

Employer's 'on-costs'

This amount is to cover the extra costs you will have in addition to wages such as:

- employer's National Insurance Contributions (NICs)
- holiday pay
- Statutory Sick Pay (SSP)
- administration costs.

The percentage on-cost figure stands at 30% and reflects national recommendations. As a rule of thumb this can be split up in the following way:

- 10% employer's NICs
- 10% holiday Pay and SSP
- 10% administration costs.

Recommended pay rates

Nottinghamshire Adult Social Care and Health Department wants to support people to be reasonable employers and we are therefore attempting to match personal assistant pay rates to what we pay our own community care assistants. Experience from people currently employing personal assistants suggests that it is important to offer competitive rates and that too low a pay rate brings staff retention difficulties leading to constant recruitment problems. The recommended pay rates for your PAs, after you have deducted your employer's on-costs quoted below, are not prescriptive and can depend on how you manage your budget.

Daytime hours	Monday to Saturday	£6.92 per hour
Daytime hours	Sunday (time and a half)	£10.23 per hour
Night time sleep-in*	Monday to Saturday	£34.61
Night time sleep-in*	Sunday	£43.23

*Night time is generally an eight hour period.

These amounts are the pay rates we recommend you pay your personal assistants from 13 April 2009. They are the gross rate of pay before deducting your employee's income tax and National Insurance Contributions, which you are obliged to do as their employer.

Please note: If a personal assistant chooses to be 'self employed' they must make arrangements for the payment of their own income tax and national insurance contributions. See page 5 for more details.

Employer's National Insurance Contributions (NICs)

Employers have to pay what are called employer's NICs, which are a percentage of their employees' wages. The percentage you will have to pay varies depending on the level of wages and it is determined by the Inland Revenue. Note that employer's NICs are different from, and additional to, employees' NICs. Employees' NICs are deducted from their wages and paid via you to the Tax Office.

Holiday pay and Statutory Sick Pay (SSP)

Since 1 October 2007, workers working five days a week have been entitled to 28 days paid annual leave. The 10% on-cost allocation should be enough to cover 28 days paid holiday per year and up to 4 weeks Statutory Sick Pay for each qualifying employee. As an employer, you have to pay your employees when they are off sick, if their average weekly wage is above the 'Lower Earnings Limit'.

Tax and National Insurance

When you employ your own personal assistants you are legally responsible for working out how much tax and National Insurance Contributions they owe, deducting it from their wages and paying it to the Tax Office. As an employer you may also be liable to pay employer's National Insurance Contributions if your personal assistants earn more than a set amount each month (known as the Lower Earnings Limit).

You should contact your local Tax Office (their number is in the phone book under 'Inland Revenue') to register as a new employer and to get advice about your responsibilities. See also page 5 under 'Support'.

Start-up costs

Managing your own personal assistance needs and employing your own staff will involve you in a number of additional expenses. You can apply for a grant of up to £300 to cover recruitment and insurance costs. Examples of these expenses could include:

- advertising costs
- other recruiting costs (postage, room hire for interviews etc.)
- employers Liability Insurance
- public Liability Insurance

Administration costs

You should be able to cover these through the employer's on-cost element of your funding.

- telephone calls (e.g. to personal assistants, Tax Office etc.)
- training costs for personal assistants
- stationery and account books etc.
- payroll charges
- paying someone to do your accounts and administrative tasks.

This is not a complete list and there may be other expenses which could be met out of this element of your funding. If you are unsure whether an expense could be considered as an administration cost you should discuss this with your care manager.



Using self employed personal assistants

People who are 'self employed' are responsible for their own tax and National Insurance. Also, they are not covered by employment legislation and don't have a right to things like Statutory Sick Pay (SSP) and Statutory Maternity Pay (SMP).

Using self employed PAs may seem an easy option but is less straightforward than it seems. **It is not up to you or your PA to decide that they are self employed.** The decision is up to the Inland Revenue for issues relating to tax and National Insurance.

If you are considering taking on a PA as self employed we advise you to treat them as an employee, deducting tax and National Insurance until you are satisfied about their status. The PA can obtain a letter from the Inland Revenue to prove that they are registered as self employed. Be sure to see this before contracting to employ them.

Support

You may use The Rowan Organisation, a friend or family member to help with the recruitment, selection and management of your arrangements.

Payroll services

There are a number of organisations that can offer you payroll services. Details of payroll service providers are available from The Rowan Organisation. All payroll providers charge a fee for their services.

Contact information

The Rowan Organisation

telephone: **0800 783 1755**
minicom: **0247 637 4439**
fax: **0247 637 4948**
email: **info@therowan.org**
website: **www.therowan.org**

Inland Revenue

telephone: **0845 60 70 143**
website: **www.hmrc.gov.uk**

Useful websites

Advice from the Department of Health on getting Direct Payments.
www.dh.gov.uk/en/dh_104845

Advice for personal assistants and their employers.
www.panet.org.uk



Urdu

اگر آپ اس اشاعت کو کسی اور صورت میں ، یا اس کا اردو ترجمہ چاہتے ہیں
تو براہ مہربانی کسٹمر سروس سینٹر سے رابطہ کیجئے -

Hindi

यदि आपको यह प्रकाशन किसी दूसरी फोरमैट या हिन्दी भाषा में चाहिये
तो कृपया आप कस्टमर सर्विस सेंटर को सम्पर्क करें ।

Punjabi

ਜੇਕਰ ਇਹ ਪ੍ਰਕਾਸ਼ਨ ਤੁਹਾਨੂੰ ਕਿਸੀ ਦੂਸਰੀ ਫੋਰਮੈਟ ਜਾਂ ਪੰਜਾਬੀ
ਭਾਸ਼ਾ ਵਿੱਚ ਚਾਹੀਦਾ ਹੈ ਤਾਂ ਤੁਸੀਂ ਕਸਟਮਰ ਸਰਵਿਸ ਸੈਂਟਰ ਨੂੰ
ਸੰਪਰਕ ਕਰੋ।

Polish

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Contact the Customer Service Centre if you need the
information in a different language or format:



Customer Service Centre, PO Box 9320,
Nottingham. NG15 5BL

phone **08449 80 80 80**

Calls cost 3p/min from BT landlines.

Mobile costs may vary.

e-mail **enquiries@nottsc.gov.uk**

website **www.nottinghamshire.gov.uk**



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