

YOUR smartwork PAYSHEET EXPLAINED

Below is an example of how your payslip will look – we’ve broken down each section so you can understand the workings and know you’re being paid correctly. Please note, your payslip is unlikely to include every element shown in the example.

The left-hand side of the payslip includes the billing aspect and what your earnings constitute, while the right-hand side outlines deductions.

BILLING

Units – The number of hours/days worked

Rate – The rate of pay

Salary – The total hours/days at national minimum wage

Bonus – The rest of your pay above national minimum wage at your contract rate

Re-billable expenses – Any expenses that your agency/client have agreed to reimburse you for in full

Search Advance & Notice Advance – These are funds that can be accrued at your request. If accrued, we would use the Search Advance to pay you for a week at National Minimum Wage while you are searching for a new contract, and the Notice Advance to pay you for a week at National Minimum Wage if your contract comes to an end. However, if listed as Advanced, they are paid across to you rather than accrued

Holiday Advance – This is the remainder of your holiday entitlement paid across to you based on the rest of your pay (bonus)



Ref	Employee Name	Process Date	NI Number
1	Test Payslip	09/04/2021	AB123456B

Billing					Deductions	
Details	Units	Hours	Rate	Amount	Details	Amount
Basic Charge	5.00	40.00	200.00	1,000.00	Employers Cost (Employers NIC & Levy)	98.89
					SW Margin	20.00
					Holiday Accrual	42.83
					A/E Pension	24.42

Payslip Detail				Employee Deductions		
Payments	Units	Rate	Amount	Amount	Amount	
Salary			356.40		PAYE TAX	106.20
Bonus			388.36		National Insurance	75.54
Search Advance			6.85		Pension	40.69
Notice Advance			6.85			
Holiday Advance			55.40			

	This Period		Year to Date	
Mr. Test Payslip	Total Gross Pay	813.86	Total Gross Pay TD	813.86
Whitefriars	Gross for Tax	773.17	Gross for Tax TD	773.17
Lewins Mead			Tax Paid TD	106.20
Bristol	Holiday Left	0.5	National Insurance TD	75.54
BS1 2NT			Pension TD (Inv AVC)	40.69
	Payment Period	Weekly		

Smartwork.com Ltd			Net Pay	591.43
Tax Code: 1257L	Tax Period: 1			

DEDUCTIONS

HMRC Employers Costs – Employers NI & Apprenticeship levy – see FAQs below for more details

SW Margin – SmartWork’s weekly or monthly margin

Holiday Accrual – The amount of pay that goes into your holiday pot for when you take time off, accrued at national minimum wage. If you request to have your holiday pay advanced to you, it will be in the billing section as “Holiday Pay”

A/E Pension – Your pension contribution if you have chosen to enrol or have not yet opted out

PAYE TAX/National Insurance/Pension – All the employee deductions: income tax, employee’s national insurance and pension contribution

THE BOTTOM BIT

This period – summarises weekly/monthly pay information

Year to date – summarises your pay information for the current tax year

Holiday left – shows remaining number of days accrued

Tax code – determines how much tax-free allowance is being used

Tax period – month in the tax year

Net pay – your overall take-home pay for this period

SEE PAGE TWO FOR FAQs

FREQUENTLY ASKED QUESTIONS

How do I opt out of the pension?

Details of how to opt out will be contained in your joining pack, which will be supplied via e-mail from our provider, The People's Pension Group. If you have not received this email, please e-mail payroll@smartwork.com to request for this to be resent.

Will all my tax liabilities be taken care of?

We take care of all VAT, PAYE and NI liabilities and pay them straight across to HMRC.

What are the most common Tax Codes?

1257L – You have a tax free allowance of £12,570 for the tax year (2021/22)

NT - You are not subject to any tax deductions

0T – Your full income is subject to tax as you have not yet provided a P45 or completed a P46 before payment

BR - You have a second source of income and will be subject to 20% tax

D0 - You have a second source of income and are a higher rate taxpayer, subject to 40% tax

D1 – You have a second source of income and are an additional rate taxpayer, subject to 45% tax

Wk1/Mth1 (Emergency Codes) – These treat each week or month in isolation and give an equal amount of tax-free pay every week/month

Why is my home address on my employment contract and not my work address?

We like our contractors to have the flexibility and to be able to work freely at multiple sites. Keeping your home address on the contract takes away the inconvenience of signing extra paperwork each time you move across sites.

Why do I pay Employer's National Insurance and Apprentices Levy?

This will be required when joining all umbrella companies. If your end client permanently employed you, you would be on a lower rate as they pay the Employer's NI for you. The assignment rate you are offered to work through an umbrella company includes all costs, including the Employer's NIC.

For compliance purposes outlined by the government, the Umbrella Company has to pay the apprenticeship levy to fund apprenticeships, even if they don't have any. The amount paid out will be shown on your payslips.

I think I'm on the wrong tax code – how do I change it?

If you believe your tax code is wrong, you should contact HMRC, who will issue us with a revised tax code as required. This can be done by phoning HMRC on 0300 200 3300.

What insurance cover do I have?

Our fees cover £10 million Employers Liability, £10 million Public Liability, £10 million Professional Indemnity Insurance and £5 million Medical Malpractice.

If I upload my timesheets to my agency, do I have to upload them on the SmartWork portal too?

Yes, unless your agency operates a self-billing system. This means that your agency will pay the funds to SmartWork without the need for us to send an invoice.

What do I do if I don't have my P45?

If you do not have one, please let us know and we will send you an NSC (New Starter Checklist). This will ensure you are on the correct code to process your payments.