



Paramount Job

## **Paramount Direct Hire Subcontractor Terms of Engagement (CIS)**

### **BACKGROUND**

- a. This document describes the Terms of Engagement for the Paramount Direct Hire Service for Subcontractors
- a. The Contractor tenders for and is appointed by its Clients to complete a project for specified works at a certain site or location. (“the Assignment”).
- b. The Subcontractor has skills and abilities which may from time to time be available to the Contractor (“the Services”).
- c. The Employment Business introduces the Subcontractor to provide the Services to the Contractor. The Employment Business means Paramount Construction Recruitment Limited (registered company no. 10155169) of Postmill House, Windmill Lane, Wheatley, Oxfordshire, OX33 1TA.
- d. The Contractor and the Subcontractor (“the Parties”) agree that if the Subcontractor offers to make his services available to the Contractor and is engaged by the Contractor, when the Subcontractor provides the Services to the Contractor for an Assignment, such provision of Services shall constitute a separate and distinctive engagement between the Parties.
- e. The Employment Business has no responsibilities to the Parties for the fulfilment of or payment for the Services
- f. “Agency Legislation” means Chapter 7, Part 2 of the Income Tax (Earnings and Pensions) Act 2003 (ITEPA) as amended and Social Security (Categorisation of Earners) (Contribution)(Amendment) Regulations 2014.

### **2. SUBCONTRACTOR PROVISIONS**

- a. The Contractor is not obliged to offer work on any Assignment to the Subcontractor, neither is the Subcontractor obliged to accept any work offered. The Subcontractor is not obliged to make his Services available at any time. Specifically, both parties agree that they do not intend to create or imply any mutuality of obligation at any time, either during or in between any individual engagement.
- b. The Subcontractor shall act in a professional workmanlike way at all times while carrying out the Services for the Contractor.
- c. On commencement of each assignment the Contractor will establish if the Subcontractor will be subject to (or the right of) supervision, direction or control (“control”) in accordance with the Agency Legislation.
- d. The Subcontractor agrees to comply with any requests for information with regard to his being subject to control and to respond to such requests within stipulated timescales.
- e. The Subcontractor agrees to notify the Contractor if the circumstances in which they perform their Services change, with regard to control.



## Paramount Job

- f. The Subcontractor confirms that he will be subject to the Agency Legislation in respect of any assignment during which he is subject to control by any person.
- g. The Subcontractor is free to use his own initiative as how best to complete the Services and has the flexibility to arrange how and when the Services are carried out, always provided that this does not unreasonably interfere with or delay other works being carried on by or on behalf of the Contractor or with any site restrictions in place on a particular Assignment.
- h. The Subcontractor is free to provide any services to any other party at the same time as being engaged by the Contractor and the Contractor acknowledges that it will not have first call on the services of the Subcontractor in priority to any third party.
- i. The Services may incorporate the operation of certain equipment and tools. For Health and Safety and economic reasons these may be provided by the Contractor or Client and training will be given as required. For Health and Safety reasons the procedures outlined in training must be followed at all times.
- j. The Subcontractor accepts that he is responsible for the Services, and that he is responsible for covering his own risk with a suitable policy of insurance.
- m. Notwithstanding the application of the Agency Legislation, the Subcontractor will continue to be treated as a self-employed Subcontractor throughout. In this regard the Subcontractor is not entitled to participate in the Contractor's grievance and disciplinary procedure.
- k. The Employment Business isn't, in anyway, responsible for the performance of the Subcontractor or delivery of the Service.

### 3. PAYMENT FOR THE SERVICES

- a. The Parties will agree the rate for the Services and the method of payment will be negotiated and agreed between them from time to time and this shall include verbal agreements of the rate of payment for the Services.
- b. The assignment schedule will indicate whether, in accordance with the Agency Legislation, the remittance payable will be treated as employment income and so subject to Income Tax and National Insurance Contributions (NIC).
- c. The Contractor and Subcontractor are subject to the Construction Industry Scheme. The Subcontractor will provide to the Contractor at the earliest opportunity sufficient information to enable the Contractor to verify the Subcontractor's payment status with HM Revenue & Customs (HMRC). The responsibility for the accuracy of this information rests with the Subcontractor and the Subcontractor will not be entitled to receive any payment under this contract until this information has been provided to the Contractor. The Contractor will provide a pay statement to the Subcontractor detailing the payment and any deductions which shall act as a self-billed invoice.
- d. The Subcontractor agrees that any sums due in respect of the Subcontractor under the Construction Industry Scheme may be deducted from the Subcontractor's payment for the Services.
- e. Any defective work the Contractor reasonably determines has been caused by the Subcontractor, or by any substitute or hired assistant working for the Subcontractor must be rectified at his own cost or in his own time.



## Paramount Job

f. The Subcontractor is responsible for all his travelling expenses to and from any location where he has been engaged to provide the Services. Where transport facilities are made available by the Contractor to a particular location this is entirely at the Contractor's discretion and such facilities may be withdrawn at any time and the costs of such facilities may be reflected in the price or rate agreed with the Subcontractor.

g. The Subcontractor is responsible for his own National Insurance contributions excepting assignments when the Agency Legislation applies. On such assignments Class 1 NICs will be deducted from the remittance due prior to payment. h. As an independent business, the Subcontractor agrees that it is not entitled to holiday pay, sick pay or any other payment for periods when the Services are not provided to the Contractor in any circumstances.

i. The Subcontractor will not be entitled to receive payment for Services cancelled or where a site is closed, for example by reason of inclement weather.

l. The Employment Company has no responsibility for payment for the Service to the Subcontractor, which is the sole responsibility of the Contractor.

## 4. HEALTH AND SAFETY

a. In the interest of Health and Safety obligations imposed on the Contractor, the Subcontractor agrees to comply with all reasonable operational rules relating to working hours, site security and safety.

b. The Parties acknowledge that it may be necessary for Health and Safety reasons for the Subcontractor to be identifiable whether evidenced by security passes or on parts of clothing. However, the Subcontractor will not represent himself as a servant or employee of the Contractor at any time, but as an independent subcontractor in business on his own account engaged by the Contractor for specific purpose of providing the Service.

5. TERMINATION OF THE AGREEMENT a. The Agreement can be terminated by either party for any reason and without any notice being given.

## 6. LAW

a. These Terms are governed by the law of England and Wales and are subject to the exclusive jurisdiction of the Courts of England and Wales.