

Factsheet A17: Using a Service Provider or Self-Employed Workers

Using self-employed workers

A self-employed person is somebody who works for themselves and does not have a contract of employment with you. Instead you buy and pay for their services in a similar way that you would with a service provider.

A self-employed person will decide how much to charge for their services and they will be responsible for their tax and national insurance contributions. They are not entitled to holiday or sick pay from you. They should also have appropriate insurance cover in place.

Many people will say they are self-employed but it is up to you to check if this is the case. It is extremely important that the correct status is used otherwise you may be liable for any tax and national insurance that should have been paid as well as interest and penalties. It is best to treat someone as your employee until you are sure of their status.

How do I know if someone is self-employed?

There are some questions that you can ask to decide the status. Somebody is probably self-employed if they:

- run their own business and take responsibility for its success or failure
- have several customers at the same time
- can decide how, when and where they do their work
- are free to hire other people to do the work for them or help them at their



own expense

- provide the main items of equipment to do their work
- agree a fixed price for the work and correct unsatisfactory work

If you use the services of someone who is self-employed they will need to invoice you for the work they do. You should have an agreement with them about the work they will do and how much it will cost, before they start.

What if I am not sure?

If you are at all unsure it is best to take advice. You can contact Equal Lives and also HM Revenue and Customs (HMRC) on 0300 200 3200.

HMRC also have an online Employment Status Indicator (ESI) tool. This tool can help you work out someone's employment status and is available at;

www.hmrc.gov.uk/calcs/esi.htm

Buying services from a service provider

What is a service provider?

A service provider is a business that provides support within your own home or out and about. They will usually employ a number of workers.

You do not employ the workers and the service provider will give you an invoice to pay for their services. You can use a service provider for all or part of your care package.

How do I find a service provider?

You may already know of a service provider or have a recommendation from someone you know. You can also ask your care assessor for details of service



providers.

The Care Quality Commission (CQC), who is responsible for monitoring service providers in England, keeps details of service providers. You can search their website or phone them. The website address is www.cqc.org.uk/ and their number is 03000 616161.

Some service providers are also registered with Ofsted, particularly if they work with younger children. Their website address is: www.ofsted.gov.uk and the telephone number is: 0300 123 1231.

How do I choose a service provider?

You need to be sure that the service provider can meet your needs so it is a good idea to have all the information to hand such as hours, days, and the type of things you will expect them to do before contacting them.

You can check their quality rating and/or read their inspection report from the Care Quality Commission or Ofsted.

You can ask as many questions as you like. A good service provider will be more than happy to answer all your questions. The service provider may ask to meet with you before starting and this can be a good time for you to ask any questions you have. As with any other service you only need to use them if you're completely satisfied - remember, you are the customer.

Paying Invoices

When you receive an invoice you should check that it is correct. If you are holding your own money you should pay the invoice out of your Direct Payments account. If you are using Equal Lives' supported account service you should sign the



invoice and send it to Equal Lives to pay. Remember it is your responsibility to check that the invoice is correct as we will pay any authorised invoices as long as your account has enough money.

If your service provider increases their rates then you may need to speak with your Care Assessor to get your funding increased to make sure you don't run out of money.

If you require further information or would like this factsheet in an alternative format you can contact us by calling: 01508 491210, by emailing: info@equallives.org.uk, or by writing to: Equal Lives, 15 Manor Farm Barns, Fox Road, Framingham Pigot, Norfolk, NR14 7PZ.

