



NumberMill introduce their new one stop shop service to shield high volume engagers/agencies and the entire supply chain from HMRC liability including IR35

NUMBERMILL **Protect**

NumberMill are a professional employment organisation.

Legislative Backdrop

All high volume engagers/agencies and the entire supply chain are well aware of the huge deluge of legislation that has been introduced over recent years affecting the payment of contractors. These legislative changes have been an attempt by HMRC to raise standards in the sector, and of course to ensure that more taxes are collected and to stamp out tax evasion. Unfortunately, this has had

the unintended consequence of confusing agencies and contractors, as the vast technical nature of the legislative changes is extremely difficult to navigate. Worse still, the aggressive intermediaries in the sector have fought back by introducing even more aggressive tax schemes, which are heavily disguised, putting both contractors and agencies at risk.

Useful and relevant links;

<https://www.gov.uk/guidance/off-payroll-working-in-the-public-sector-reform-of-intermediaries-legislation>

<https://www.gov.uk/government/consultations/off-payroll-working-in-the-private-sector>



More recently HMRC have also introduced guidance and draft legislation which puts the onus and liability for lost taxes and NIC on to the agency and in some cases the end hirer.

In a response to this NumberMill have developed NumberMill PROTECT which will shield you, the agency and end hirers from this risk.

Furthermore with the introduction of the **Criminal Finance Act** September 2017 end hirers and agencies have a responsibility to ensure compliance in the supply chain. Protect means that contractually liability is removed and transferred to NumberMill. NumberMill who are ACCA qualified, IR35 specialists and FCSA Accredited are so confident about their levels of compliance are willing to absorb all this liability. Protecting the entire supply chain!

Off-Payroll in the Public sector Legislation – Future proof the Private Sector too

Some legislation has been specifically aimed at the Public Sector, however the Protect service can protect the Private Sector too.

How are NumberMill able to PROTECT?

NumberMill are a genuine firm of ACCA and IPSE IR35 Qualified Practising Accountants, who were set up originally by Louise Rayner, herself a qualified accountant, and the former board director of a number of recruitment high volume engagers/agencies and the entire supply chain and responsible for one of the first travel and subsistence schemes for more than 40,000 contractors. NumberMill bases its service on technical understanding of legislation, partnership with legal employment experts and by offering a wide range of compliant contractor based services. NumberMill focuses on maintaining margin, whilst minimising cost in the contractor supply chain, maximising our client’s margin and providing an efficient happy service to contractors.

Advantages:

- ◆ ACCA Qualified and IR35 specialist Accountants
- ◆ FCSA Accredited
- ◆ Specially written and developed contracts – providing contractual protection and 100% indemnity
- ◆ Insurance including DNI
- ◆ Vat Concession Ruling for Nurses and Auxillary
- ◆ “Fee Payer Certification” from Accountax
- ◆ “We are not an MSC Certification” Accountax
- ◆ AWR & Holiday Pay management
- ◆ Commercially negotiated rates
- ◆ State of the Art portals
- ◆ Scripted and telephone recorded registration process for compliance and transparency

Public Sector/Private Sector

High volume engagers/agencies and the entire supply chain

NumberMill PROTECT (fee payer liability)

Paye

Umbrella

PSC

Worker

Option 1) Engage NumberMill Accounting and get IR35 advice

Option 2) Engage other accountant

NumberMills IR35 working Practice review service

can aid both the Public and Private Sector and as the “Fee Payer” remove liability from the supplier chain.

We offer two services;

- 1) Working practice review
- 2) “Fee Payer” Liability service

- ◆ High volume engagers/agencies and the entire supply chain need to work with their Agency Partners and End Hirers to ensure that they can be engaged via a PSC and be paid gross.
- ◆ Agencies may need to renegotiate rates to compensate contractors as their take home pay may be significantly adversely affected.
- ◆ All current contractors working in the Agency Partners and End Hirers will need to have their position assessed.
- ◆ NumberMill are able to help with these discussions and can provide tailored calculators to highlight the impact on contractor take home pay.
- ◆ Employers NI and Apprenticeship levy needs to be paid by the “Fee Payer” over and above the rate offered.
- ◆ Recruitment companies will need to request the status is clarified by the Agency Partners and End Hirers. It is only the recruitment company who can ask these questions.

Don’t give up, despite some scaremongering, many PSC’s will still be able to be paid via their PSC

After all the fundamental legislative basis of IR35 has not changed, this is just an extra hurdle.

NumberMill will be able to assist in maintaining PSC status for contractors. This will preserve margins, keep charge rates down and maintain contractor take home pay. Where PSC status cannot be preserved, NumberMill will still be able to make payments to workers utilising one of their other compliant services within the NumberMill PROTECT suite.



Specially developed contracts to PROTECT the agency and end hirer.

NumberMill know that agencies are looking to ensure that they are not at risk of liability for uncollected taxes. NumberMill has invested heavily in a specially developed contract and operational practices to ensure that the agency is protected. NumberMill become the HMRC recognised “Fee Payer” and take on liability for ensuring correct taxes are paid.

NumberMill become the provider of worker services and then they engage workers under an appropriate contractual arrangement. The worker has a choice of services offered to him. Where required NumberMill Accounting will be engaged by the contractor, if they choose, to prepare their accounts, VAT and PAYE. All this is done whilst ensuring the agency is fully PROTECTED from HMRC related risk.

NumberMill become the HMRC recognised “Fee Payer”

And as such take on the HMRC liability. NumberMill will assume full responsibility for the payment of workers, correct deduction of taxes and RTI submissions.

Insurance

Contractors engaged via PROTECT are covered by NumberMill’s insurance

Compliant MSC

Clause 48 of the legislation makes a disregard where Chapter 9 ITEPA 2003 applies “If a company is a compliant managed service company, it will be outside the off-payroll rules.” Furthermore as a firm of ACCA practicing accountants NumberMill is not considered to be a non-compliant MSC as unlike many in the sector, we have the professional adviser exemption.

Technical expertise AND infrastructure

NumberMill are able to do this as they have the technical experience and infrastructure to ensure that the contractor is engaged in the right way. NumberMill are a genuine firm of ACCA and IPSE IR35 qualified accountants and support and process thousands of contractors every week.

IR35 Public sector Digital Tool

NumberMill will be offering a service alongside their current IR35 review service to support contractors, end hirers and agencies to ensure if the utilisation of a PSC is appropriate. Where necessary they will facilitate PAYE deduction of taxes and NIC. Full RTI records will be made available. Intermediary reporting will be handled by NumberMill.

Wide Choice of Contractor Services and Flexibility

As a firm of accountants NumberMill are able to offer a wide choice of services all with PROTECT including;

- ◆ PAYE bureau
- ◆ Umbrella with and without expenses subject to legislation
- ◆ Umbrella Lite
- ◆ CIS
- ◆ PAYE Contract For Services
- ◆ Ltd Company Accounting including Bookkeeping Gold (BKG), Premier and executive

Wide Choice of Agency Services

- ◆ Back office services
 - ◆ Management Accounts
 - ◆ Year end accounts
 - ◆ Interim Finance Director services
 - ◆ Treasury and fund raising
- ◆ Compliance Consultancy
 - ◆ Reviews
 - ◆ PSL advisory

NumberMill work closely with HMRC

NumberMill are active Government and HMRC lobbyists. NumberMill regularly attend HMRC “round table” consultation discussions. NumberMill were one of the first to see the new digital tool and are actively involved in its testing. This way, NumberMill can keep you alert to the latest legislative changes.



Great price

NumberMill are able to be extremely competitive, due to our volume and state of the art systems. Volume based discounted relationships are available. We are not the cheapest in the market, but we are probably the best value in terms of ensuring compliance and choice of services.

Conclusion

Legislation is extremely complex, but then again the rewards in terms of tax efficiency and supply chain costs are high. The risks in terms of transfer of liability are also high. Now is the time to review your Approved Supplier List and ensure that you work with a partner that can cope with legislative changes. This way you can future proof your supply chain and you won't have to switch again.

To arrange a consultation please call;

0333 121 2001 option 3

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