



BNP PARIBAS

IR35 Preparation, migration & ongoing support.



BNP Paribas is the largest French banking group and the largest bank in the Eurozone. As the bank's Managed Service Provider, AMS was key in advising on IR35 changes and the impact that these would have on their contingent population. AMS presented different options for managing the IR35 reforms, as well as assessing the various risks and considerations associated with each, whilst also providing a market research overview of how similar organisations were managing the complex change.

“I have positive news to bring you. HMRC have confirmed that they have closed their review. Specifically, HMRC have confirmed that the systems and processes used are suitable because the risk of us operating the rules incorrectly is low. Thank you for your assistance with this enquiry and the IR35 project generally.”

**Employment Tax
Manager, BNP
Paribas.**

The challenge:

The bank was keen to find an approach where engaging with contractors was simple, where the risk from a tax liability perspective was limited, and where the bank did not suffer any disadvantage in attracting talent compared to its competitors.

BNP Paribas consulted with AMS to understand the best way to manage IR35 changes and how best to engage with their contractors moving forward. The bank had initially considered assessing all workers on an individual basis and then running an ongoing process to manage this. This raised concerns about the risk of an incorrect IR35 increased workload generated by having to access the

A|M|S

www.weareams.com

A|M|S

current contractor population on an ongoing basis, as well as any new contractors coming into the bank.

The solution:

- The decision was taken not to undertake individual assessments and to only engage with contractors via FCSA registered umbrella companies.
- Consequently, there was no increase in workload by having to assess contractors for their IR35 status throughout their engagement with BNP Paribas. AMS communicated with all contractors on behalf of the bank and reissued contracts to c.600 workers which adhered to strict governance, rules and regulations.
- The majority of contractors were retained during this process.



The impact:

AMS successfully managed the transition of approximately 650 contractors from their PSC/Ltd company to an FCSA registered umbrella company. The project was successfully completed ahead of schedule, with little impact to the contracted workforce.

Since completing the project, AMS has supported BNP Paribas with a review that was conducted by HMRC. HMRC have confirmed they are happy with the approach the bank has taken and have confirmed that there is no risk of the bank operating incorrectly.