

IR35 Process Summary

All payments for 'services' to follow this process unless specifically agreed as exempt.

An IR35 Approval must be sought prior to any work commencing. Where the work has already started, or been completed the IR35 Process must be followed retrospectively.

This process relates to all engagements for 'services' and all suppliers both new and those already on T1, and affects payments by PO or payment form (GBP and international payments) or P-Card. Each New Supplier will be subject to this check prior to being added to the payment system (T1).

- **Engaging Manager** to complete and submit [TR2 Temporary Resourcing Request](#) with details of the services engagement.
- **Engaging Manager** to complete an [HMRC Questionnaire](#) specific to the engagement and the supplier. The outcome should be personalised, saved as a pdf and attached to TR2.
- **Engaging Manager** to seek appropriate approval.
- **IR35 Team** will link TR2 with correspondence received in the shared mailbox then process.
- **IR35 Team** review the information, discussing and agreeing difficult and 'undetermined' cases with the University Tax Manager, then advise outcome to engaging manager by email.

1. If IR35 Rules Apply to the engagement, the engaging manager will be signposted to TRU or Recruitment for payments to be made via a payroll.

2. If IR35 Rules Do Not Apply to the engagement the team will:

- i) Record the details on master spreadsheet in SharePoint.
- ii) Allocate a unique reference.
- iii) Open an electronic file (for supplier and within for each specific engagement).
- iv) Documents saved centrally for audit.

IR35 Team will advise engaging manager by email the approval reference and next actions.

- **Engaging Manager** will add the approval reference to the payment documents and save the email then add as an attachment to the payment documents.
- **Engaging Manager** will send the HMRC Service Determination Statement to the supplier so they may check the details are correct and retain for reference or audit purposes. If the supplier believes the details are not correct, they should be advised to complete an HMRC Questionnaire from their perspective, save the new outcome as a pdf and return to IR35 Team via the engaging manager, with reasons, to open a dispute.
- **In the event of a dispute the information will be recorded, and then reviewed with the University Tax Manager. The University, as the employer, retains the right to have the final say over the employment status of a service engagement. Details of decisions made will be recorded on the spreadsheet, in CRM and in the supplier's electronic file.**

- **IMPORTANT** if there is a significant change in the scope of the work commissioned, a further review of employment status should take place to avoid an engagement developing into an employment relationship or enable the engagement to be revised and paid via the payroll.

Training materials are available upon request, please contact ir35@exeter.ac.uk.

Training Workshops will be advertised on the webpage or can be arranged for specific teams upon request, please contact ir35@exeter.ac.uk .

Please contact ir35@exeter.ac.uk for specific enquiries relating to TR2 or HMRCQ, and for one-to-one training sessions at any time.

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