

IR35 Company Due Diligence & Compliance Policy Document

As a company in the recruitment sector one of the key compliance requirements for us as an entity is to ensure we are fully compliant with all elements of the IR35.

Firstly as part of company policy we have distributed a detailed document explaining IR35, its rules and how we as an entity including our workforce need to be compliant. Please refer to the following link to access this document if you don't have a copy saved.

This policy document is saved on our company wiki intranet which is available to all staff and as such means all our workforce is aware of the requirements and the ruling itself.

As a second layer to our policy we have a company email inbox that flags all company emails internal and external that have keywords around IR35. This is monitored on a regular basis and forms as a control to ensure all determinations received and relevant communications are reviewed for compliance.

We currently also as a company policy don't pay any limited companies unless we have received an outside IR35 determination from our clients or our client has confirmed that they fit the criteria of a small company and so outside the new IR35 rules. (Please see attached reference document earlier for an understanding of what makes a company a small company as defined by the IR35 legislation)

We also ensure all valid determinations received to our entity through this mailbox are filed away in our database and the determination is followed fully by using our system to flag that a determination has been received and what payment method is required to be IR35 complaint. For example inside IR35 determinations received are all paid Paye as per the determination. Also any assessments for workers that are engaged by one of our suppliers such as an umbrella company on our PSL we forward these assessments to predetermined mailboxes of the relevant umbrella company.

We also run weekly reports built into our system our payroll/finance system to flag any payments made to limited companies to ensure our policy is fully carried out and any issues corrected before our payment is made.

Also these reports are feedback to key managers in the business so that as a company we reinforce our policy and ensure 100% compliance as much as possible.

We also engage a number of umbrella companies to supply workers. The majority of the suppliers on our PSL are FSCA members. We have a very strong PSL of umbrella companies that have been vetted before joining our PSL. They need to complete a high level of due diligence. They need to comply with a compliance questionnaire that has been reviewed by HMRC and failure to comply will mean refusal to join our PSL. We also carry out an annual review of all umbrella companies including around this questionnaire and failure to pass this review will mean removal from our PSL which has occurred in the past. Also from this review if any concerns are flagged or weaknesses we carry out follow-up audits during the year.

We also have require all umbrella companies we engage with to comply with the terms of our umbrella specific contracts which reinforce the need for all our umbrella companies to comply with the current IR35 legislation and includes action to redress this with our umbrellas.