

# SUB-CONTRACTORS INFO E-BOOKLET

FREELANCE CONSULTANTS

EVERYTHING YOU NEED TO KNOW ABOUT:

- 01** NEGOTIATING A RATE
- 02** GETTING PAID
- 03** TAX DEDUCTIONS,  
RETURNS & EXPENSES



# WELCOME TO HUDSON FREELANCE

We're pleased to have been appointed by your client 'the engager' to provide the contracts under which you will provide services, and to process your payments as a freelance consultant.

We do not sit within the contracting chain between you and the engager, instead we are a payment agent providing contracts, IR35 status auditing and protection for the engager.

As we're not an agency, intermediary or umbrella company, all negotiations regarding payment for your services remain between you and the engager.

You are considered self-employed and fall outside the scope of the Construction Industry Scheme (CIS) for tax.

**You must be eligible to work in the UK and have a UK bank account.**



## WHAT FORMS DO I NEED TO FILL IN?

To sign up as a freelancer go to [www.hudsonfreepay.co.uk](http://www.hudsonfreepay.co.uk) and click 'Sign me up'. Select 'I am a Freelancer' and create your account by completing the required fields.

Once you've signed the electronic contract, you'll be contracted to the engager on a self-employed basis. That gives you the flexibility to work when you choose and what you do. And you can also substitute yourself for someone else who has the right skills and experience, at your expense.

Need help with signing up?

We have video guides on how to use our system.

Go to <https://guides.hudsonfreepay.co.uk/freelancer>



## 01. NEGOTIATING A RATE

It's up to you to negotiate your rate – hourly, daily, weekly or a price-work or profit share basis. And it's your responsibility to make sure that your **'all-in rates'** cover your holiday pay, pension, healthcare and other related expenses.

### VOLUNTARY TAX DEDUCTION SET ASIDE SCHEME

Each year there's always a rush to complete self-assessment before the January deadline. When that involves a large tax bill, it can be a shock.

To ease that stress and give you more control, we've got a scheme that allows you to set aside an amount or percentage each time you get paid. We can then release it to you at half year or year end when your tax is due.

It's a voluntary scheme, so no requirement to take it up but research shows that many consultants like the opportunity to minimise the impact of their self-assessment bill.

### SETTING ASIDE A PERCENTAGE

You can set/adjust your tax set aside amount at any time by logging into the **'My Details'** section at [www.hudsonfreepay.co.uk](http://www.hudsonfreepay.co.uk)

### WORKING OUT THE AMOUNT

HMRC have a calculator on their site to help you budget for your self-assessment tax bill. [www.gov.uk/self-assessment-ready-reckoner](http://www.gov.uk/self-assessment-ready-reckoner)

Your personal details are securely stored on our system solely for the purposes of processing payments directly into your bank account. You may request them at any time.

We will always ask you security questions before providing you with any information. And our calls are recorded and monitored for your protection.

View our privacy policy at [www.hudsoncontract.co.uk/privacy-cookie-policy](http://www.hudsoncontract.co.uk/privacy-cookie-policy)

## 02. GETTING PAID



Log in to [www.hudsonfreepay.co.uk](http://www.hudsonfreepay.co.uk)

Go to **'Payment Applications'** and select the **'engager'** you want to invoice and job reference.

**TIP:** If you need to create a new job type, click on **'Add Job'** and enter a job type/description e.g. estimating. Click **'Add'**. You can add multiple job types as required.

Click **'Create New Application'**.

Select from a dropdown list the **'type of work'** invoicing for

- Payment:** For your services.
- Repayment:** This will deduct money from the figure entered as 'payment' before the calculation of VAT.
- Expenses:** Select this option if the direct cost of expenses does not include VAT. VAT will then be added to the cost of the expenses along with the value of the services. If you are not VAT registered, all expenses should be added here.
- Expenses inclusive of VAT:** Select this option if you and the engager agree that expenses will be paid at cost over and above the rates negotiated for services, and the direct cost of the expenses already includes VAT.

**TIP:** You may have both types of expenses on a single payment application.

Once selected **'add notes'** and input the amount as agreed with the engager.

If you are VAT registered and/or have elected to set aside an amount for tax purposes, these will be automatically calculated.

Once complete click **'Confirm'**.

To ensure the correct employment status for the period being covered you will need to answer seven questions. Once submitted, the engager will receive an alert informing them of your payment application.

You can view the status at any time in **'Payment Applications'**.

Your payment will credit your account on the date agreed with the engager and we will send you a text to let you know it is on its way. Once your payment is approved you can download a copy of your invoice to the engager for your own records.

If the engager rejects or adjusts your payment application you will receive an email. A circle appears on your dashboard to notify you of any updates.

Need help with your first payment application?  
Call **01262 401040** and we'll talk you through the process





## NEW TO SELF-EMPLOYMENT?

Here's what you need to do.

1. Register for self-employment and get your unique tax reference (UTR) at [www.gov.uk/log-in-file-self-assessment-tax-return](https://www.gov.uk/log-in-file-self-assessment-tax-return)  
Call HMRC on **0300 200 3310** if you need help.
2. To register, you'll also need your National Insurance number - visit [www.gov.uk/apply-national-insurance-number/how-to-apply](https://www.gov.uk/apply-national-insurance-number/how-to-apply) if you don't have one. Your 'start date' is the date you are registering.

## NATIONAL INSURANCE CONTRIBUTIONS

The self-employed pay Class 4 NICs and it's normally paid as part of your self-assessment tax bill at the end of the year. For the current tax year the main rate of Class 4 NICs is 6% of any profit. For full details about what contributions you need to make, visit [www.gov.uk/national-insurance](https://www.gov.uk/national-insurance).

**Failure to contact HMRC about payment may result in you being fined and affect your right to a basic state pension.**

Need help registering?

Call **01262 401040** and we'll talk you through the process



## 03. TAX RETURNS & EXPENSES

Each month, we'll provide you with a tax statement containing all the information you need to process your annual tax return. You're also eligible to claim work related expenses for:

- ✔ Motor/travel expenses including insurance
- ✔ Protective clothing/boots/work wear
- ✔ Tools/equipment/materials
- ✔ Mobile/telephone/internet
- ✔ Postage/stationery
- ✔ Home office equipment
- ✔ Finance charges/business loan interest
- ✔ Business insurances
- ✔ Accommodation/hotels/subsistence
- ✔ Accountancy fees
- ✔ Use of home as an office
- ✔ Laundry costs
- ✔ Allowance for family member who undertakes clerical work

The tax year runs from 6th April to 5th April, so you can complete your return any time after the 5th April for the previous tax year.

### DEADLINES

You must complete a paper return by 31st October or by 31st January if you're doing it online. We advise using a Chartered Accountant to help with your tax return.

If at any point you take a job **'on the books'** as an employee, you will still be required to complete a self-assessment in the mixed employed/self-employed year, but will need to de-register going forward.

## MAKING TAX DIGITAL

From April 2026, HMRC are introducing changes to your Tax Returns. This is called Making Tax Digital for Income Tax (or MTD). Once you hit a turnover threshold you will need to start using recognised software to submit your quarterly update. You will still need to submit a tax return by 31st January each year. Anyone whose turnover was over £50,000 in the tax year 2024/25 will need to start submitting a quarterly update from 6th April 2026. More details can be found at [makingtaxdigital.campaign.gov.uk](https://makingtaxdigital.campaign.gov.uk)

We have partnered with specialist accountancy firm Grenfell James to recommend a user-friendly tool that costs as little as £10 per month plus VAT. To find out more contact Grenfell James at [MTDitsa@gjassociates.co.uk](mailto:MTDitsa@gjassociates.co.uk) and copy us at [MTD@hudsoncontract.co.uk](mailto:MTD@hudsoncontract.co.uk)

## THE QUICKEST WAY TO ACCESS YOUR STATEMENTS

4Site is our free app that allows you to view, print and share your statements whenever you like.

It keeps all your previous statements and also allows you to store records, including skills cards and training certificates, all in one handy place. It will even notify you when a new payment is added or when your cards are due to expire.

### HOW DO I USE 4SITE?

Simply scan the QR code or search for Hudson 4Site in your app store, click on register and complete your details.



### HOW DO I ACCESS MY STATEMENTS?

Once registered, click on **'Pay Statements'** and choose the relevant company. You can also scroll back through previous tax years. To share a statement, click on the share icon in the top right and chose the option that works for you.

## CONNECTING WITH A NEW ENGAGER

When you move to a new project with a different engager you can easily take Hudson Freelance with you.

'Log in' to [www.hudsonfreepay.co.uk](http://www.hudsonfreepay.co.uk) and click 'My Engagers'. In here you can manage any current relationships and invite new engagers.

If the engager is already set up with Hudson Freelance they will give you a six digit sign in code. Enter this into the field provided and this links you to them.

If they are not already set up you can invite them to join. Click on 'Invite New Engager'. Enter their email address and mobile number and click 'Send Invitation'.

Once you have finished a project you may want to deactivate from the engager. Go to 'My Engagers', select the 'company' that you wish to deactivate and click 'More'. In here you can then Activate/Deactivate as required.





# FREQUENTLY ASKED QUESTIONS...

## AM I TIED TO HUDSON FREELANCE?

You're a free agent and you can walk away at any time. You are only contracted to the engager for as long as they remain our client, and you choose to accept work from them under the terms of the contract.

## DO I NEED TO COMPLETE A NEW CONTRACT FOR EACH JOB?

No. The contract is for all future services and only needs to be completed once at the start. You will need to complete a new contract if you find work with another engager that is a client of ours.

## HOW MUCH DOES THE SERVICE COST?

We charge the engager, not you. Sometimes, our fee comes from the gross pay due to you by the engager, or split between the two of you. You negotiate that with them.

## DO I NEED PUBLIC AND EMPLOYERS LIABILITY INSURANCE?

It's not a requirement of our contract as you could be covered by the engager. It's best to ask them just to make sure.

## DO I NEED PROFESSIONAL INDEMNITY INSURANCE?

As a consultant, you'll be providing a professional service to the engager. Professional Indemnity Insurance will cover you in the event your professional advice or services cause the engager any financial loss. It's always advisable to seek independent advice to ensure any insurance is correct for your needs.

## DO I NEED MY OWN SAFETY POLICY?

No. When you sign our contract, you agree to comply with the engager's policy.

## CAN I MAKE USE OF THE ENGAGER'S VEHICLES OR IT EQUIPMENT?

The contract does not prevent you from using a pool car on an ad hoc basis if records are kept, and using the engager's secure IT equipment is also fine.

## I NEED TO CHANGE MY PERSONAL DETAILS, WHO DO I CALL?

If you move home or have a new phone number, please call us on **01262 401040**.

If your bank details have changed, please let us know in writing via the engager or directly: **Hudson Freelance Ltd**, 1 Mill Lane, Bridlington YO16 7AP. Please quote your NI Number and sign the letter.

## WHAT ABOUT STATE BENEFITS?

You're still entitled to employment and support allowance, the basic state pension, family tax credits and NHS.

## WHAT ABOUT EMPLOYEE BENEFITS SUCH AS HEALTHCARE AND PENSIONS?

It's your responsibility to make sure your '**all-in rates**' cover your pension, healthcare, holidays and insurance needs. You are not eligible for auto-enrolment into a company pension scheme.



# HELPFUL INFORMATION AND CONTACTS

## **Hudson Freelance Ltd**

**01262 401040**

Phone lines are open 8.00am to 5.00pm Monday to Friday,  
closed on Bank Holidays

## **HM Revenue & Customs**

**Obtaining a Unique Tax Reference (UTR)**


**0300 200 3310**

Phone lines open 8.00am to 6.00pm Monday to Friday

## **National Insurance Self-Employed Helpline**

**0300 200 3500**

Phone lines open 8.00am to 6.00pm Monday to Friday

A black and white photograph of a man with short dark hair, wearing a high-visibility safety vest over a dark zip-up hoodie. He is looking upwards and to the right with a thoughtful expression. The background is a wall covered with various papers and documents. A yellow vertical bar is on the left side of the image.

☎ 01262 401040  
✉ [info@hudsonfreelance.co.uk](mailto:info@hudsonfreelance.co.uk)  
🌐 [www.hudsonfreelance.co.uk](http://www.hudsonfreelance.co.uk)  
📍 1 Mill Lane, Bridlington, YO16 7AP

*HFSUB Apr26*