

How to Hire Your First Employee





Before You Start Hiring

Define the Role Clearly

Outline job title and duties

Ensure Legal Compliance

Familiarize with employment laws

Budget for Additional Costs

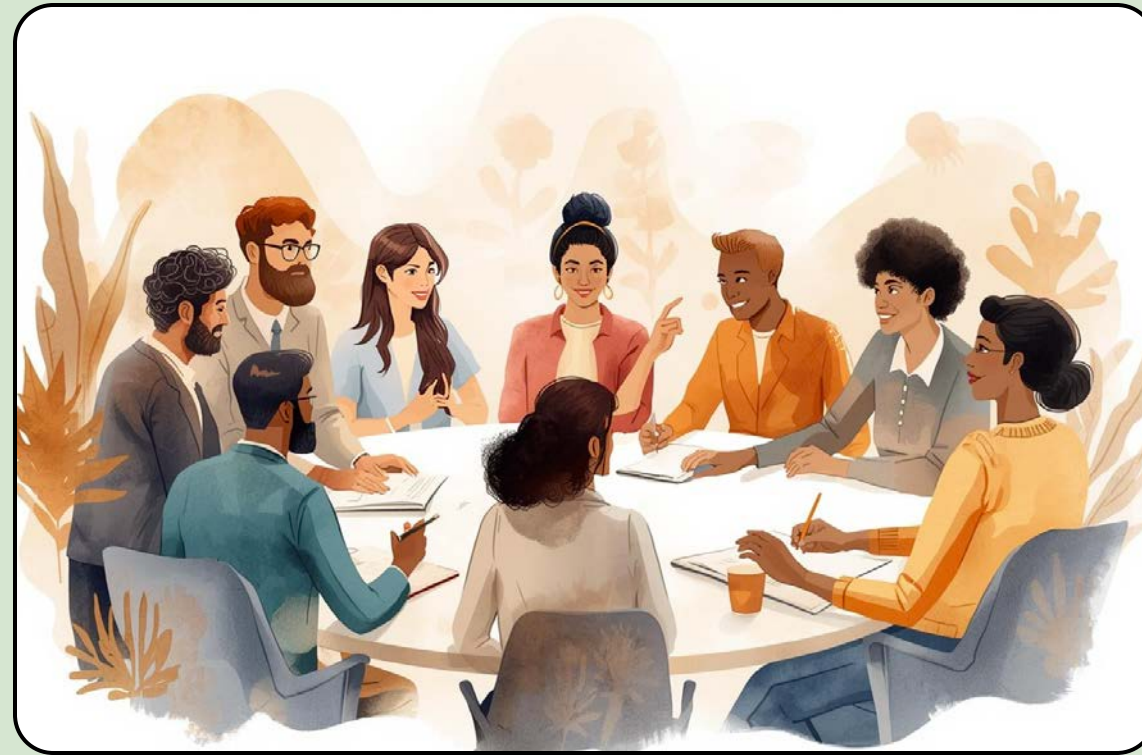
Consider all hiring expenses

Recruiting Candidates: Key Steps for Success



Advert

Write clear job adverts with **detailed information.**



Equality

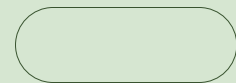
Use inclusive language to ensure **equal opportunity.**



Attract

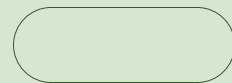
Highlight the benefits to **attract top candidates.**

Selecting Candidates Fairly



Fair Interviews

Conduct interviews in a structured manner to ensure each candidate is evaluated on the same criteria.



Equal Treatment

Treat all candidates equally, regardless of background, to promote a **diverse and inclusive hiring** process.

Legal Right to Work Verification

Essential checks for hiring compliance

1. Valid UK passport
2. Relevant visa documentation
3. Online share code verification
4. Biometric residence permit (if applicable)



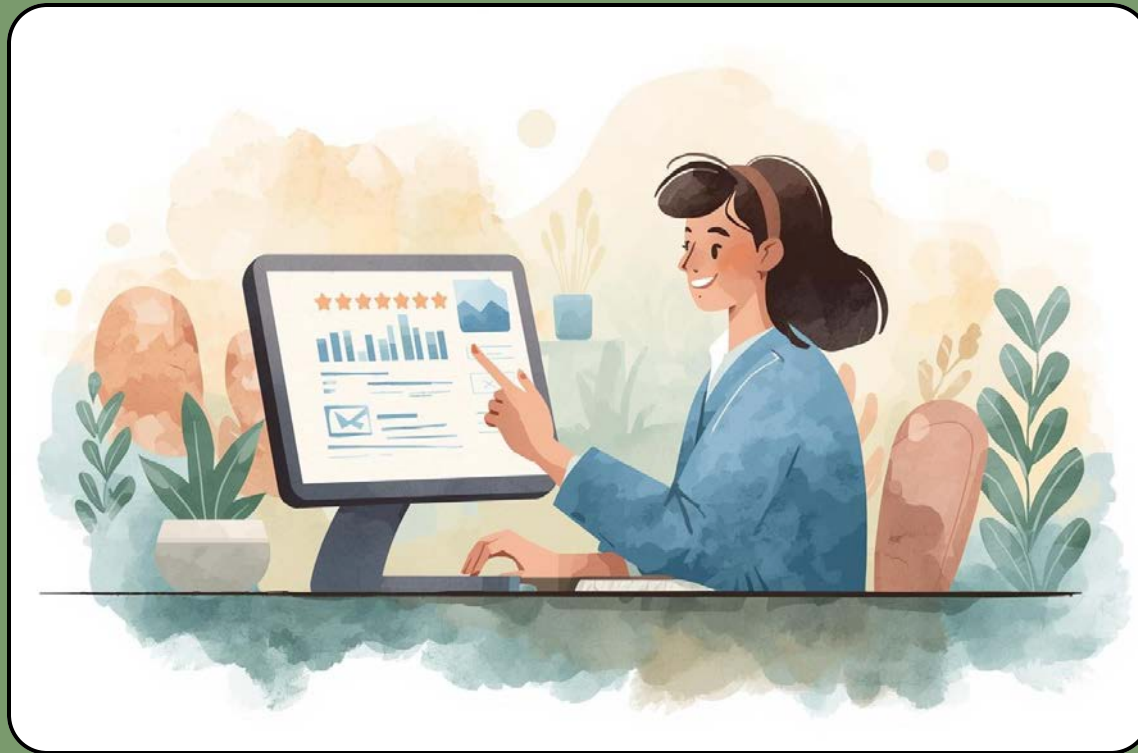


Registering as an Employer with HMRC

Essential First Steps

Complete registration for tax and NI compliance.

Choosing Your Payroll Method



Basic

HMRC Basic PAYE Tools are free and user-friendly.



Software

Payroll software like Xero simplifies management tasks.



Outsourced

Hiring a provider saves time and reduces errors.

Employment Documentation: Key Requirements for Employers



Salary

Clearly state the agreed salary and payment intervals.



Conditions

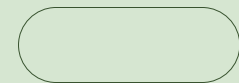
Outline the terms of employment, including duties.



Statement

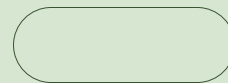
Provide a written statement within two months of hiring.

Legal Employment Documentation



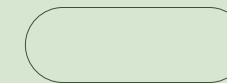
Offer Letter & Contractual Terms

Send a written job offer with agreed salary and conditions.



Provide Written Statement of Employment Particulars

- If the employee will work for you for more than 1 month, you must give them written employment particulars (terms & conditions).
- This must be provided on or before the first day or within two months of starting



Make sure to include;

- Job title and duties
- Pay rate and pay intervals
- Working hours
- Holiday entitlement
- Notice periods
- Any other benefits or employer policies



Understanding Employers' Liability Insurance

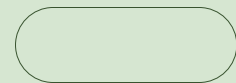
Essential Coverage for Employers

- You must have Employers' Liability insurance from day one you have staff.
- Minimum cover is £5 million from an authorised insurer.

Note: Insurance protects you if staff are injured/ill due to work, and failure to hold it can lead to fines.

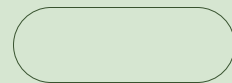
Pension Enrolment Essentials

Most employees are eligible for automatic enrolment into a workplace pension.



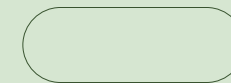
Assess Eligibility

Evaluate if your employee meets criteria for automatic pension enrolment based on age and earnings.



Register Scheme

Choose an appropriate pension scheme and register with it to comply with legal requirements.



Notify Employee

Inform your new employee about their pension rights and enrollment details as per regulations.

Reporting New Employee Details

You must report new employee details to HMRC by their first payday (via your payroll system).
Use the HMRC starter checklist if they don't have a P45

Understanding Tax and National Insurance Obligations

- Report income tax deductions
- Submit National Insurance contributions
- Handle student loan deductions
- Use payroll software for reporting
- Ensure compliance with HMRC regulations



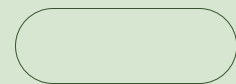
Ongoing Employer Duties

Once you have an employee, you must:

- Provide payslips with deductions explained
- Keep employment and payroll records (usually at least 3 years)
- Comply with health & safety and anti-discrimination laws
- Update pension contributions and workplace policies as laws change

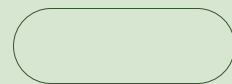


Quick Hiring Checklist



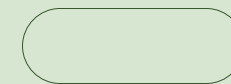
Job Definition

Clearly define the role and responsibilities.



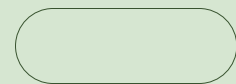
Recruitment

Create an engaging job advert for candidates.



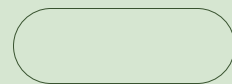
Employer Registration

Register with HMRC before first payroll processing.



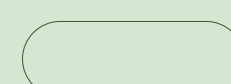
Right to Work

Verify each candidate's legal right to work.



DBS Check

Conduct checks if working with vulnerable individuals.



Set up payroll & PAYE

Choose a payroll method that works for you

