

**Important New Payslip Legislation**

From 6 April 2019 new legislation around providing payslips comes into effect, under which:

* All employers will be required to provide payslips to all ‘workers’, and
* Show hours worked on payslips where the pay varies by the number of hours worked

A payslip may be provided in either a physical format or an electronic format that the worker can print.

**Who is entitled to a payslip?**The statutory right to receive an itemised payslip will extend to all ‘workers’ from 6th April 2019. Currently, only employees are entitled to payslips.

Workers could include:

|  |  |
| --- | --- |
| * casual work
* agency workers
* freelance work
 | * seasonal work
* zero hours work
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Guidance on whether an individual is a worker can be found here:
<https://www.gov.uk/employment-status/worker>

**When do I need to show hours on payslips?**You need to show the number of hours on payslips where pay varies by the number of hours worked.

For example, a member of staff who is paid by the hour will need to see the number of hours worked. A member of staff who receives a monthly salary for a set number of hours worked, does not need to see the number of hours they work on their payslips.

The hours can be shown as a single total of hours or can be broken down into separate figures for different types of work or different rates of pay.

**Examples:
A salaried worker with no variable pay**Sara is contracted to work 35 hours per week at a salary of £45,000.00 per year. She doesn’t work overtime and only works 35 hours per week.

Sara’s pay does not vary by the number of hours worked, therefore there is no need to show the number of hours worked on her payslip.

**A salaried worker with additional overtime pay**Emily is contracted to work 40 hours per week at a salary of £30,000.00 per year. She sometimes works overtime at a weekend in busier periods.

Emily’s payslip does not need to show the number of hours for which she is paid a salary. However, her payslip does need to show the number of hours she has worked as overtime, as this is variable pay.

**A worker paid by the hour**Joe is paid £10.50 per hour and is paid weekly for the number of hours that he has worked. Joe’s pay does vary by the number of hours worked, therefore all hours which he works each week must be shown on his payslip.

HMRC has published guidance around this new legislation providing more examples of workers, please see the below link: <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/764576/payslips-legislation-april-2019-additional-info-on-payslips.pdf>

**\*Please note;** you will need to inform us of any additional hours worked and the pay rates to enable us to itemize them on the payslip.

**How to report your payroll hours**



**Payslip example**