

## RESPONSIBILITIES and RIGHTS for SELF-EMPLOYED

There is a range of legislation to protect the interests of the self-employed, and more which defines the responsibilities.

The Supply of Goods and Services Act 1982 relates to the business relationship with customers. For work that is carried out without a written contract, there is usually a binding verbal contract. In the event of a problem, such as non-payment, the contract is valid, as for a written contract. On the other hand, the gardener has an obligation to carry out work that has been agreed, in a reasonable time period with reasonable care and skill, and at a reasonable cost.

The Health and Safety at Work 1974 includes the self-employed,

***"It shall be the duty of every self-employed person .... to conduct the undertaking in such a way as to ensure, so far as is reasonably practicable, that he and other persons (not being his employees) who may be affected thereby are not thereby exposed to risks to their health or safety"***

also to inform people who may be affected of risks arising from the work.

The Management of Health and Safety at Work Regulations 1999 requires the self-employed to make a 'suitable and sufficient' risk assessment, applied to themselves and others. When working on private property, the owner/tenant is not generally liable for injuries sustained there, but it is to be expected that any attention is drawn to any substantial risk, by the owner /tenant.

The requirements for reporting injuries etc are similar for the self-employed as for employers. The HSE must be informed of:

- Death from a work-related accident (or violence)
- A reportable injury, which includes, eg. fractures (other than fingers/toes), loss of consciousness due to head injury/asphyxia. For full list see

<http://www.hse.gov.uk/riddor/specified-injuries.htm>

- Accidents resulting in absence from work for more than 7 days
- Accidents to members of the public if they are taken directly to hospital for treatment
- Certain occupational diseases/conditions, e.g. hand-arm vibration syndrome, tendonitis (hand/arm)
- Dangerous occurrences, e.g. accidental release of hazardous materials

It is advisable to have insurance, at the least, public liability.

As a self-employed individual you are required to register with HMRC for self-assessment. The tax return is the mechanism for HMRC to collect Income Tax, and National Insurance (Class 2 and 4), and of course for claiming allowances. The business name has to be chosen within specified restrictions: e.g. an existing trade mark cannot be used. If turnover is likely to exceed £85,000 p.a, VAT registration is needed.

Most small businesses use 'cash basis' accounting, which means records are based on the actual dates of money coming in and going out (rather than the date invoiced etc.) The alternative, 'traditional accounting' applies if the business is more complex, and/or if a business loan is to be applied for.

Self-employed individuals may be involved in work where their status is not clear cut. It may be in the interest of the individual to ascertain if in fact they are employed, and of course it affects the tax position.

Factors that are considered include locus of control: if the work has to be done at a certain time, and in a particular way; and if all equipment and materials are provided. The status should be checked e.g. here:

<https://www.gov.uk/government/collections/employed-or-self-employed>