Scheme or VAT.</p>	

E	Ethics	
E1.	At all times you will operate in accordance with the FCSA code of ethics (as amended from time to time).	
E2.	The umbrella employment, self-employed model and/or limited company advisory service is/are not promoted principally on the basis of it being a tax saving solution.	
E3.	The umbrella employment, self-employed model and/or limited company advisory service does not promote the after tax margin (umbrella employers and self-employed) and/or fees (limited)	
E4.	The Company margin is fully disclosed to potential employees and/or self-employed workers before they are engaged on an assignment and/or fees for limited company advisory services are fully disclosed to potential customers before the customer takes up the services.	
E5.	You do not use any offshore tax structures, including but not limited to the use of offshore companies, offshore trusts or payments in foreign currency. If you become aware of any clients operating offshore tax planning structures, you consider your position as their advisor and resign when appropriate (limited company only).	
E6.	You do not utilise foreign currency loan structures.	

UMBRELLA SOLUTION ONLY

A	Take on Procedures	
A1.	<p>You supply potential new employees with an introduction letter which contains the following:</p> <ul style="list-style-type: none">a. An explanation as to the basis on which your business operates, i.e. as an employer providing its employees with work).b. That the worker is an employee of the umbrella employer and is aware of their statutory rights;c. That the worker will be subject to a proof of identity check;d. The worker will be required to enter into employment related agreements such as an overarching employment contract (see section B question 43);e. The basis upon which the employee can claim expenses is explained;f. Where the worker is not subject to, (or to the right of) supervision, direction or control and salary and expenses are re-negotiated for each assignment, a clear explanation of this process and a statement that once the contract is agreed, salary and expenses cannot be amended before or during the course of an assignment. <p>Please state in your application where the above are included within the introduction letter.</p>	

A2.	<p>Any financial illustration provided to a potential employee:</p> <ul style="list-style-type: none"> a. Clearly states that it is only an estimate; b. Includes expenses in the calculation that are representative of the usual level of expenses claimed and reflect the individual's actual circumstances; c. Lists the assumptions used; d. Clearly shows your company margin. e. Where the worker is not subject to, (or to the right of) supervision, direction or control and salary and expenses are re-negotiated for each assignment a statement that once agreed that salary and expenses cannot be amended before or during the course of the assignment <p>A financial illustration is optional but must be provided when requested by a prospective employee and must comply with the requirements above. Provide a copy.</p>	
A3.	<p>Your marketing literature, web pages, scripts and training material all support the employment model and make no references to the employee being a client, to them being able to earn “free weeks” or reduced charges to them. Where you offer different models which require a different margin, these are properly explained to potential employees and do not make reference of different levels of service or charges for products unless those charges are deducted from net pay and VAT accounted for as required.</p> <p>If you operate a model for workers who are not subject to, (or to the right of) supervision, direction or control whereby salary and expenses are re-negotiated for each assignment, any literature, web-pages etc. should not state or imply that the agreement can be re-negotiated or changed before or during an assignment once the contractual terms have been accepted.</p>	

A4.	<p>The employee's employment contract includes with regard to mutuality of obligation between the employee and the employer:</p> <ul style="list-style-type: none"> a. A guarantee of at least 336 hours work in any 12 month period commencing on the employee's start date of continuous employment and each anniversary thereof. b. An obligation that the employer will assist the employee to secure future assignments during periods when the employee has no assignment c. An obligation that the employee cannot unreasonably decline work offered to them d. A requirement that the employee cannot during the term of the employment contract be involved or engaged in any other business or activity unless the employer has given permission for such work e. Employment termination procedures/notice periods. <p>Please state where in the contract (referencing to appropriate clauses)..</p>	
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A5	<p>If you reimburse expenses to employees on the basis that they are not subject to, (or to the right of) supervision, direction or control (whether fixed expenses or variable expenses – eg mileage), you have processes in place to review and document this which include:</p> <ol style="list-style-type: none"> a. An initial sifting process based on umbrella rate of pay and job role in line with later FCSA best practice (see self-employed code in relation to job roles and rates of pay) b. Documented evidence of a request to obtain information from the agency or end client to support whether SDC (or the right thereof) exists or does not exist. c. Use of document to lead and evidence the findings of discussions with the agency, end client or worker surrounding SDC specifically covering the following areas: <ul style="list-style-type: none"> • Can the worker decide how the work is done? • Can the worker be told what to do (as to the manner)? • Can the worker be moved depending on priorities? • Can the worker decide when the work is done? <p>to be undertaken each time you are advised that a new assignment is in place</p> <ol style="list-style-type: none"> d. A documented conclusion as to whether there is SDC (or the right thereof) and evidence of sign off/review e. You carry out a review at least once every 6 month period for all workers who have been actively working for you for 6 months continually on the same assignment and that this review complies with all points listed in section c above f. complete the assessments of SDC. 	
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<p>A6.</p>	<p>g. There should be evidence of an internal audit process where sample checks are performed regularly by persons not responsible for the initial SDC decisions. All internal audits should be documented for subsequent external audit review.</p> <p>h. There should be no financial incentives based on SDC “pass rates” for umbrella staff that complete the assessments of SDC.</p> <p>If you reimburse any expenses to employees you have processes to ensure that the correct contractual terms appropriate to the employee’s circumstances are issued and that they are referred to the relevant sections of the expenses policy having regard to:</p> <p>a. Whether they are subject to supervision direction or control, (or the right thereof) – see A 5 above (i.e. relief for home to site commuting is denied); and;</p> <p>b. Expenses also fall outside of the “relevant salary sacrifice” rules (i.e. pay cannot change if expenses change).</p> <p>c. You establish a process to ensure the fixed expense is not “overstated” leading to “unearned profits” for the umbrella provider.</p> <p>d. There is clear documented communication that any unclaimed expenses relating to expenses incurred wholly, necessarily and exclusively in the performance of business duties where the expense is above and beyond the fixed element is still claimable via their tax return.</p> <p>e. There should be evidence of clear communication to the worker that if they do not claim the fixed expenses in any week then the related money falls into the profits of the umbrella company and not into their gross pay..</p>	
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A7.	<p>a. The employer seeks to ascertain the employees work status when the employee is not on assignment e.g.</p> <ul style="list-style-type: none">• taking annual leave,• unavailable to work through sickness, maternity or paternity,• available for and seeking work; <p>b. The employer confirms in writing the employees last day of employment in accordance with contractual notice periods or any agreed waiver of the same if a shorter notice is agreed.</p> <p>c. The employer has an appropriate process for the payment of holiday pay for periods during and between assignments.</p>	
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<p>A8.</p>	<p>That the employee's employment contract includes appropriate clauses covering:</p> <ul style="list-style-type: none"> a. Minimum statutory salary payments; b. Holiday pay (during and between assignments); c. Grievance/discipline procedures. d. Bonus or similar mechanism (where applicable) e. No end date. <p>If you operate a model for workers who are not subject to, (or to the right) of supervision, direction or control whereby salary and expenses are re-negotiated for each assignment you use an appropriate contract which includes clauses covering:</p> <ul style="list-style-type: none"> a. A fixed rate / salary plus a fixed expenses allowance which can be re-negotiated only on commencement of a new assignment; b. Expenses can only be claimed for the assignment in accordance with the company's expenses policy and up to the limit specified in the assignment agreement. <p>Please provide cross-referencing to appropriate clauses where the above are covered by the contract.</p>	
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A9.	<p>Your employment documentation contains all information required in a Statement of Employment Particulars namely:</p> <ul style="list-style-type: none"> a. The employee's and employer's name; b. A job title or brief job description; c. The date the employee's employment began; d. The rate of pay and when the employee will be paid; e. The hours of work; f. Holiday entitlement; g. Where the employee will be working; h. Sick pay arrangements; i. Notice periods; j. Information about disciplinary and grievance procedures; k. Any collective agreements that affect the employment terms and conditions or if there are no collective agreements that affect the employment terms and conditions, a statement to that effect; l. Pension and pension schemes. <p>Please cross-reference to the respective employment documentation.</p>	
A10.	Your employees receive a statutory payslip.	
A11.	Your employees have the option to remain within or opt out of the EAA Regs. Upon opting out of the EAA Regs your employees have the option to opt in to the EAA regs	
A12.	The termination of an assignment does not automatically lead to the termination of employment.	

B	Payments	
B1.	You do not offer payments to or for the benefit of employees other than as employment income.	
B2.	All payments made to employees working in the UK are subject to PAYE/NIC as required e.g. under the Offshore Intermediary legislation.	
B3.	No transactions, funds or payments or any part thereof are made or held outside the UK.	
B4.	Your policy is that all payments to employees are made into UK based bank accounts.	
B5.	No dividends are paid to the employees.	
B6.	No payments (save for authorised expenses and HMRC approved salary sacrifice payments such as childcare vouchers) are made to employees free of tax and NI?	
B7.	The statutory minimum wage is always paid per hour to employees against signed timesheets irrespective of any other factors?	
B8.	You do not process all outstanding expenses if the minimum statutory wage would not be paid.	
B9.	Holiday pay is at or above the minimum statutory level of days.	
B10.	a. Your holiday pay mechanism is contained within the employee's employment contract. b. If you "roll up" holiday pay, that this is shown as a separate item on the payslip.	
B11	If an agency does not pay you for any reason when you have signed timesheets, your employees are entitled to at least NMW?	
B12.	You operate and pay <u>all</u> statutory payments (e.g. SSP and SMP) during and between assignments.	
B13	Any outstanding loans or advances which cannot be recovered from ex-employees are reported on form P11d as a benefit in kind and Class 1 NIC accounted for via payroll.	

C	DISCIPLINARY	
C1.	You are the employer in any disciplinary/grievance situations and are the employer in all Employment Tribunal matters. If applicable provide anonymised evidence of such instances in last 12 months.	

D	INSURANCE	
D1.	<p>You hold the following insurances :</p> <ul style="list-style-type: none"> a. Professional indemnity; and b. Employers liability; and c. Public liability covering both head office employees and employees on assignments. <p>Provide supporting evidence, certificates and full policies where available.</p>	

E	PENSIONS ACT 2012	
E1	<p>If your staging date has occurred, that you have got a qualifying auto-enrolment pension scheme and that it was in place by your staging date</p> <p>Provide copies of correspondence with The Pensions Regulator determining your staging date and also evidence of such a qualifying scheme.</p>	
E2	You provide prospective employees pay illustrations which include / exclude the financial implications of membership of the company's pension scheme?	
E3	If your auto-enrolment staging date has started, that you automatically enrol your employees into a workplace pension	
E4	You pay at least the minimum pension contribution as required by law.	

E5.	None of your processes or practices, including any financial illustration provided, would be considered as an inducement for employees to opt out of the pension scheme.	
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F	AWR	
F1.	That where you are using the 'match permanent pay' model you request comparator data for all assignments which last or are expected to last more than 12 weeks.	
F2.	When requesting comparator data, you ask for the following: a. Comparator salary b. Standard working hours and days per week c. Bonuses and any other relevant payments d. Annual leave entitlement Provide a sample comparator request as supporting evidence of the above.	
F3.	When calculating the assignment rate for pay comparator purposes, you exclude the retained company margin (including Employers National Insurance)	
F4.	When comparing the assignment rate to the comparator rate, that you do so on a 'like for like' holiday basis i.e. both rates either include holiday pay or exclude holiday pay.	
F5.	Upon receipt of comparator data, that you advise the agency whether the contract rate for the assignment is acceptable or unacceptable.	
F6.	You do not 'flip' employees between the 'match permanent pay' model and the 'pay between assignments' model or vice versa during an assignment.	
F7.	You treat 'professionals' who are employed by you as caught by the AWR regulations.	
F8.	You ensure that all Regulation 10 (Swedish Derogation contracts) are signed by employees prior to the start of their first assignment).	

F9.	<p>Where you are using the Regulation 10 ‘pay between assignments’ (Swedish Derogation) employment you have a contract of employment, which includes the following terms:</p> <ul style="list-style-type: none"> a. the minimum scale or rate of remuneration or the method of calculating remuneration is commensurate with the employees skills b. the location or locations where the employee may be required to work; c. the expected hours of work during any assignment; d. the maximum number of hours that the employee may be required to work during any assignment; e. the minimum hours of work that an employee may be required to work during any assignment and that a minimum number of hours of 1 hour will be offered; f. the nature of the work that the employee may be offered during any assignment is similar and/or relevant to the employees skills; and g. the employee has no entitlement to the rights conferred by Regulation 5. <p>Please provide referencing to where the above are covered within the respective contract.</p>	
F10.	<p>Employees would be offered additional assignments, where available, that are not less than 50% of their normal weekly hours.</p>	
F11.	<p>All employees are paid a minimum of 4 weeks remuneration in respect of periods that they are not on assignment but are available for work (downtime pay) and that their employment will not cease until such payments have been made and not before the end of the 4 week period.</p>	
F12.	<p>You only pay downtime to employees who have a downtime period. Where downtime is “rolled up” or advanced, this is reclaimed from the employee if there is no downtime period.</p>	

F13.	Downtime pay is calculated in accordance with The Agency Worker Regulations 2010 regulation 11(1) as 50% of highest earnings in the final 12 weeks of the previous assignment or the duration of the previous assignment (whichever is the shorter), subject to NMW.	
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G	EXPENSES	
G1	<p>Your systems flag the type of contract under which the employee is employed and the manner in which and type of expenses for which they can claim reimbursement; i.e. you distinguish between:</p> <ul style="list-style-type: none"> a. Employees who are subject to, (or to the right of) SDC b. Employees who are not subject to, (or to the right of) SDC claiming AMAPs only (if appropriate) c. Employees who are not subject to, (or to the right of) SDC claiming expenses not limited to or not including AMAPs. <p>and this feeds into the tax and NIC treatment of the expenses.</p>	
G.	Employees can only be paid expenses once they have accepted/signed their employment agreements and expenses policy.	
G3.	<p>For all expense claims</p> <ul style="list-style-type: none"> a. All receipts are manually validated as a genuine receipt; b. You only accept original or scanned receipts, not credit card receipts. 	

G4.	<ul style="list-style-type: none"> a. You only allow expenses to be claimed for periods covered by actual assignments; b. You do not allow expenses to be claimed for future periods (even if covered by an assignment); c. You have a system to ensure expense claims cannot be duplicated e.g. by the submission of an original receipt and a scanned or credit card receipt for the same expense. 	
G5	You advise employees that if they are found to be falsifying expense claims they will face disciplinary action.	
G6	The employee confirms that, they have already, or their expectation is to undertake more than 1 assignment for you.	
G7	You require each employee to confirm that their current assignment will not be their last on their expense claim.	
G8	<p>For those employees who are subject to a cap on expenses per hour/week/assignment etc. you have a process which ensures that:</p> <ul style="list-style-type: none"> a. expenses reimbursed are allocated to the correct assignment and do not exceed the cap. b. to the extent that expenses are not claimed for the assignment, the employee is not paid any amount in relation to the unclaimed allowance (either directly or indirectly). 	

H	TRAVEL AND SUBSISTENCE	
H1.	<p>With respect to travel and subsistence claims (where the employee is entitled to make a claim) :</p> <ul style="list-style-type: none"> a. Your systems ensure an employee does not claim for travel expenses on a day he/she did not work (i.e. Have a valid timesheet for); b. Your systems ensure an employee does not claim for a subsistence expense on a day they did not claim for a travel expense. 	

H2.	When an employee claims for business mileage you: a. Reimburse only tax free mileage if it is at or below current HMRC approved mileage rates; b. Verify the mileage claimed using a postcode checker or equivalent. c. Require employees to submit VAT receipts to you in support of the claim.	
H3.	You do not allow any home to temporary place of work travel and/or subsistence expenses to be claimed once you and/or an employee knows or has a reasonable expectation that they will be at the same workplace for more than 24 months.	
H4.	You ask each employee when they join you whether they have previously worked at the same site within the last 3 months	
H5.	In respect of subsistence are only claims, your expenses policy states that only pre-packaged food purchased on the day the claim relates to, after the qualifying journey has commenced, is claimable.	
H6	Subsistence claims reimbursed on the following basis: a. Scale rate payments in accordance with The Income Tax (Approved Expenses) Regulations ;2015; or b. Actual receipted expenditure	
H7.	In respect of original receipts for subsistence you require them to be: a. Kept by the employee for audit purposes; or b. Sent to you for verification	
H8.	You do not offer: a. A “staying with friends or family” overnight allowance b. Hotel scale rates	

J	OTHER EXPENSE CATEGORIES (where the employee is entitled to claim)	
J1.	You only allow expense claims for subscriptions that appear on the HMRC approved list.	
J2.	If you reimburse travel expenses to the UK for overseas employees, you only do so where there is a clear employment relationship established before the individual arrives in the UK.	
J3.	If you pay relocation expenses by reference to a salary sacrifice arrangement, your contract of employment allows for this to occur and does not compromise the “relevant salary sacrifice” rules for general expenses.	
J4.	<p>That you have a policy relating to capital expenditure claims which sets out:</p> <ul style="list-style-type: none"> a. That permission must be obtained in advance of the capex purchase; b. That any item must be for the purposes of the current assignment; c. That the item is not for private use and any personal benefits gained will be minimal; d. That the employee buys the item on behalf of the Umbrella company and that it will remain the property of the company; e. That the item is expected to be returned at the end of their employment; f. That at the end of employment, a fair market price might be agreed to transfer ownership from the company to the employee. <p>Provide a copy of the policy.</p>	
J5.	That employees understand and agree to the capital expenditure policy when submitting a claim.	
J6.	That all claims for capital expenditure are validated in line with HMRC guidelines.	
J7.	In the event that an asset is purchased from the Umbrella company by an employee you have the processes and controls in place to assess if this gives rise to a benefit in kind and where there is a benefit in kind it is treated appropriately.	

K	AUDIT	
K1.	You carry out retrospective manual audits to ensure an expense has been validly incurred by the employee and is appropriate to his/her personal circumstances. (This is in addition to the normal processing checks completed on all receipts.)	
K2.	The number of expense claims audited in a year equates to approximately 5% of the average number of employees during the year	

L	VAT	
L1.	Any chargeable transactions to employees are subject to VAT e.g. same day CHAPS payments	
L2.	You do not operate the VAT flat rate scheme.	
L3.	You include standard rate VAT on all invoices issued to UK agencies or other UK intermediaries or end clients regardless of any other factors.	

LIMITED COMPANY ADVISORS ONLY

A	TAKE ON PROCEDURES	
A1.	Before you sell a limited company service to a customer, you consider the suitability of this way of working for the customer by gathering relevant information on his/her individual circumstances.	
A2.	<p>In considering the customer’s suitability to a particular way of working you consider and discuss with the customer the following relevant factors:</p> <ul style="list-style-type: none"> a. Whether the customer is new to freelancing or has been freelancing for some time; b. What freelancing future the customer anticipates; c. The impact of IR35 and the customer’s likely employment status; d. The customer’s attitude to the risks and responsibilities of owning and running their own business; e. The responsibilities of owning and being a director of a limited company; f. The other options available to the customer – PAYE working, umbrella employment, sole trader working; g. The financial implications of the different ways of working; h. The customers commercial situation (e.g. one client or many, level of income being generated, placements via recruitment agencies or direct, existing limited company owner). i. Where the individual is currently or was an umbrella employee, their reasons for moving to a limited company (i.e. there is a commercial rationale which is discussed individually rather than an automatic transfer process). 	

A3.	You do not offer a solution which utilises payments other than employment income or dividends to extract personal payments to owners, directors or employees of the limited company	
A4.	Your Company fees are fully disclosed to customers prior to commencement of services.	
A5	The way in which your business operates (i.e. as an accountancy/limited company advisor) is adequately explained.	
A6.	You do not incentivise staff involved in the consultation process to advise one particular way of working more strongly than another.	
A7.	<p>If your firm is regulated by a recognised Accountancy body, such as ICAEW, ACCA or CIMA, your services should be provided subject to the standard terms and conditions/engagement letter of the relevant regulatory body.</p> <p>If your firm is not regulated, your engagement letter should contain the following:-</p> <ol style="list-style-type: none"> a. The customer's responsibilities as director of a limited company; b. Their responsibilities regarding operating IR35 where necessary c. The main guidelines regarding eligibility to claim expenses or direction as to where those guidelines can be found; d. Your role and responsibilities as an advisor and the need for the client to understand the implications of working via a PSC; e. Reference to your take on process to establish the identity of the customer. 	

A8.	<p>Any financial illustration:</p> <ul style="list-style-type: none"> a. Clearly states that it is only an estimate b. Includes expenses in the calculation that are representative of the usual level of expenses claimed and reflect the individual's actual circumstances; c. Lists the assumptions used; d. Gives a clear explanation of the fee structure. <p>A financial illustration is optional but must be provided when requested and must comply with the requirements above. Provide a copy.</p>	
A9	<p>If the client indicates that they will be working abroad at any time, you have a process for helping them ensure that they account for PAYE/NIC as appropriate as well as withholding taxes in the host country. This process may include providing advice to the customer directly or referring them to a suitably qualified specialist advisor.</p>	
A10.	<p>If you offer a Flat Rate VAT service, that</p> <ul style="list-style-type: none"> a. You do not market your services as "Fee free" b. Your fees are set at a market rate. c. Your services are clearly marketed as Limited Company services (PSC) not as a single person Umbrella company. d. Your Limited Company customer receives the full benefit of any profits generated by the Flat Rate Scheme e. Points a to d are clear in your marketing information and letter of engagement. 	

B	EXPENSES	
B1.	<p>Customers are advised that travel and/or subsistence expenses are not tax deductible where the customer expects to or reaches more than 24 months working on the same site.</p>	

B2	Customers are advised that if a contract falls within IR35, travel and/or subsistence expenses for travel from home to a temporary workplace are not tax deductible from day one.	
B23	You have a process to check expenses when producing year end accounts and tax compensation.	
B4	Your expenses review procedure involves either a. The receipt of and review of original customer expenses receipts; or b. Reasonableness check on expense levels with further information then requested for any claims falling beyond normal parameters. If your service involves the customer companies using round sum expenses or expenses dispensations, please provide details.	
B5	You will not allow the submission of tax returns for customers with non business expenses included as a deduction.	
B6.	If a customer insists on you preparing statutory accounts on an inappropriate basis or the submission of tax returns with non business expenses included you would refuse to act for the customer.	

C	IR35	
C1.	You offer a full and detailed employment status review process for all limited company customers. This either follows a robust process set out in your own policy or you outsource this to a suitably qualified provider. If outsourced, please provide details of the provider and a link to their web URL and any supporting evidence where such arrangements are set out to the customer.	
C2.	Where the review is taken up by the customer, you review the contract under which the customer works to ascertain whether the assignment is within or outside IR35.	

C3.	Where the review is taken up by the customer, you consider the working practices of the customer to ascertain whether the assignment is within or outside IR35.	
C4.	<p>Where the review is taken up by the customer, that as part of your review of the working practices of the customer, you specifically gather and consider evidence in relation to the following factors:</p> <ul style="list-style-type: none"> a. Length of assignment/contract; b. Type of services being provided, particularly the levels of skill and knowledge, the level of fees charged; c. Any previous employment with the client; d. The level of financial risk involved in the provision of the services; e. The extent to which the customer is part and parcel of the client organisation; f. The level of supervision and control exercised over the customer; g. The mutuality of obligations, if any, between the customer and the client; h. The customer's right of substitution on the assignment; <p>Please confirm you document the evidence gathered and discussions with the customer and provide supporting evidence.</p>	
C5.	Where the review is taken up by the customer, you offer to check consistency between the contract and working practices.	
C6.	Where the review is taken up by the customer, you offer to review the customer's IR35 related circumstances on an assignment by assignment basis.	
C7.	Where the review is taken up by the customer, you offer an employment status review at least once each 12 month period for all customers whose assignment has not ended.	

C8.	For those customers who do not choose to go through the comprehensive IR35 review process, you obtain a direct and specific instruction from them prior to the submission of their statutory accounts and other annual returns on the employment status basis upon which the returns should be prepared.	
C9.	Where you have information that confirms a customer is captured by IR35 for a particular assignment, if a customer insists you prepare documentation on the basis that he/she is not captured by IR35 for that assignment, you would resign or refuse to act as advisor to that customer.	
C10	For those customers who have contracts that are captured by IR35 you have a process for discussing and checking the “deemed employment payment” at the end of the tax year, including the taxation of travel and subsistence expenses where appropriate.	

D	MSC BEST PRACTICE	
D1.	The fees paid by the customer to you are not directly linked to the level of income generated by the company.	
D2.	The fees paid by the customer are linked to you providing your services to the customer and not to the customer providing his/her services to third parties.	
D3.	On-going or recurring referral fees are not paid to agencies or other third parties on the basis of the periods during which the customer provides his/her services.	

D4.	<p>You are not earning any income (other than fees for services provided) directly from the cash flow of the customer's limited company. Examples of this would be:</p> <ul style="list-style-type: none"> • Retention of VAT refunds in lieu of fees (such as flat rate scheme income); • Retention of HMRC electronic filing incentives in lieu of fees; • Receiving interest in relation to cash balances of customer limited companies in lieu of fees. <p>If you do earn revenue from customer cash balances/bank accounts/referred products or services:</p> <ol style="list-style-type: none"> a. The basis of the revenue received is fully disclosed to your customer; b. The customer has free choice of relevant bank accounts and other products or services. 	
D5.	You do not negotiate the limited company's contract for services with its end client/customer without specific instruction from the customer.	
D6.	You do not raise invoices without express instruction from the limited company customer.	
D7.	You are not an authorised signatory on the company bank account.	
D8.	You do not (or anyone acting as your agent) receive funds on behalf of the limited company or the individual and then pay these on to the limited company or the individual.	
D9.	You are not authorised to undertake any bank transactions on behalf of the limited company (excluding receipt of own fees).	
D10.	You do not determine the level, frequency or type of payments that are made to the individual from their limited company.	
D11.	You do not make any payments on behalf of the limited company (e.g. National Insurance Contributions, Income Tax, Corporation Tax payments, VAT payments).	
D12.	You do not hold client's funds on behalf of the limited company.	

D13.	You do not determine the remuneration structure of the limited company including the setting of dividend levels for the company.	
D14.	You do not have any ownership of the limited company, either wholly or partly, including any options to acquire such ownership stakes.	
D15.	You are not a director or company secretary of your customer's limited company.	
D16.	No one other than the registered shareholder controls your customer's limited company e.g. via trustees, power of attorney etc.	
D17.	You do not decide or approve what business expenses may be reimbursed from the limited company.	
D18.	You do not register the limited company for PAYE, VAT or Corporation Tax without specific instruction from the limited company. Provide supporting evidence.	
D19.	You do not submit PAYE, VAT and Corporation Tax returns or annual accounts for the limited company without these being reviewed and authorised/signed by the customer. In the case of RTI returns, the client can authorise you in advance to submit returns based on the agreed pay levels unless they advise you on changes to pay levels. In which case you should confirm the pay/filing position at least quarterly and at the end of the tax year. Provide supporting evidence.	
D20.	You do not automatically register the limited company for the flat rate VAT scheme. Provide supporting evidence.	
D21.	You do not offer to your customers, directly or indirectly (including by way of referrals to a third party) either tax loss insurance or any form of guarantee in respect of future tax liabilities.	

D22.	<p>You do not insist on the limited company having any of the following as part of the service:</p> <ul style="list-style-type: none"> a. An off-the-shelf company provided by you; b. Company formation services provided by you; c. A registered office service provided by you; d. A company bank account provided by you; e. A particular type of company bank account or a bank account from a particular bank; f. A company secretarial service provided by you; g. An invoicing service provided by you; h. A credit control service provided by you; i. Insurance as part of a standard package. 	
D23.	<p>You have a policy whereby:</p> <ul style="list-style-type: none"> a. The customer can bring along their pre-existing limited company; b. The customer does not have to use any particular bank to receive your services; c. You offer an IR35 review process for individual assignments; 	

SELF EMPLOYED AND SELF EMPLOYED CIS SOLUTION ONLY

A		
A1.	<p>In your introduction letter you state that the worker should consider paying an estimated amount towards their likely income tax and national insurance on a monthly basis, or at least be putting aside sufficient cash to meet their tax liabilities when they fall due (“the financial illustration”).</p>	
A2.	<p>As part of the registration process you provide an indication of what the potential tax liability will be in writing if requested.</p>	
A3.	<p>Your financial illustration</p> <ul style="list-style-type: none"> a. Clearly states that it is only an estimate; b. Clearly sets out the assumptions used in calculating the financial illustration and that these assumptions are reasonable and, wherever possible based on information provided by the worker; c. Clearly shows your company margin. <p>A financial illustration is optional but must be provided when requested and must comply with the requirements above.</p>	

A4.	<p>That in considering the worker's suitability to a particular way of working you consider and discuss with them the following relevant factors:</p> <ul style="list-style-type: none"> a. Whether the customer is new to self-employment or has been self-employed for some time; b. What self-employed future the customer anticipates; c. The worker's previous employment status; d. The worker's attitude to the risks and responsibilities of being self-employed and running their own business; e. The responsibilities of being self-employed; f. The other options available to the customer – PAYE working, umbrella company working (subject to restrictions on relief for travel and subsistence expenses), limited company ownership; g. The financial implications of the different ways of working e.g. as a minimum this must include a comparison to PAYE/Umbrella; h. The workers commercial situation (e.g. one client or many, level of income being generated, placements via recruitment agencies or direct, existing limited company owner) 	
A5.	<p>The worker was offered a choice between the employment and self-employed models at the take on stage (subject to status).</p>	
A6.	<p>The basis on which the business operates (i.e. as the contractor) is adequately explained to the worker at the take on stage;</p>	
A7.	<p>You review the employment status of all prospective self-employed workers prior to making a second payment to them after initial engagement;</p>	

A8.	<p>You use the FCSA approved checklist to determine a worker's status. In terms of your assessment of whether a worker is subject to (or to the right of) supervision, direction or control your checklist evidences the findings of discussions with any parties in the contractual chain and/or any other information provided by them, surrounding SDC specifically covering the following areas:</p> <ul style="list-style-type: none"> • Can the worker decide how the work is done? • Can the worker be told what to do (as to the manner)? • Can the worker be moved depending on priorities? • Can the worker decide when the work is done? 	
A9.	<p>If a worker fails one question as set out in the checklist then that worker is deemed a 'fail' and will be an employee under your Umbrella solution.</p>	
A10.	<p>That as part of your review of the status of the worker, the worker understands and accepts (both contractually and in reality) that on all assignments they:</p> <ol style="list-style-type: none"> a. Have an unfettered right of substitution. b. Have no mutuality of obligation; c. Are not controlled, directed or supervised as to how they perform their work by anyone in the contractual chain (or subject to the rights of any such person to control, direct or supervise them); d. They are able to take risk / are responsible for defects; e. That they have no statutory employment rights, e.g. holiday pay, AWR entitlement, Statutory Sick Pay; f. That they are self-employed and responsible for paying taxes to HMRC. g. That they are or will be registered with HMRC as self-employed and that evidence will be provided to document this within an acceptable time frame h. That their last piece of work was not as an employee of the end client carrying out similar work. 	

A11	You review the worker's role by reference to the High Risk Profile list (which is appended to this code) to ensure that, if the role is on this list, additional checks are carried out to verify employment status.	
A12	Any worker whose assignment rate is below £11/hour is automatically assumed to be high risk and therefore subject to additional checks to verify their employment status	
A13	You are sub-contracting with no more than 10% of your total self- employed work force (but never greater than 30 workers) at any one time who are on the High Risk Profile list or subject to an assignment rate of below £11/hour. You also have a process to manage this.	
A14.	You contact the worker at least monthly (via email, text, letter) to check that workers still consider they are genuinely self-employed.	
A15	You check that the worker was not previously engaged as an employee in a similar role with the same end client within 3 months of the current assignment.	
A16.	You carry out an employment status review at least once every 6 month period for all self-employed workers who have been actively working for you for 6 months continually and that this employment status review complies with all points listed in section 10 above	
A17.	<p>You have a formal process for communicating to agencies your policy regarding:</p> <ul style="list-style-type: none"> • Checklists and SDC; • Assignment rate conditions; • Prohibited/high risk roles; <p>and you make it clear to the agency that if workers fail the SDC tests the worker will only be offered a PAYE option and subject to restrictions on expenses that can be claimed (as set out at umbrella model A7).</p>	
A18.	You do not hold tax payments (beyond statutory deductions such as CIS) on behalf of your workers.	

A19.	<p>The self-employed contract includes</p> <ul style="list-style-type: none"> a. An unfettered right of substitution clause. b. States no mutuality of obligation; c. States no control or supervision by any party; d. Clauses which make Self Employed Contractor responsible for defects; e. Clauses which confirm the Self Employed worker has no statutory employment rights, e.g. holiday pay, AWR entitlement, Statutory Sick Pay; f. States self-employed worker is self-employed and is responsible for paying taxes. g. States that the worker is or will be registered with HMRC as self employed h. That their last piece of work was not as an employee of the end client carrying out similar work. 	
A20.	<ul style="list-style-type: none"> a. The self-employed worker receives a remittance advice; and b. Your company margin is fully disclosed to the self-employed worker prior to commencement of their work.; 	
A21.	Workers have the option to remain within or opt out of the EAA Regs. Upon opting out of the EAA Regs your workers have the option to opt in to the EAA regs.	
A22.	You verify that the self-employed workers are within CIS using the required HMRC process.	
A23.	If you operate within the construction sector, that you file monthly CIS returns to HMRC	
A24.	You have never missed or filed any monthly CIS returns late.	
A25.	You have never paid the withheld CIS deductions late.	
A26.	You do not operate any form of hybrid employment model. If a worker fails the employment status checklist/tests, they will automatically be offered an employment model subject to PAYE/NIC (and may be subject to restriction on reimbursement of travel and subsistence expenses) and with full employment rights.	

DOCUMENTATION

As part of your application for membership/ membership renewal, you are required to submit the following information in support of your declaration.

Please provide ALL of the following documentation and/or information:

	All Applicants	Supplied	Document reference	Additional information
1.	<p>Attach your group trading structure detailing the name, Companies House number, location(s), principal trading activity, directors and shareholders of each company.</p> <p>If you have any Associate businesses providing advice and/or employment to workers within the recruitment sector outside your group structure please include these businesses in your response.</p> <p>Associate businesses should include:</p> <ul style="list-style-type: none"> a. Companies; b. General partnerships; c. LLPs; d. Trusts; and e. Individuals carrying on business on their own account; f. Persons acting in concert g. Businesses that are owned or managed by your directors or shareholders and provide services covered by this code. <p>Please include overseas businesses.</p>			

2.	Provide details and shareholders of the company which receives fee income from limited company customers if not included above and provide details of their relationship with the above companies. (Limited company advisors only).			
3.	Confirmation that all directors, shareholders and companies/businesses listed in question 1 above domiciled/registered in the UK? If not, please attach details of their domicile/registration			
4.	Attach your latest statutory accounts.			
5.	Please attach copies of ALL your promotional and/or marketing material and provide your website URL.			
6.	Provide a copy of your take on process in place to establish the identity of potential umbrella employees and/or limited company customers. a) Detail what documents you obtain and checks you carry out.			
7.	Please set out how you verify/authorise the potential employee's right to work in the UK or provide a copy of your policy/procedures. (Umbrella Employers only) a) Detail what documents you obtain and checks you carry out to do this.			
8.	Please provide a copy of your grievance and disciplinary procedures. (Umbrella Employers only)			
9.	Please provide a copy of your complaints procedure. (Limited only)			

10.	Please provide a copy of introduction letter to potential new employee (umbrella only)			
11.	Please provide a copy of the financial illustration that you provide to a potential employee (umbrella only) or customer (Limited only)			
12.	Provide a copy of your policy which sets out how you ensure that downtime payment is paid as appropriate and how you check that the guaranteed hours are worked? (umbrella only)			
13.	Set out how do you deal with those employees who have not worked the minimum number of guaranteed hours?			
14.	Please attach a copy of your employment contract(s) (umbrella only); and, unless included within the employment contract; a. Assignment schedule; b. Employee handbook; c. Working time directive; d. EAA opt out notices;			
16.	Provide a copy of any Data protection agreement			
17.	Provide a copy if your statutory payslip and provide details/evidence of how employees opt in or opt out of EAA regs			
18.	Please detail how you inform the agency of the employee's EAA regulation status and what procedures you have in place if an employee notifies you that they wish to withdraw an opt out notice.			
19.	Please describe how you attempt to recover outstanding loans with regards your Swedish Derogation model.			

20.	Where the assignment rate does not match the pay comparator, please outline the procedures you follow with the employee and recruitment agency (or provide your process)			
21.	Please attach a copy of your expenses policy			
22.	Secondary accommodation: Detail the documentation you request from your employees to support a valid expense claim.			
23.	Provide a copy of your policy relating to how you ensure employers operating under any Swedish Derogation model are paid 4 weeks remuneration between assignment			
24.	Please provide a copy of your policy/ explaining what steps you take to help employers find suitable work at the end of their assignment.			
25.	Provide a copy of your PIID dispensation and your original application/follow up correspondence			
26.	Set out your policy for ensuring that subsistence and travel expenses cease when it can be reasonably expected that the '24 month rule' will be broken (applicable only to employees who are not subject to, (or to the right of) supervision, direction or control).			
27.	Explain how you determine whether or not a new employee has previously worked at the same site.			
28.	Detail how you identify the expenses/employees to be audited. If an employee does not conform to the expenses policy, explain how this is dealt with.			

29	Please provide a reconciliation of the total capital and reserves figure on the balance sheet of your latest statutory accounts for either your trading company or ultimate parent company showing a positive net worth of at least 2.5% of your margin (Umbrella Employers and Self-Employed models) and/or fee income (Limited Company Advisors) for the year.			
30	If you employ workers who are not subject to, (or to the right of) supervision, direction or control and as a consequence you reimburse expenses to those employees for their journeys from home to temporary workplaces, please explain the processes that you have in place to review and document whether or not they are subject to, (or to the right of) supervision, direction or control.			
31	A copy of your policies and standard documents evidencing your review of whether an employee is or is not subject to, (or to the right of) supervision, direction or control.			

Limited Company Advisors				
1.	Please attach a copy of your expenses guidance document			
2.	Please set out how you verify/authorise the potential customer's identity or provide a copy of your policy/procedures. Detail what documents you obtain and checks you carry out to do this.			
3.	Provide the following information as at the end of the last tax year or last financial year:			
4.	The number of your limited company customers.			
5.	Provide a copy of your current fee structure			
6.	The turnover levels of those limited companies for the last year (tax or financial) split as follows: a. £0 to £50,000; b. £50,001 to £100,000 c. £100,001 to £150,000 £150,000 and above			
7.	Please confirm you have systems in place to monitor and address the activities involved in any client HMRC enquiries or compliance contacts. Explain what these systems involve, how problem areas are identified and then addressed.			

	<u>Self-employed model only</u>			
1.	<p>The introduction letter given to the worker confirming that the worker:</p> <p>a. is a Self Employed worker, is aware of their responsibilities to pay taxes as a self-employed worker and is aware of that they have no Employee/Worker statutory rights;</p> <p>b. Will be subject to a proof of eligibility to work in the UK check;</p> <p>c. Will be required to enter into a Self Employed contract (please attach a copy);</p> <p>d. Understands and agrees that they have a responsibility to notify the service provider immediately of any changes in their status;</p>			
2.	A copy of a financial illustration that you provide to a potential Self Employed subcontractor.			
3.	A copy of your policies and standard documents concurring how you review the employment status of all prospective self-employed workers prior to making a second payment to them after initial engagement;			
4.	<p>Details of where the results of these checks are documented</p> <p>Details of how you evidence cases where workers chose the umbrella/PAYE option over self-employment</p> <p>Details of how you record failures of the self-employment review</p>			

6.	<p>Please attach a copy of your; Self-Employment contract (for any revised in the last 12 months, a copy of the current and past contract and the dates of any revisions); and, unless included within the employment contract;</p> <ul style="list-style-type: none"> a. Assignment/Project schedule; b. EAA opt out notices; c. Data protection agreement 			
7.	<p>Please detail how you inform the agency of the worker's EAA regulation status and what procedures you have in place if an employee notifies you that they wish to withdraw an opt out notice.</p>			
8.	<p>Please provide a copy of your latest policies re:</p> <ul style="list-style-type: none"> a. Professional indemnity; b. Employers liability (held on a contingent basis); and c. Public liability. 			
9.	<p>Provide a copy of your communication to workers that you require them to hold their own insurance</p>			
10.	<p>Explain how you ensure that Self Employed workers have the appropriate insurance cover?</p>			
11	<p>Please provide a copy of your standard agencies contract/terms plus a copy of the contractual terms used for your 5 largest agencies if they differ</p>			

	<u>If operating CIS model</u>			
1.	Please provide your UTR and Company Registration Number and status under CIS (e.g. Gross/Net)			
2.	Please provide documentation to support your registration under CIS and your status			
3.	Please attach your process for verifying self-employed workers with HMRC.			
4.	Attach your process for dealing with payments to sub-contractors who work both inside and outside of the CIS rules.			
5.	Describe your process for ascertaining the level of materials to be taken in to consideration when determining the amount to be subject to deduction under CIS			
6.	Attach your process for ensuring that the CIS returns are accurate and submitted on time			
7.	Detail any penalty notices or correspondence issued to you by HMRC within the last 12 months in respect of late/incorrect PAYE/NIC or CIS returns and payments			
8.	Provide details of any on-going disputes with HMRC or recently settled disputes within last 12 months concerning PAYE/NIC, VAT or CIS issues including, but not limited to, your own gross payment status			
10	Please provide a copy of your standard agencies contract/terms			

APPENDIX

Self-employment - HIGH RISK categories of workers

Categories/Sectors

Administrative/Clerical
Assembly plant
Call Centre
Data Entry
Hospitality
Industrial
Light industrial
Mail Centres
Package Handling
Retail
Warehouse
Restaurant / Food Service
Social care
Agricultural
Benefits Assessor/housing/council officer
Document Controllers
Lab Technicians/Biomedical Scientists
Low Skilled/Admin roles
Pharmacy Technician
Previous employment (same job and organisation)
Secretaries/Personal Assistants
Labourers
Non skilled manual workers