

Model Contract for Provision of Services (Self Employment)

AGREEMENT FOR SERVICES IN RELATION TO _____

THIS AGREEMENT is made the day of _____

BETWEEN _____

1. Of

(‘The company’)

And _____

2. Of

(‘The sub-contractor’)

NOW IT IS AGREED:

1 ENGAGEMENT OF SUB-CONTRACTOR

1.1 The company hereby engages the sub-Contractor for a period of 12 months to provide the service of

The period should preferably be linked to the completion of a task but if a time-based engagement is unavoidable the period should not exceed 12 months. Ideally the services should refer to a task and not a role.

(“The services”), in accordance with the terms and conditions hereinafter appearing.

1.2 This appointment is mutually non-exclusive and the Sub-Contractor shall be entitled, at his own expense, to substitute or to employ some other worker, having the requisite skills and who is acceptable to The Company, to perform the services. The Sub-Contractor shall in any event always provide such a substitute where the provision of the services is unduly delayed by absence due to incapacity, or for any other reason upon notification by a duly authorised representative of The Company that the delay occasioned is unacceptable.

It is important the Sub-Contractor is free to choose whether or not to undertake the services personally. The ability to supply a substitute worker is vital to maintaining self-employed status. It matters not whether the Sub-Contractor actually exercises this right providing it is real possibility.

1.3 It is understood and agreed that Sub-Contractor’s activities and those of his substitutes or employees are at all times under Sub-Contractor’s exclusive direction and control.

1.4 Sub-Contractor is responsible for the quality of the work undertaken and shall ensure that the services are performed with all reasonable care and without limitation is wholly responsible for ensuring that anyone authorised by him to perform all or any part of the services shall also do so competently and with reasonable care.

1.5 Sub-Contractors shall be responsible for organising how and in what order the work is done, and shall liaise with The Company’s on-site representative to ensure that due account is taken of

the impact of the timing of the work to be performed upon the activities of The Company and any other Sub-Contractors also engaged by the Company.

The company should not be able to exercise control over the Sub-Contractor such that he can be told where, how and when to work. He should be given a task and left alone to organise it as he sees fit.

1.6 The Sub-Contractor shall be responsible for rectification of any unsatisfactory work at his own expense.

This demonstrates the Sub-Contractor bears personal financial risk, which is a classic feature of self-employment.

1.7 The grant/acceptance of this appointment does not create any mutual obligations on the part of the Company or the Sub-Contractor to offer/accept any further appointment and no continuing relationship shall hereby be created or implied.

2. PROVISION OF EQUIPMENT AND PROTECTIVE CLOTHING

2.1 It is understood and agreed that Sub-Contractor shall be responsible for the provision of all Tools, Plant and Machinery needed to perform the services.

Typically employees only provide small tools – the need to hire plant reinforces self-employed status.

2.2 Sub-Contractor is responsible for the provision of safety equipment, protective clothing and adequate industrial accident insurance cover for himself and anyone authorised by him to perform all or any part of the services.

This reinforces self-employed status as an employee is provided by Statute with a wide-ranging degree of health and safety protection.

3. STATUS OF THE SUB-CONTRACTOR

3.1 The Sub-Contractor's relation to The Company is that of an independent contractor and shall have the status of a self employed person and shall be responsible for all Income Tax and National Insurance or similar taxes or contributions in respect of the consideration payable hereunder and the Sub-Contractor hereby indemnifies the Company in respect of any claims that may be made by the relevant authorities against the Company in respect of Income Tax or National Insurance or similar taxes or contributions, including interest and penalties, relating to the services of the Sub-Contractor hereunder.

3.2 The Sub-Contractor agrees to be responsible for his expenses and Value Added Tax.

3.3 Nothing in this agreement shall be deemed to create any partnerships, joint venture or employment relationships between the parties.

4. CONSIDERATION

4.1 The agreed consideration for the provision of the services is £ _____, payable _____ly following submission of an invoice.

Ideally the consideration should be based upon completion of a task or in some way geared to performance, rather than an hourly rate and in no circumstances should a weekly wage or similar earnings be involved. Obviously the 'price' should reflect the additional costs now borne by the sub-contractor personally (e.g. plant hire). Also there should absolutely be no entitlement to overtime, sick pay or holiday pay.

4.2 All payments made under this Agreement are expressed exclusive of any Value Added Tax chargeable thereon.

4.3 No further payment will be made to the Sub-Contractor for the services over and above the

entitlement contained in this clause and without limitation no payment will be made to the Sub-Contractor in respect of any expenses incurred by the Sub-Contractor in performing the services.

5. TERMINATION

5.1 This agreement is terminable at any time by the Company or by the Sub-Contractor without notice and without giving any reason for such termination. Without prejudice to the generality of that provision, this Agreement shall terminate, notwithstanding any other rights and remedies the parties may have, in the following circumstances:

- If either party fails to comply with the terms and obligation of this Agreement and such failure, if capable of remedy, is not remedied within fourteen days of written notice of such failure from the other party;
- If the Sub-Contractor goes into bankruptcy or liquidation either voluntary or compulsory (save for the purposes of corporate reconstruction or amalgamation) or if a receiver is appointed in respect of the whole or any part of its assets.

5.2 The termination of this Agreement shall be without prejudice to any rights, which have already accrued, to either of the parties under this Agreement.

6. MISCELLANEOUS

6.1 This Agreement contains the whole agreement between the Sub-Contractor and the Company and supersedes any prior agreement between the parties whether written or oral and such prior agreements are cancelled as from the date hereof and both parties acknowledge they have no claim against the other in respect of any previous agreement.

6.2 Any notice to be served by either of the parties on the shall be sent by prepaid recorded delivery or registered post to the address shown in this Agreement or to such address as that party shall have notified to the other in writing taking effect for the purposes of this Clause or Agreement, and shall be deemed received 48 hours after posting.

6.3 The headings in this Agreement are for reference purposes only and shall not be incorporated into this agreement.

6.4 In this agreement, unless the context otherwise requires, words in the singular include the plural and vice versa, words importing any gender include any gender, and a reference to a person includes a reference to a body corporate and to an unincorporated body of persons. This Agreement shall be governed by the laws of England.

In witness WHEREOF, the parties have caused this agreement to be executed

Name _____

Address _____

Signature _____

Date _____

SIGNED by the duly authorised representative of _____

Date _____