

First employee countdown

What to set up before your first employee's first payday, in the order you do it. **Tick as you go.**

Before they start

- ☐ They'll be an employee, not self-employed (HMRC's Check Employment Status for Tax tool)
- ☐ The cost worked out: pay, employer's National Insurance, pension
- ☐ Registered with HMRC as an employer, or your accountant has done it. The PAYE reference comes by letter
- ☐ Payroll software or a provider chosen
- ☐ A workplace pension scheme chosen
- ☐ Employers' liability insurance from the start date, at least £5 million
- ☐ Right to work check done, the same way for everyone. Dated copy kept
- ☐ Written statement or contract ready
- ☐ Health and safety: risk assessment, fire risk assessment, law poster, first aid kit
- ☐ ICO fee checked (their self-assessment takes a few minutes)

Their first day

- ☐ Written statement given, on or before today
- ☐ Pension duties start: do they have to be enrolled?
- ☐ P45 or HMRC starter checklist, National Insurance number, bank details

First payday

- ☐ Payroll run and a payslip, on or before payday
- ☐ Report (Full Payment Submission) to HMRC on or before payday

Within six weeks

- ☐ Enrolled in the pension if eligible, backdated to day one, and the letter sent (unless you postpone, for up to three months). They can opt out only after they're in. Never ask them to

Within two months

- ☐ The rest of the written statement: pensions, training, disciplinary and grievance rules

Within five months

- ☐ Declaration of compliance to The Pensions Regulator, even if nobody was enrolled

2026/27 FIGURES

What it costs

Minimum wage, 21+	£12.71/hr
18 to 20	£10.85/hr
Under 18, apprentices*	£8.00/hr
Employer's NI, pay over £96 a week	15%
Employment Allowance, a year	up to £10,500
Pension, your share	at least 3%
Statutory Sick Pay	£123.25/wk

*Apprentices under 19 or in their first year. The allowance comes off your NI bill; the pension 3% is of qualifying earnings; sick pay is from the first full day off, or 80% of average weekly pay if lower. Rates change each April.

Who does what

Your accountant or payroll provider: often HMRC, payroll and the pension. Ask early.

You: insurance, the right to work check, health and safety.

First Hire Ready: the HR side. A contract for the role, five core policies, a right to work process and an onboarding checklist.

Send us your what-ifs.

Every step explained, with sources: [our first employee guide](#).

First Hire Ready, at a fixed price.

HR updates by email: whatifhr.co.uk/newsletter