

MAH Off-Payroll Supplier/Worker Payment Process Map (21/02/2022)

Step 1 – Choosing a Supplier

Start

Identify the need for goods/services.

Choose the supplier. Must select from the University contracted or approved suppliers in the first instance.
[Information & lists](#)

Ask the finance service desk*¹ if they can recommend any of the approved suppliers for your needs.

If not suitable, must then choose from a supplier on the finance system.*²

Only after going through these steps can a new supplier be considered/used. Must be able to argue value for money*³ and how the supplier fits your business needs over other suppliers already set up.

Supplier chosen.
Move to step 2.

If in doubt with any of the information in this document, check with the Reception Team*⁴

Step 2 – Completing an IR35 Assessment*⁵

Start

If the chosen supplier is an individual working as self-employed, a sole trader, or through a personal services company (PSC) an IR35 assessment needs to take place.

If one of the following applies to the supplier/engagement an IR35 assessment does not need to take place:

- Providing a product rather than services
- Work taking place outside of the UK
- Representing a company (e.g. Wired Sussex) and company can confirm they pay all necessary tax and NI contributions

An IR35 process map can be found [here](#)

To complete an IR35 assessment, the HM*⁶ needs to complete section 4 of the ESQ*⁷ in as much details as possible. They will also need to confirm the answer to q. 1.6 (length of engagement).

Reception Team contacts supplier to complete the rest of the ESQ (sections 1-3) and checks section 4 completed by HM. See email templates*⁸

The completed ESQ is emailed to the HR IR35 team*⁹ by the Reception Team with the HM cc'd. Ensure to answer the 3 questions required by the IR35 team*¹⁰

Whilst awaiting reply from the IR35 team (can take up to a month), start discussing **step 3** with the HM.

The IR35 team reply to confirm the status of the engagement with the HMRC CEST*¹¹ determination attached.

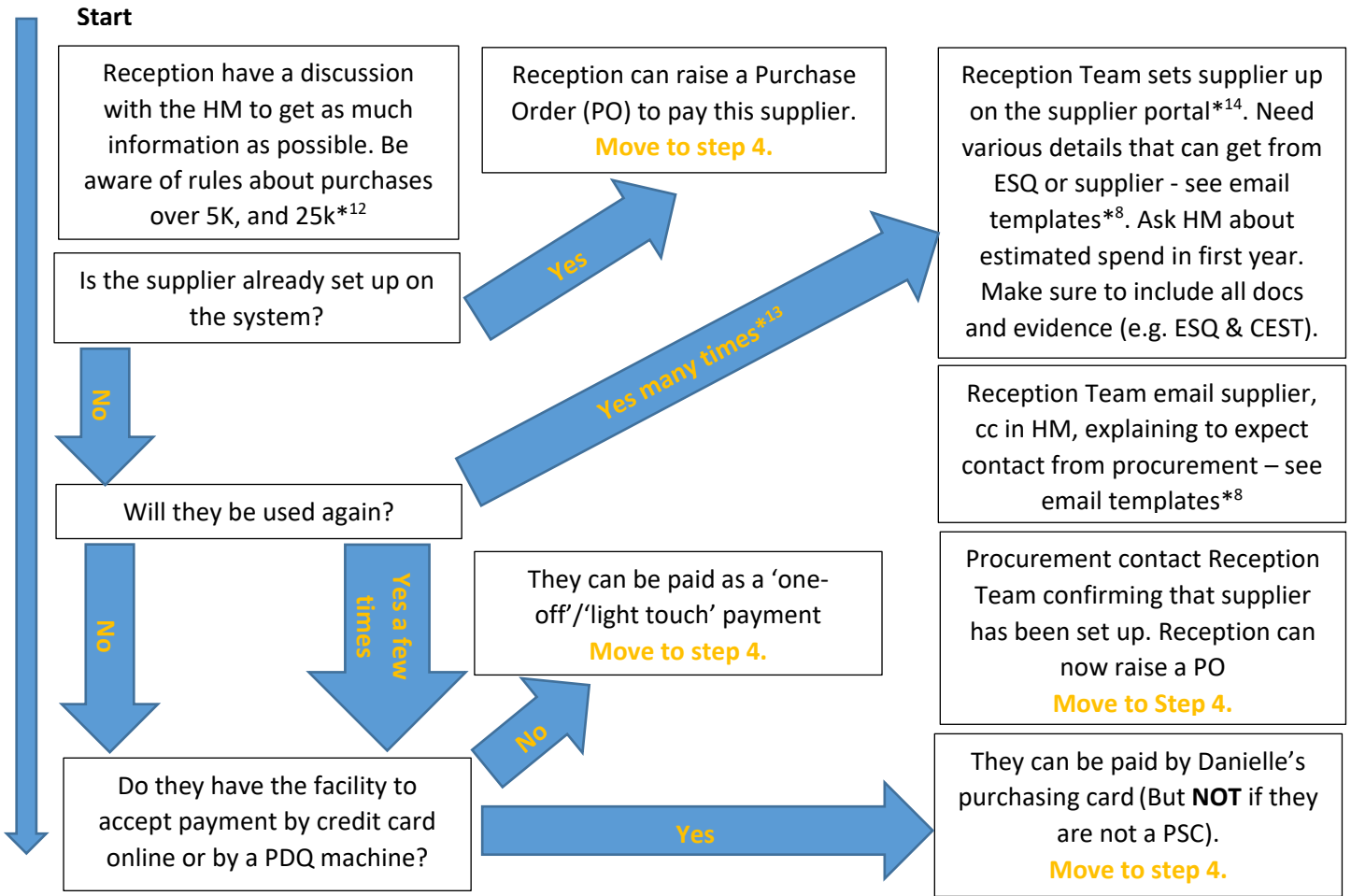
If engagement counts as employed, need to engage and pay by non-permanent worker route with [Reed Talent Solutions](#). Contact the Reception Team.

If engagement counts as self-employed can **Move to step 3.**

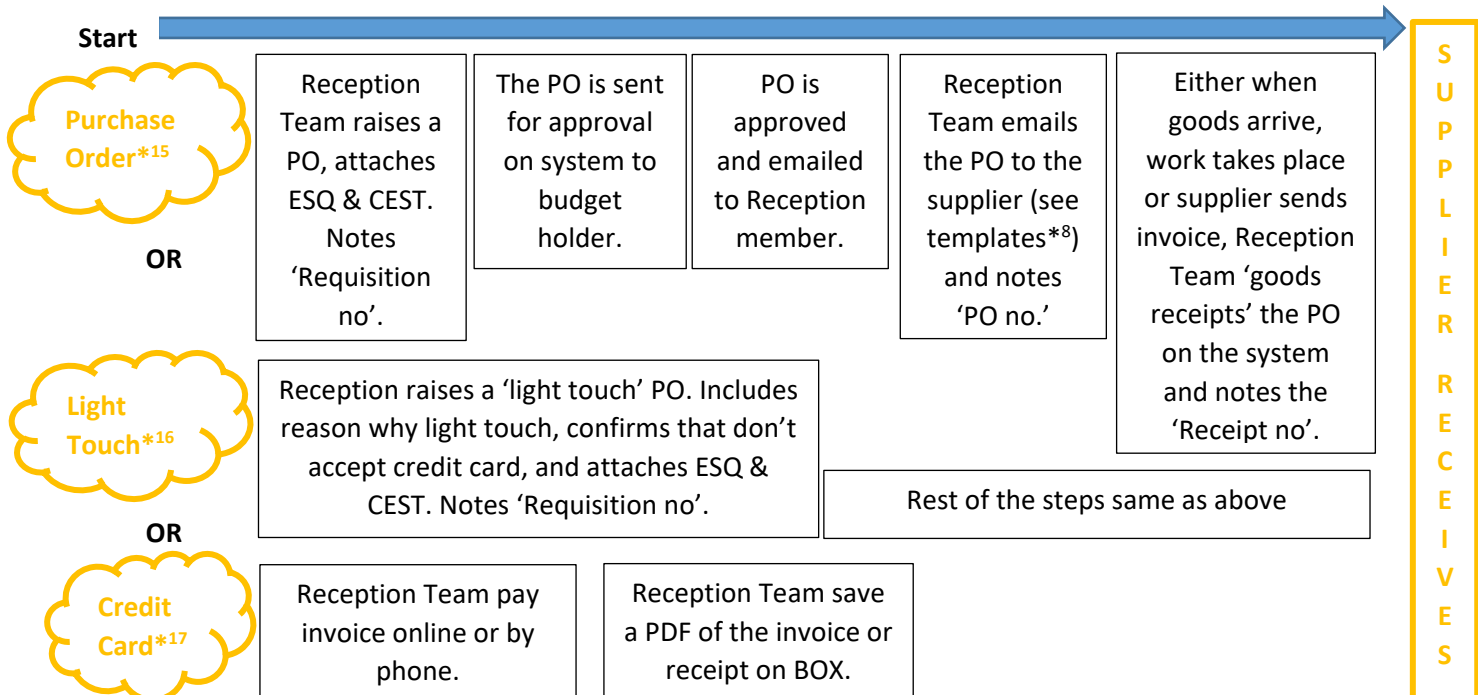
Reception save completed ESQ & CEST to BOX.

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Step 3 – Choosing How to Pay the Supplier



Step 4 – How to Pay the Supplier Via Chosen Method



For POs, the University's usual payment terms are 28 days from receipt of the invoice – often if can be paid before then (being paid 28 days from the *date* on the invoice). The turnaround is quicker (next available payment run) with 'light touch' PO's.

Notes:

Further information about procurement at the university can be found on the webpages [here](#).

1. E: financeservicedesk@sussex.ac.uk , T: 01273 877172
2. To find if a supplier is set up on the finance system: click on 'Purchasing', 'Suppliers (New/Amend/View)' and begin typing the name of the supplier in the 'Lookup' field.
3. See the '[purchasing policy](#)', '[value for money](#)' is explained in section 2.
4. E: media-arts-humanities@sussex.ac.uk, T: 01273 876001
5. Further information about the [IR35 process](#), its policies and the ESQ that needs to be completed can be found [here](#) (under IR35 Guidance). An IR35 assessment is a government tool which decides whether an engagement with a worker should be counted as employed (engaged via Reed/HR) or self-employed (paid by invoice).
6. [HM \(Hiring Manger\)](#) – person that is engaging the supplier to do work for us/them.
7. [ESQ](#) – Employment Status Questionnaire; can be found [here](#).
8. Various financial email templates that the Reception Team can use can be found on the Reception [BOX folder](#).
9. E: IR35info@sussex.ac.uk
10. The three questions are:
 - Is there any contractual documentation between the University and the worker/Ltd company or terms of reference document?
 - What will be the method of payment?
 - Is there a statement of works for this engagement?
11. [CEST](#) – Check Employment Status for Tax, is the IR35 assessment that the IR35 team carry out, a PDF 'determination'/result is produced.
12. For purchases over 5k three quotes need to be obtained. If the supplier is providing something very specific and it can't be provided by another supplier then finance can give their approval as to why three quotes would not be suitable. For purchases over 25k we need to seek advice from procurement, a '[tender waiver](#)' will likely need to be completed, which can be found [here](#). Further information can be found [here](#).
13. You can typically only set up a new supplier if the spend will be at least £5,000 a year, but the Reception Team can receive further advice from the Finance service desk.
14. Also called the '[Supplier Management System](#)' or Proactis Portal; more information about how to set up a supplier can be found [here](#).
15. The PDF guide on how to use the finance system to raise a requisition (that becomes a PO) and to goods receipt, can be found [here](#).
16. Guidance on '[one-off](#)' / '[light touch](#)' requisitions can be found on Receptions [BOX folder](#). There are FAQ's on the website [here](#), under 'Light Touch' supplier requisitions. This type of requisition slightly replaces the old one-off payment paper form, but it also can be used for suppliers that we will only use for a fixed period for a certain project, or only a couple of times, when the amount isn't too large.
17. Further information about [purchasing cards](#), including policies and guidance, can be found on the website [here](#). A purchasing card can also be used for supplier already set up on the finance system if the need is time sensitive (e.g. a quote with Key Travel) or if the finance system is unavailable.