



Important details regarding your pay – Please read

Dear Locum

As your agency, we want to keep you up-to-date with changes to the law, how they affect you and any impact HMRC's latest stance will have on you.

Following our previous communications to you, regarding changes in the way the Public Sector views Limited Company (PSC) Locums, we hope you are in an informed position and have a clear understanding of what the implications to you are.

The new legislation requires the end user (e.g. the NHS Trust) to decide whether an assignment falls 'inside' or 'outside' IR35. Our public sector clients have informed us that all assignments are inside IR35 and therefore the new rules apply. Furthermore, 3 trusts so far have specifically stated that they do not want any workers at their trust to be paid via a PSC.

We believe that choice is important, which is why we will continue allowing you to decide how you want to be paid. We will also continue to offer payment through PSCs, umbrella companies and directly with ourselves via PAYE. However, it is important that you understand the impact of each option.

Below are the choices you have, the summarised actions we need to take on your behalf and things you need to be aware of:

Choose to remain as a PSC in the public sector.

- The public sector IR35 reform starts on 6th April 2017.
- The last date for gross payments to your PSC will be Friday 31st March 2017.
- Shifts/work undertaken from 25th – 31st March 2017 will be processed under the new rules and paid on Friday 7th April 2017.
- From 6th April 2017, your agency has a legal responsibility to deduct tax and National Insurance contributions (both employer and employee) before making payments to your PSC - this may have a negative effect on your weekly take home pay.
- From 6th April, we will prepare invoices for your PSC and give you remittance advice clearly showing the amounts of tax and National Insurance contributions we have paid on your behalf to HMRC.
- Because of the increased cost of processing your funds to a PSC, Your World will be charging an administration fee of £10 per weekly payment for all shifts worked that fall under the new tax regime.
- We will require both your PAYE Tax Code and NI Number before we can make a payment to you.



- If we have your NI number but not your PAYE Tax Code, we can release payments to your PSC; however, you will be assigned a Tax Code of 0T (HMRC guidance), which may result in higher taxes being deducted.

Move to an Umbrella company on our approved supplier list.

- The above-mentioned legislation and statements do not apply to you.
- Your weekly payments will be sent to the Umbrella to process in the most tax efficient manner as legally possible.
- A list of our approved suppliers can be found here:
<https://www.yourworldhealthcare.com/uk/candidates/your-pay>
- If you are switching to an Umbrella on our approved list, please do so as soon as possible to avoid any last-minute delays to your payment.
- We cannot work with an Umbrella who we have not audited and who are not on our list of approved suppliers.

Move to PAYE.

- You will be paid PAYE by Your World Recruitment and have all tax and NI deducted for you.
- Your hourly/daily rates will decrease from your current Ltd/Umbrella rates.

If you need any clarification on the points raised above, please contact candidateservices@ywrec.com

Kind regards,