

## Scope and Purpose

Access4u may occasionally seek to engage independent contractors to perform services, where contractors have particular skills but are not needed on a permanent or long-term basis.

Independent contractors do not have a statutory entitlement to minimum wages or benefits such as paid leave. Instead, they negotiate the terms of their contract for service with the organisation that hires them.

Access4u is committed to engaging independent contractors through fair and proper process and upholding their minimum legislative protections. Access4u will only engage individuals as independent contractors where they can genuinely be described as such; exhibiting the freedoms and autonomy associated with this category of work.

## Responsibilities and delegations

This policy applies to	Governing Body, CEO, Staff
Specific responsibilities	The Board – responsible for ensuring effective and legitimate people and culture governance mechanisms are in place. CEO – responsible for monitoring and ensuring adherence to this Management of Independent Contractor policy and related procedures. Ensuring due diligence and taking reasonable steps to ensure Access4u is meeting relevant standards and legislative requirements. Managers/Staff and Volunteers – responsible for adherence to this and related policies, procedures and forms that support this policy.
Policy approval	CEO

## Policy context – this policy relates to:

Standards	National Quality and Safeguarding Standards
Legislation	<i>NDIS Act 2013 (Cth)</i> <i>Fair Work Act 2009 (Cth)</i> <i>Independent Contractors Act 2006 (Cth)</i> <i>Superannuation Guarantee (Administration) Act 1992 (Cth)</i>
Contractual obligations	Registration as a Provider with NDIS Work Contract Code of Conduct National Screening Checks
Organisation policies	People and Culture, Ethics and Conduct, Grievances and Disputes
Forms, record keeping, other documents	Contracts, Position Descriptions, Code of Conduct, Essential Training, Induction, Screening Checks, Position Description Tool, Reference Check Tool

## Definitions

**Contract for services** is the contract between a hiring organisation and an independent contractor for the provision of services for payment.

**Independent contractor:** is an individual who runs their own business and is hired to complete a specific task or tasks, in accordance with terms set within a contract. An independent contractor generally uses their own tools, methods and processes to complete their work. They can delegate their roles if they wish and can work for multiple clients at a time.

## Procedures

### Engaging an independent contractor

Access4u may hire an independent contractor to provide work to the organisation in a variety of situations. Independent contractors may be engaged by Access4u on a fixed term contract, to perform a specific task or to provide a service under a contract of indefinite duration. The terms of engagement will be specified in the contract for services.

### Payment for services provided

Independent contractors will negotiate payment as part of their contract with Access4u. Access4u will pay independent contractors on receipt of an invoice. Payment can be made either upon completion of a project/contract, or on a regular basis, depending on what was agreed between Access4u and the independent contractor.

### Insurance

Independent contractors are typically required to arrange for their own insurance cover, including accident compensation, public liability and professional indemnity.

Insurance requirements will depend on the nature of work being performed, and in some instances, both Access4u and the independent contractor will have insurance obligations.

Specific requirements should be discussed when an independent contractor is first engaged by Access4u, as Access4u's own insurance may not cover the contractor. The insurance obligations of both parties should be clearly laid out in the contract for service.

### Superannuation

The obligation to pay superannuation arises in certain circumstances. Access4u is generally only obliged to make superannuation contributions for an independent contractor if:

- The independent contractor is paid 'wholly or principally' for their personal labour and skills;
- The independent contractor performs the contract work personally; and
- The independent contractor is paid for their hours worked, rather than to achieve a result (even if they quote an Australian Business Number [ABN]).

Further information on the employee/contractor distinction for superannuation purposes can be found on that Australian Tax Office's website at: <https://www.ato.gov.au/Calculators-and-tools/Employee-or-contractor/>.

If Access4u is not legally required to make superannuation contributions, it will be the independent contractor's responsibility to pay their own.

### Taxation

In most cases, an independent contractor will be paid after they provide Access4u with a tax invoice. The independent contractor is responsible for any income tax liability that flows from that payment. Generally, Access4u will not have to withhold income tax in respect of payments made to independent contractors.

However, an independent contractor may seek to enter into a voluntary agreement authorising Access4u to withhold taxation from their payments. This is permissible under relevant taxation laws, however

Access4u should first contact the ATO to ensure that necessary requirements to enter into an arrangement of this kind are met.

### **Safe working environment**

Access4u has a duty to provide a safe working environment, for anyone whose workplace is controlled, to some degree, by Access4u, including independent contractors. Access4u will provide independent contractors with a safe working environment, and safe practices and systems of work, so far as reasonably practicable. This should include ensuring that any machinery, substances or facilities used are safe, and that all independent contractors have adequate training, supervision, and are properly licensed, where required.

Independent contractors are also required to comply with certain work health and safety duties. Access4u requires that independent contractors ensure their actions do not put themselves or others at risk, that they alert appropriate people to hazardous workplace situations and report any accidents or injuries.

### **General protections**

Independent contractors are afforded certain limited workplace rights under the *Fair Work Act 2009*.

Further information on general workplace protections can be found on Fair Work Online, at <https://www.fairwork.gov.au>.

### **Ending a contracting relationship**

Most commonly, the contracting relationship between Access4u and an independent contractor will end when both parties have fulfilled all that is required of them under the contract.

If Access4u wishes to terminate a contract before this, this can be done if both parties mutually agree to end the contract.

The contract itself may also allow for early termination by either or both parties if a defined period of notice is given (i.e. 14 days).

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