

Using direct payments with a self-employed personal assistant

All our information sheets are available on the **My Care North Tyneside** website – mycare.northtyneside.gov.uk – or you can ask your social care worker to give you a copy.

Some personal assistants (PAs) may be self-employed. There are big differences in tax and employment rights between a PA employed by you, and a self-employed PA. It is your responsibility to make sure this is correct. This information sheet helps you to understand the complex differences.

How should I check the tax status of a personal assistant?

If your personal assistant tells you that they are self-employed, you must check that they are registered as such with the HMRC.

This is important, as if your PA should have been your employee, you can face significant bills for things like tax, annual leave, National Insurance contributions, redundancy payments, and pension contributions.

You should contact HMRC with the PA's details, and the type of work you want your PA to do. You can ask them to confirm the PA's employment status in writing.

Our accredited Direct Payment Support Services can provide advice and support about this.

The information sheet **Support to manage a direct payment** has details about these.



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What must a self-employed personal assistant do?

A self-employed PA must:

- Be registered as a self-employed person with HMRC, and have declared the nature of the work they are doing
- Send you invoices for their services
- Arrange their own liability insurance (you should insist on seeing a copy of their policy certificate)
- Show you their terms and conditions of services and give you a contract, including a complaints procedure
- Arrange someone suitable to cover for them if they are away
- Arrange their own Disclosure and Barring Service (DBS) criminal records check, and show you a copy
- Not ask for payment while sick or on holiday.

What paperwork do I need to keep?

You need to keep copies of the invoices that your PA sends you for at least 7 years.

My PA already has shown me paperwork showing their self-employed status. Do I still need to check with HMRC?

Yes. Someone may have registered themselves as self-employed for another form of work, but this may not cover PA duties. Always check with HMRC.

Do I need to arrange training for a self-employed PA?

No. Self-employed PAs should fund their own training.

How do I Contact HMRC?

Tel: 0300 123 2326

Post:

Employment Status Customer Service Unit S0733

HM Revenue and Customs

Newcastle Upon Tyne

NE98 1ZZ

Alternative formats

If you need us to do anything differently (reasonable adjustments) to help you access our services, including providing this information in another language or format, please contact the Social Care Contact Centre on 0191 643 2777, or email: childrenandadultscontactcentre@northtyneside.gov.uk

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