

# Appendix A: Employment Status UPS Summary

UPS 1		UPS 2
‘Automatic self-employed’ without the need to seek clearance from the Tax Team		
<b>Payment for / to</b>	<ul style="list-style-type: none"> <li>Lecturing</li> <li>Teaching</li> <li>Conducting Supervisions</li> <li>Higher degree Examining</li> </ul>	<ul style="list-style-type: none"> <li>Workers</li> <li>Demonstrators</li> </ul>
<b>Conditions and further guidance</b>	<p>The individual must meet the following test:</p> <p>They must be lecturing, teaching, or conducting supervisions for not more than 5 sessions per term <b>AND</b> not exceeding 14 sessions in a year.</p> <p><i>Definition of a session - where an individual is teaching the same subject to the same group of students but cannot be longer than a day.</i></p> <p>Any individual who does not meet this test may be a worker or an employee: you should consult your School HR contact in these circumstances.</p> <hr/> <p>NB: Higher Degree examining and supervising has no limit on the number of sessions and should always be paid through the UPS using a UPS1 form.</p>	<p>Payments for demonstrating should always be <b>paid through UPS 2 (via the link below)</b> and will always be taxable.</p> <p>Information on the definition of a worker can be found at <a href="http://www.hrsystems.admin.cam.ac.uk/files/ups_guidance_post_rti.pdf">http://www.hrsystems.admin.cam.ac.uk/files/ups_guidance_post_rti.pdf</a></p> <p>Alternatively, speak to your School HR Contact.</p>
<b>Tax treatment</b>	Service provider is responsible for accounting to HMRC for own income tax and national insurance contributions (NICs).	PAYE and NICs is deducted at source.
<b>Form can be downloaded at</b>	<a href="http://www.hr.admin.cam.ac.uk/forms/ups1-self-employed-payment-claim-form">http://www.hr.admin.cam.ac.uk/forms/ups1-self-employed-payment-claim-form</a>	<a href="http://www.hr.admin.cam.ac.uk/forms/ups2-worker-agreement-payment-claim-form">http://www.hr.admin.cam.ac.uk/forms/ups2-worker-agreement-payment-claim-form</a>

## Appendix A: Employment Status UPS Summary

	UPS 3	UPS 4
<b>Payment for / to</b>	<ul style="list-style-type: none"> <li>Students</li> </ul>	<ul style="list-style-type: none"> <li>Off-payroll workers engaged through Limited companies, LLPs or agencies.</li> </ul>
<b>Conditions and further guidance</b>	<p>Students who are being paid a maintenance grant, bursary and field trip expenses. If students are being paid for work, e.g. demonstrating, they will be classified as a 'worker' and should be paid through UPS2.</p>	<ol style="list-style-type: none"> <li>Determining whether an engagement is in scope of the Off-Payroll Worker Legislation;</li> <li>If it is, the following factors are considered when determining the correct status: <ul style="list-style-type: none"> <li>The right of substitutes</li> <li>Right of control over the service provider</li> <li>Financial risk to the service provider</li> <li>Mutuality of obligations</li> <li>Provision of own equipment</li> <li>Opportunity to profit</li> <li>Degree of integration into organisation</li> <li>Right to terminate the contract</li> <li>The number of paymasters</li> <li>Business structure</li> <li>length of engagement</li> </ul> </li> </ol> <p>(Further details outlined in section 3.)</p>
<b>Tax treatment</b>	<p>No PAYE and NICs are deducted. However, should the sums paid exceed 'reasonable expenses' then the payment may be regarded as being taxable. If in doubt, please contact the Tax Team.</p>	<p>PAYE and NICs are deducted at source on deemed employee earnings, which will be invoiced amounts less VAT, materials and expenses.</p>
<b>Form can be downloaded at</b>	<p><a href="http://www.hr.admin.cam.ac.uk/forms/ups3-student-maintenance-claim-form">http://www.hr.admin.cam.ac.uk/forms/ups3-student-maintenance-claim-form</a></p>	<p><a href="http://www.hr.admin.cam.ac.uk/forms/ups4-payroll-workers-claim-form">http://www.hr.admin.cam.ac.uk/forms/ups4-payroll-workers-claim-form</a></p>