



# THE FISER GROUP

INTRODUCTION TO PAYE





Our aim is to provide an exceptional service to all contractors at Insight and we encourage all feedback, whether complimentary or where our service can be improved, so we can continue to improve and ensure our team is trained to the highest levels. Should you wish to provide feedback, please contact me via email [payroll@thefisergroup.com](mailto:payroll@thefisergroup.com)

You will receive separate communications from us on data privacy, a contract of engagement with us, etc., in due course.

I do hope your experience with us is a really positive one.

A handwritten signature in black ink, appearing to read "Colin Webster", is positioned above the printed name and title.

**Colin Webster**  
Chief Executive, The FISER Group

## Inhouse PAYE service vs umbrella

	In house PAYE	Umbrella*
<b>Cost of service</b>	Free of charge	Average £20 per week
<b>Salary sacrifice for pension contributions</b>	Yes	Yes
<b>Flexibility with employee pension contribution amounts</b>	Yes	Yes
<b>Flexibility with choice of pension provider</b>	No (auto-enrolled into The People's Pension only)	Yes
<b>Holiday pay</b>	Accrued or paid as you go (your choice)	Paid as you go
<b>Personalised / dedicated point of contact</b>	Yes	No
<b>Advances</b>	Situation-specific	Varies

\* usually – obviously depends on the specific policies of each umbrella company

**Please note** - If you wish to switch the way you are paid (either to an umbrella company from being directly paid, or to us from an umbrella company).

## **SUMMARY**

The PAYE system is a method of paying income tax and National Insurance contributions.

Your employer for PAYE purposes (in this case The FISER Group) deducts tax and National Insurance contributions from your wages.

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## INCOME TAX

HMRC assigns you a tax code which includes your personal allowance and deductions and anything particular to your circumstances, e.g. adjustments to tax from previous years. The code reflects liability to lower or higher rates of tax and can also take into account any other sources of income you might have, such as rental profits. In this way, HMRC attempts to collect the total income tax due you in a tax year. For further guidance, go to <https://www.gov.uk/tax-codes>.

The FISER Group cannot amend your tax code. If you believe your code is wrong you must contact HMRC to have it changed. HMRC will then contact FISER with a new code to use. Under the PAYE system it is FISER's responsibility to deduct income tax from your pay at the time of payment and to report this to HMRC. However, you are still responsible for your own overall tax payments through the self-assessment system, which you will be familiar with if you previously provided your services through a personal services company, as this is how you would have declared dividend payments and other items.

Income tax is charged at different rates on bands of taxable income. For further information and for the latest rates see <https://www.gov.uk/income-tax-rates>.

## NATIONAL INSURANCE (NI)

NI is a system of contributions paid by workers, used primarily to qualify for certain benefits and State Pension. It is not an annualised system like Income Tax but is a calculation on a weekly basis, on earnings between a certain threshold per week.

There are 2 types of NI, employer's and employee's:

- Employee NI is deducted from your pay on your payslip and is calculated at different rates which can be viewed at <https://www.gov.uk/national-insurance/how-much-you-pay>.
- Employer NI is paid directly by FISER to HMRC at rates which can be viewed at <https://www.gov.uk/national-insurance-rates-letters>

Whilst you will not see employer NI on your payslip, it will have been taken into account when setting your basic pay rate as it forms a significant part of the overall cost of engaging you as a contractor.

## PENSION

We have a pension scheme set up with The People's Pension, which is dealt with by salary sacrifice. We will check your eligibility to join three months after the start of your assignment, and enrol you automatically at that point if you meet the following criteria:

- Paid over a regulatory minimum per week (currently £192 for the 2023/24 tax year)
- Aged 22 or over and under State Pension Age

If you are not eligible to enrol at that time, we will continue to check your eligibility every time you are paid. Once you become eligible, there will be a further three month wait before you are automatically enrolled in the pension scheme.

You can request to opt out of the scheme if you wish. You can also opt into the pension scheme prior to being enrolled. For more information, please contact [The People's Pension](#) directly or our payroll team at [payroll@thefisergroup.com](mailto:payroll@thefisergroup.com).

## **HOLIDAY**

The European Working Time Regulations ensure that a PAYE contractor is entitled to 33 days paid leave per leave year (which equates to 0.14 days per week or 14.54% of your basic pay), inclusive of public holidays.

The purpose of the Working Time Regulations is to ensure that workers take holiday for their health and safety, and they receive remuneration when doing so. Consequently, holiday pay must be shown as a separate entry on the worker's payslip and cannot be included within their pay rate.



## YOUR PAYSリップ EXPLAINED

This figure represents the holiday pay element of your total pay and by default is paid in advance of your actual holiday as your contract with us. If you prefer, this can be accrued and paid when you are on holiday.

This figure represents employee pension contributions under our auto-enrolment scheme with The People's Pension. It is dealt with by salary sacrifice. Employer contributions are not shown on your payslip and are paid direct to The People's Pension along with your contributions. You are able to contribute more into your pension under our SS arrangement if you so wish.

DESCRIPTION	TIME	RATE	AMOUNT	DEDUCTIONS	AMOUNT		
Salary Sacrifice - Pension			-42.35	National Insurance	94.52		
20/08 Holiday Pay Advance	5.00	35.19	175.95	PAYE Tax	220.40		
20/08 (Basic Pay (End Client Name))	5.00	42.00	1210.00				
				ADDITIONS	AMOUNT		
GROSS	1343.60	ADDITIONS	0.00	DEDUCTIONS	314.92	NET DUE	1028.68

This figure reflects your normal pay rate in GBP. It is one of the figures used to calculate your holiday pay.

This is the amount of holiday pay in GBP that you will receive this week.

Reference	7581	Gross Year To Date	17111.53
Tax Code	1257L	Tax Year To Date	2406.20
NI Number		Tax Week	21
NI Code	A	Free Pay	5080.32
		Week-ending Date	20/08/2023
		Payment Date	25/08/2023
		Method of Payment	BACS

## GENERAL FAQs

### *HOW DO I CONTACT HMRC ABOUT MY TAX?*

- FISER's Tax reference is: 663/ WA47778. HMRC can be contacted on: 0300 200 3300. Remember to quote your National Insurance number when making any inquiries to the Inland Revenue.

### *I DO NOT HAVE A NATIONAL INSURANCE NUMBER; WILL THIS AFFECT MY TAX?*

- National Insurance is completely separate from tax and will therefore not affect your tax payments. To obtain a National Insurance number, please contact your local Job Centre Plus to arrange an appointment.

### *HOW DO STATUTORY PAYMENTS APPLY?*

- As a PAYE worker you are entitled to statutory payments if appropriate, such as SSP, SMP, SPP etc. Information on these is widely available on gov.uk. FISER is also obliged to make Attachment of Earnings deductions if instructed to do so by a Court, e.g. for legal fines or child support payments.

### *WHAT IF I HAVE A DIFFERENT QUERY ABOUT MY PAY RATE?*

- Please contact your normal point of contact at The FISER Group. Queries relating to your tax code should go to HMRC as described above, not to FISER. If you have any queries on your actual pay, please contact [payroll@thefisergroup.com](mailto:payroll@thefisergroup.com) or call on +44 (0)20 3145 3342.

## HOLIDAY PAY FAQ

### *WHAT DOES 'ACCRUED MEAN'?*

- 'Accrued' pay or holiday is pay or holiday that is “banked”, or accumulated. FISER are required to retain this on your behalf, but it remains your money to claim.

### *CAN I OPT OUT OF ACCRUED HOLIDAY PAY AND HAVE IT ADDED STRAIGHT TO MY PAYSリップ?*

- No – this is known as ‘rolled-up holiday pay’ and illegal. The Working Time Regulations were introduced after a ruling made by the European Court of Justice and it is a legal requirement in the UK for holiday pay to be a separate entry on your payslip.

### *WHEN DO I GET PAID FOR HOLIDAY?*

- Holiday pay is paid either:
  - When you take time off and request payment
  - At the end of your contract if you have not taken all your holiday

### *HOW MUCH HOLIDAY CAN I TAKE?*

- The maximum holiday that can be accrued is 6.6 weeks and from this you can elect to be paid for public holidays (e.g. Christmas) and other holidays. Any holiday taken on top of this would be unpaid. Untaken holiday is carried forward for 1 year before it is lost.

### *HOW DO I REQUEST HOLIDAY?*

- You can request holiday pay by filling in the right hand columns on your timesheet and ticking the box in the far right hand column, or by requesting holiday pay by email.

## HOLIDAY PAY FAQ

### *HOW IS A DAY OF HOLIDAY CALCULATED?*

- Your hours and pay rate may vary during your contract, and the legislation states that an average of your hours and earnings over the most recent 52 week period is taken to determine your holiday pay. So if you work variable hours each week, or your rate changes this will be reflected in your holiday pay. This is why 1 day of holiday may not be the same unit of time in every payslip.

### *WHAT IF I CHANGE MY MIND ABOUT HOW MY HOLIDAY IS PAID?*

- Please contact our Payroll team and they can talk you through the different options. They can be contacted by emailing [payroll@thefisergroup.com](mailto:payroll@thefisergroup.com) or calling +44(0)20 3145 3342.

### *WHAT DO I DO IF I THINK MY HOLIDAY PAY IS INCORRECT?*

- Please let us know if you have any queries, alternatively you can refer to the gov.uk website to calculate your holiday entitlement: [www.gov.uk/calculate-your-holiday-entitlement](http://www.gov.uk/calculate-your-holiday-entitlement)