

IR35 legislation changes: FAQs





Got questions? We can help!

As one of the leading independent specialist staffing agencies in the UK, we're experts on everything to do with contractors and contingent workers, and ensuring compliance for ourselves, our clients and our candidates, is our top priority.





We've helped many clients large and small achieve compliance to the upcoming reformed IR35 legislation over the last few months, yet we recognise that many businesses have not found the path easy, especially with the additional burden of Covid-19.

Here are our FAQs to help you map out what to do NOW and how Outsource UK can help you.

What are the risks to my business of non-compliance with IR35?

-  As the ultimate user of the services, you can face fines, penalties and liabilities for unpaid tax and NICS if you haven't fulfilled your new obligations under the reformed legislation.
-  Not only this, but you are also responsible for your entire supply chain, meaning that as well as the administrative burden in terms of making IR35 assessments, and demonstrating 'reasonable care' in doing so, you must take steps to ensure your suppliers are compliant. If not, you could face additional risks and liabilities.
-  Risks of 'hidden' workers – via consultancy-type arrangements, or contractors who you simply aren't aware of within your business if you don't have a centralised process of contingent recruitment.
-  Inability to compete for talent if you take commercial decisions not to utilise workers via personal services companies (PSCs).

Are there hidden opportunities for IR35 to improve our processes and governance for contingent workers?

-  Opportunity to implement process, governance and transparency around contingent recruitment - limiting potential risks in other areas as well as IR35.
-  Potential for cost efficiencies by implementing transparent pricing arrangements, or alternative solutions.
-  Opportunity to plan contingent workforce so that the right type of worker is being engaged via the correct contractual model.
-  Opportunity to look at new and innovative staffing solutions.

Will we get into trouble with HMRC regarding IR35 straight away in April 2021?

HMRC has confirmed a soft landing in terms of enforcement, but this is not an excuse for non-compliance in your hiring, contractual, and supply chain practices. This is an ongoing and permanent change to how you utilise contingent resource, so it's not a one-off project, and it's one you should make a start on immediately if you haven't already. Even post-April 2021, if you find the workload around IR35 is too time-consuming, or your contingent needs change, all of the above can be implemented in time.

How can Outsource UK help us become IR35-compliant?

Get in touch now and we can audit your talent supply chain and create a compliance roadmap for you. We can even payroll your workers. However, we recognise that there is no 'one size fits all' approach to ensuring that your business is fully-IR35 compliant. We also don't think that an assessment solution that works in isolation is the best way to approach IR35 compliance.

Instead, our approach is to work with you to build a bespoke programme that satisfies the particular requirement of your business. How this works will depend on the resource you have available to work on the project, and your priorities and objectives in approaching the reform. Whether you are looking for consultancy-style advice and guidance, support in implementing a payroll solution, or a full programme to revolutionise the way that you utilise contingent workers, we can build a handcrafted solution which fulfils your specific requirements.

Our solutions include:

- Provision of training
- Workshop facilitation
- Process analysis and implementation of compliant models for post April 2021
- Communications plans
- Support in designing and implementing new internal policy
- Payroll for existing directly engaged contractors
- Support in making IR35 assessments
- Supplier management – second tier suppliers and umbrella intermediaries
- Ongoing audit services
- Reasonable care assessments
- Programme management
- Full managed service contingent recruitment programmes including all IR35 compliance & on-boarding



About Head of Compliance & Operations

Vicky Parker

Vicky is a specialist in contingent worker compliance, with over 15 years of experience in the Recruitment industry. Her expertise includes all aspects of contractual, regulatory and process compliance relating to the engagement of contingent workers. Victoria has worked with clients to design & implement bespoke compliance programmes in response to regulatory change, with an emphasis on balancing compliance with commerciality, and an approach based on training, education and process support. She has spoken at a number of industry events, including the 2019 CIPD Talent Management conference.

About Outsource UK

We're proud to be one of the country's largest independent recruitment companies, supplying highly-skilled technology, change and engineering talent to clients within a range of specialist sectors.

Our success is built on a uniquely consultative approach, and we are committed to working in partnership with our clients, our candidates and each other. We listen. We understand. We offer forward-thinking, efficient strategies and deliver tailor-made permanent, contract and interim recruitment solutions.

Above all, we enable the companies and organisations we work with to thrive.

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Get in touch today to find out more

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