



hydrogen

Inside IR35 FAQs

A list of the most frequently
asked questions.

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Introduction

IR35, introduced in April 2000, is a piece of legislation intended to ensure Contractors are paying Tax and National Insurance (NI) at the correct level where their role could reasonably be completed by a permanent member of staff.

From April 2020 it will be the end client's responsibility to assess the IR35 status of their contractors. They will need to send evidence of their assessment and IR35 status decision to the fee payer (i.e. Hydrogen). Where the role is assessed as inside IR35, Hydrogen will deduct Tax and NI from the Contractor's pay as if they were a permanent hire.

Hydrogen PAYE scheme

What rate will I get if I get paid via the Hydrogen PAYE scheme?

Your consultant will give you your daily rate and your holiday accrual rate.

Am I an employee of Hydrogen?

No. You are a PAYE Temporary Worker, engaged under a Contract for Services, not a Contract of Employment.

Is there a charge to get paid via the Hydrogen PAYE scheme?

There is no charge using the Hydrogen PAYE scheme.

Do I still need to take professional indemnity insurance?

No, you will no longer need to take out PI insurance as you will be covered by Hydrogen.

How do I submit my timesheets?

We will give you instructions on how to submit your timesheet during the Onboarding process. This will either be electronically via our InTime online time and expenses system or via the client's own online timesheet and expenses portal.

What bank account details will Hydrogen need to make payments to?

We will require bank details for the personal account you wish funds to be paid into.

Hydrogen PAYE Worker Pension Scheme

To help people save more for their retirement, all employers are now required by law to provide a workplace pension scheme and pay money into it. You will receive several communications from us in the first few months of starting with your contract with details of the Hydrogen Pension Scheme and when you will be automatically enrolled into it. Please check out the Frequently Asked Questions below.

When will I be enrolled into the pension scheme?

You will be enrolled into the pension scheme after the first three months of your contract with us. This is called the postponement period. You will receive a letter confirming your enrolment date. You can also choose to opt into the pension scheme earlier by following the process below.

Can I opt into the scheme earlier than my nominated enrolment date?

Yes. You can choose to opt into the scheme any time from the start of your contract by completing the template below and emailing to payquery@hydrogengroup.com:

I [Insert Name], confirm I personally submitted this notice to join a workplace pension scheme effective from [Insert effective from date].

Employee contribution: [Insert pension contribution percentage] %

Employer contribution: 3%

Can I opt out of being enrolled in the pension scheme?

We are required by law to automatically enroll you into a pension scheme and you cannot opt out of being auto enrolled into the scheme. However, following your enrolment into the scheme, you can then choose to opt out of the scheme and have any payments already made to your pension pot, returned to you. We will include the process to opt out when we write to you to confirm your enrolment details.

How much will Hydrogen contribute?

As per the guidelines set out by The Pension Regulator, Hydrogen will contribute 3% of your qualifying earnings each pay period.

How much do I need to contribute?

We are required by law to automatically enroll you into the pension scheme with a minimum contribution of 5% of your qualifying earnings each pay period. You can choose to contribute more or less by following the process below.

Can I increase/decrease my contributions?

You can choose to contribute more or less than 5% of your qualifying earnings by completing the template below and emailing to payquery@hydrogengroup.com.

Please note that any increase you make to your personal contribution will not affect the amount contributed by Hydrogen, which is fixed at 3% of qualifying earnings each pay period.

*I [Insert Name], wish to change my [contribution percentage] for the Hydrogen Group Pension Scheme effective from [Insert effective from date].
New Employee contribution %: [Insert pension contribution percentage] %*

What is the maximum I can contribute?

The maximum you can have paid into your pension pot in any given tax year is £40,000. This includes any contributions from Hydrogen and any other pension schemes you have contributed into in the tax year.

Who is the pension scheme provided by?

The Hydrogen Pension Scheme is operated by Aviva.

Who should I contact for more information?

Please have a look through this [Essential Guide from Aviva](#)

Once you have been enrolled, Aviva will write to you with further details, which will include your policy number. Once you have your policy number you will be able to use the below helpline for all queries.

Call: 0800 145 5744

Email: helpdesk@aviva.co.uk

Write to: Aviva, PO Box 520, Surrey Street, Norwich, NR1 3WG

Lines are open Monday to Friday, 9am to 5pm. Calls may be recorded.

Will it be possible for Hydrogen to invest in my own pension scheme instead of the Aviva scheme?

No this will not be possible. We are only able to invest in the Hydrogen Pension Scheme.

Can I invest in my own pension scheme?

Yes, you can do this at any point although again Hydrogen is unable to make payments to your own personal pension scheme. Please note however, that we have a legal obligation to auto-enroll you in the Hydrogen pension scheme even if you choose to make your own pension arrangements. Once enrolled in the Hydrogen scheme you can of course choose to opt out.

What if I have already put £40,000 into another pension pot for the year?

You will not receive tax relief on any contributions that exceed the limit and you will incur an annual allowance charge. We are still legally obliged to auto-enroll you in the Hydrogen company pension scheme. To avoid any tax charges, you should then opt out within the first 30-day window. You will receive details on how to opt out when you are enrolled in the

scheme. Should you have any further questions please have a look at the [Annual Allowance Guide from Aviva](#).

Hydrogen Contractor Holiday Pay Scheme

As a Hydrogen PAYE worker, you are entitled to Holiday Pay in accordance with the Agency Worker Regulations (AWR). This ensures Agency PAYE workers have access to some of the same benefits as comparable permanent staff at the client.

The number of days Annual Leave you are entitled to will depend on the client you are working for but will never be less than 28 days annually including Bank Holidays. Check out the Frequently Asked Questions below for more information.

How do you calculate my Annual Leave entitlement?

You accrue annual leave entitlement for each day that you work based on your end client's standard annual leave entitlement.

We calculate the number of annual leave days to accrue for each day worked as follows:

Accrual % = Client annual leave days divided by total working days in the year (260 days) minus Client annual leave days.

So, for 28 days annual leave your accrual % would be:

$$28 / (260-28) \times 100 = 12.07\%$$

And for 20 days worked you would therefore accrue:

$$20 \times 12.07\% = 2.41 \text{ annual leave days}$$

Your current annual leave entitlement at any given point is:

Number of days accrued so far in the holiday year less any days already claimed and paid

My client allows unlimited holiday days. How will you calculate my holiday days?

We need to use a figure so we can accrue for holiday days in line with the Agency Workers Regulations. In this situation, we will adopt the minimum statutory entitlement of 28 days holiday including Bank Holidays and use this to calculate your holiday pay.

What rate will my holiday pay be paid at?

Providing that you have accrued enough annual leave days for the period you wish to claim holiday pay for, we use the following government mandated calculation to confirm the holiday pay rate. Based on the last 52 weeks worked (or number of weeks worked that are available in our system if less than 52) your holiday pay rate at any given point is:

Total gross pay earned in the last 52 weeks divided by the total number of days worked

Note that your holiday pay rate may vary at any given point depending on how many days you have worked over the last 52 working weeks and the pay rate for those days.

You cannot be paid holiday pay in advance of days worked, although you can request annual leave in advance (only the annual leave accrued at the time of the days requested will be paid).

How do I request Holiday Pay?

If you submit your timesheets on our InTime Online system, you can request annual leave by logging into your InTime account.

For all other contractors, please send your request for annual leave to payquery@hydrogengroup.com including the date/s and number of days you wish to claim for.

Holiday Pay is paid on the same date as your timesheets and in the period you requested annual leave for, providing you have sent the request by your usual timesheet deadline – this is usually midnight on working day two of the month or 5pm on Monday for the previous 4,4,5 week period if you submit your hours via a Client Portal. You will only be eligible for holiday pay if you have accrued enough at the point of payment.

How much notice do I need to give to take Annual Leave and receive Holiday Pay?

We need to receive your holiday pay request by your usual timesheet deadline. This is usually midnight on working day two of the month or 5pm on Monday for the previous 4,4,5 week period if you submit your hours via a Client Portal. The timesheet deadlines are posted on [our website here >>](#)

You should always confirm the notice policy to take annual leave with your end client. All requests to take time off work are at the discretion of your end client line manager.

Do I need to request Holiday Pay for Bank Holidays if I am not working?

Bank Holidays are included in your total annual leave entitlement and holiday pay accrual but are not automatically paid. You need to request holiday pay in the usual way outlined above if you would like to be paid for a Bank Holiday.

Can I opt out of having holiday pay accrued?

The Agency Worker Regulations are designed to ensure you are taking some time off work. On that basis you cannot opt out of having holiday pay accrued and we cannot roll this up into your pay rate.

Can I have my holiday pay paid out in full on each payslip?

You will need to request holiday pay in the way outlined above each time you require a payment. We strongly encourage you to only request holiday pay when you wish to take annual leave, in line with AWR.

When does the Hydrogen holiday year run from and to?

The Hydrogen holiday year runs from 1st January to 31st December.

What happens at the end of the holiday year?

You need to claim any remaining holiday pay by the year-end deadline date which will be published on our website each year. Any holiday pay unclaimed after the published year-end deadline is not rolled over to the following holiday year and will be lost.

What happens when I finish my contract?

Any remaining unclaimed holiday pay accrued at the end of your contract is paid out to you in your final payment when we issue your P45.

Do I need to take holiday days to get my holiday pay?

We strongly encourage you to only request holiday pay when you wish to take annual leave, in line with AWR. You can claim any accrued holiday pay at any time during the year and you must remember to claim any unused holiday pay at the end of the holiday year as this will not be carried forward.

Can I take time off before I have accrued enough?

Yes, you can. As always, you will need to speak to your line manager to make sure they approve the day/s you wish to take off. You will be paid as much as you have accrued at that time.

Sick pay and other statutory payments

Am I entitled to Sick pay and other statutory payments?

PAYE contractors will be entitled to Statutory Sick Pay, Maternity / Paternity Pay as well as several other Statutory payments mandated by law. Payment amounts and the rules for claiming are on the Government website. Please email payquery@hydrogengroup.com for more details on the process.

Umbrellas

What rate will I get if I go with an Umbrella and how does the onboarding work?

You should get a very similar rate to the rate you would get if you were going onto the Hydrogen PAYE scheme. We will give you a rate to quote to the Umbrella Company that includes the Employment On Costs (ERNI, Apprenticeship Levy and Employers Statutory Pension Scheme). They will then calculate your daily rate and your holiday pay from this. If you decide to use an Umbrella, let us know which one and we will send them with a contract. They will then issue you with the contract to sign and you will need to follow their instructions for onboarding.

Is there a charge? What do I get for the fee?

Yes. All Umbrella's charge a weekly fee. See table below detailing the fees our PSL charge and the benefits they offer.

Umbrella Company	Charge per week worked	Key Benefits	Umbrella company contact details
Brookson One	£15	<ul style="list-style-type: none"> ✓ Same day payment guarantee ✓ No exit fees or tie in period ✓ Access to a free legal helpline for regulatory advice, insolvency, wills & probate and intellectual property ✓ Claim tax relief on allowable expenses with Expenses Review and Claim Validation service 	<p>www.brooksonone.co.uk newbusiness@brookson.co.uk 0800 230 0213</p>
Giant	£20	<ul style="list-style-type: none"> ✓ Claimable expenses ✓ Retail, cinema and gym savings ✓ Personal accident insurance ✓ Salary sacrifice benefits that include childcare vouchers and new car leases ✓ Private medical insurance 	<p>www.giantgroup.com info@giantgroup.com 020 7167 4699</p>
Liberty Bishop	£20	<ul style="list-style-type: none"> ✓ Discounts and cashback from over 2000 retailers including food and drink, travel and hotels, and entertainment ✓ Access to legal helpline and free credit rating 	<p>www.libertybishop.co.uk info@libertybishop.co.uk 01582 461 444</p>
Parasol	£20	<ul style="list-style-type: none"> ✓ Same day payroll guarantee ✓ Employee support team 	<p>www.parasolgroup.co.uk contractoradvice@firstfrelance.com</p>

	✓ Claimable expenses	01925 644 863
	✓ Employee benefits	
Paystream £15	✓ Free Employee rewards scheme	www.paystream.co.uk
	✓ Access to personal accident insurance	newbusiness@paystream.co.uk 0161 6929 6000
	✓ Exclusive discounts on thousands of High Street products	
	✓ Tax relief on allowable business expenses	
	✓ Continuous employment – helps with mortgage or loan applications, being on the correct tax code and only having one pension pot	

Key Information Document

What will my take home pay be?

You will be provided with a Key Information Document clearly detailing:

- your chosen payment option;
- a breakdown of any deductions;
- what this will mean for your take home pay.

Expenses

Am I able to claim expenses?

Yes. You will need to follow the client's expenses policy to make sure the expense is allowable and will be approved by them.

Are my expenses offset against my PAYE tax deductions?

No. Your expenses will not reduce your PAYE tax liability.

How do I claim expenses incurred working for a client?

You will submit your expenses the same way you submit your timesheet.

Location/hours of work/equipment

Where will I be expected to work?

Your contract will state the location where the client expects you to work. You may be able to work from another location, or from home but will need to agree this with your client beforehand. Remember that it is always advisable to get settled into a role and demonstrate the value that you add before asking for flexibility on place of work.

What will my hours of work be?

Your contract will state your working hours.

You can't work more than 48 hours a week on average - normally averaged over 17 weeks. This law is sometimes called the 'working time directive' or 'working time regulations'. You can choose to work more than 48 hours a week on average if you're over 18, by 'opting out'.

What equipment/software is provided by Hydrogen to undertake services to the client?

We will not provide any equipment for you to undertake the services for the client. We would expect them to provide you with all the tools necessary to provide your services.

Empowering careers. Powering business.

Our clients believe that an organisation's greatest asset is its people. That's why we always match the right person to the right role.

Our success is built on the ability of our consultants to find experienced, high quality professionals no matter where they are in the world. We've placed people in over 67 countries, empowering thousands of people in their careers and powering the world's leading businesses.

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