Stowe Valley
MULTI ACADEMY TRUST

IR35 Statement

November 2025

Introduction

The off-payroll working rules can apply if a worker (sometimes known as a contractor) provides their services through their own limited company or another type of intermediary to the client.

An intermediary will usually be the worker's own personal service company, but could also be any of the following:

- a partnership
- an individual

The Rules

The rules make sure that workers, who would have been an employee if they were providing their services directly to the client, pay broadly the same tax and National Insurance contributions as employees. These rules are sometimes known as 'IR35'.

The client (SVMAT) is the organisation who is or will be receiving the services of a contractor. The client will be responsible for determining if the off-payroll working rules apply.

Procedures

For every contract agreed with a worker with an intermediary we will decide if the rules apply (on receipt of orders /invoices)

The employment status checker tool from HMRC will need to be accessed to do this.

Once the HMRC check has been undertaken we will:

- Pass the determination and the reasons for the determination to the worker and the person or organisation you contract with
- Keep detailed records of your employment status determinations, including the reasons for the determination and fees paid
- Have processes in place to deal with any disagreements that arise from your determination

The HMRC checker tool allows us to keep a copy of its results that we will use to help fulfil the first two bullet points.

If the worker or the agency disagrees with our determination, we will need to:

- Consider the reasons for disagreeing given to us by the worker
- Either decide to:
    - Maintain the current determination if we feel it is correct and give reasons why, **or**
    - Provide a new determination because we feel it was wrong
- Provide a response explaining your decision within 45 days of receiving the notification of disagreement
- Keep a record of disagreements made to you

Agencies used for supply staff will be asked to confirm that they are supplying staff within IR35 rules and if they are not, schools will not use these agencies for supply purposes.

Where we are determined to be the Fee Payer

If the off-payroll working rules apply and we are the fee-payer, we must:

- Calculate the 'deemed direct payment' to account for employment taxes and National Insurance contributions associated with the contract (see below for how to do this)
- Deduct those taxes and employee National Insurance contributions from the payment to a worker's intermediary
- Pay employer National Insurance contributions
- Report to HMRC the taxes and National Insurance contributions deducted
- Apply the apprenticeship levy and make any payments necessary

To calculate the 'deemed direct payment':

1. Work out the value of the payment to the worker's intermediary, having deducted any VAT
2. Deduct the direct costs of materials that have, or will be, used in providing their services
3. Deduct expenses met by the intermediary that would have been deductible from taxable earnings if the worker was employed
4. The resulting amount is the deemed direct payment. If it is nil or negative there is no deemed direct payment

If the rules don't apply, we can make the full payment to the worker's intermediary without deductions.