

## **Policy Redesign Project**

*All policies and procedures are being reviewed as part of this project. This document is pending review, but remains in effect until the review is carried out.*

## **Independent Contractors Procedures**

**Establishment:** Council, 23 April 2009

**Last Amended:** Vice-President (Corporate Services), 8 September 2016

**Nature of Amendment:** Content moved from existing Policy and Guidelines; new subclause 3.3, consequential to the establishment of the Child Safe Environment Procedures

**Date Last Reviewed:** August 2016

**Responsible Officer:** Director, Human Resources

### **1. Policy supported by these Procedures**

[Independent Contractors Policy](#)

### **2. Definitions**

An **independent contractor arrangement (contract for services)** between the University and an external service provider (an individual, company or partnership) exists where the service provider is engaged for the purpose of providing an agreed deliverable to the University and the associated work will not be performed in the same way as it would by an employee.

### **3. Procedures**

#### **3.1 Making the Distinction between an Independent Contractor and an Employee**

**3.1.1** University staff intending to enter into an [Independent Contractor Services Agreement](#) with a service provider must be satisfied that in addition to holding a current Australian Business Number (ABN) or Australian Company Number (ACN), the service provider:

- (i) is to be engaged for the purpose of providing a given and agreed deliverable; and
- (ii) will be free to delegate work and functions associated with provision of the agreed deliverable to either their own employees or other competent persons.

**3.1.2** In addition, 3 or more of the following characteristics of the relationship will normally apply:

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(i) A fee for service will be negotiated and set in advance of any work being undertaken and payment will usually be made upon satisfactory production of the agreed deliverable and submission of a valid tax invoice.

(ii) The service provider will supply and use their own materials, tools and equipment in the production of the agreed deliverable and will normally be responsible for all ancillary expenses (e.g. travel and communication expenses).

(iii) The service provider will be expected to bear any risk associated with their work and will be responsible for rectifying any faulty or defective work without further payment. Accordingly, an independent contractor is expected to have appropriate insurance, including workers compensation insurance where relevant.

(iv) The service provider will generally maintain a high degree of flexibility in relation to how and when work is to be performed towards the production of the agreed deliverable, even if the contract contains specific terms regarding the use of materials and methods of performance.

(v) The service provider will typically advertise their services to the public at large and be free to provide services to other organisations and to accept and refuse work accordingly.

**3.1.3** Where it is not readily determined from the above that an intended relationship with an individual (sole trader) clearly falls within the scope of an independent contractor arrangement, the intended relationship might be more indicative of an employment contract. Advice should be sought from HR Client Services if an independent contractor engagement is still preferred. For more information on making the distinction between an independent contractor and an employment relationship refer to [Guidelines](#).

### **3.2 Independent Contractors undertaking work on University Premises**

**3.2.1** University staff requiring work to be undertaken on University premises within their area should consult the [Registered Contractors List](#) before engaging the services of a contractor.

**3.2.2** If the contractor to be engaged is not a Flinders University Registered Contractor, and before commencing any work, the contractor must:

- register by completing a relevant [Contractor Safety Agreement](#) related to the business type and sending with all supporting documentation via [email](#) to the office of the Director, Buildings and Property; and
- ensure that individuals who will be performing the work complete [Flinders University Work Health and Safety \(WHS\) Induction](#).

### **3.3 Independent Contractors undertaking work involving “prescribed functions”**

Independent Contractors who will be performing prescribed function(s) pursuant to the Children’s Protection Act 1993 (SA) must ensure that individuals who will be performing the work have valid clearances to work with children and must provide evidence of such to the University.

## **4. Forms**

- [Independent Contractor Services Agreement](#)
- [Contractor Safety Agreements](#)