

Checklist: Consultancy or Contractor?

QUICK REFERENCE GUIDE

The following reference guide is to be referred to when determining whether an engagement is to be classified as a consultancy or contract of service.

Consultancy Services Contracts <i>(contracts for service)</i>	Contractor Contracts <i>(contracts of service)</i>
<i>an engagement to provide professional, independent and expert advice or services.</i>	<i>provision of services where the form of product or services to be performed is specified, or the manner in which work is to be performed is specified. [akin to a contract of employment]</i>
<p>Control and Direction</p> <ul style="list-style-type: none"> <input type="checkbox"/> the Department requires a task or activity to be undertaken but will exercise very limited control over how it is performed. <input type="checkbox"/> the Consultant decides when the work is performed. <input type="checkbox"/> the Consultant may sub-contract out some or all of the work to be performed (after securing agreement from the Department). <input type="checkbox"/> there are no restrictions on providing the services to other clients. <p>Integration Test</p> <ul style="list-style-type: none"> <input type="checkbox"/> work performed is non-ongoing and specialised in nature - assisting the business of the Department. <p>Use of Equipment and Premises</p> <ul style="list-style-type: none"> <input type="checkbox"/> the Consultant provides own equipment. <input type="checkbox"/> the Consultant may work from their own premises for some or all of the assignment. <p>Remuneration</p> <ul style="list-style-type: none"> <input type="checkbox"/> consultancy payments are usually made when agreed milestones are reached or when a task/project is completed. 	<p>Control and Direction</p> <ul style="list-style-type: none"> <input type="checkbox"/> the Department has a right under the contract to exercise a high level of control over what the contractor does and how they do it. <input type="checkbox"/> the Department will dictate the place and the hours of work. <input type="checkbox"/> the contracted person is required to perform the work personally. <input type="checkbox"/> the contractor must obtain permission to work for other clients. <p>Integration Test</p> <ul style="list-style-type: none"> <input type="checkbox"/> work undertaken is an ongoing and integral part of the Department's business. <p>Use of Equipment and Premises</p> <ul style="list-style-type: none"> <input type="checkbox"/> the Department provides all the equipment and office supplies. <input type="checkbox"/> work is undertaken in the Department's premises. <p>Remuneration</p> <ul style="list-style-type: none"> <input type="checkbox"/> Remuneration is based on the time worked, usually calculated on an hourly rate.

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Examples of consulting services	Examples of contracting services
<p>Type of project</p> <ul style="list-style-type: none">▪ investigating an issue or problem▪ diagnosing a problem▪ undertaking defined research▪ carrying out an independent review▪ undertaking independent evaluations▪ providing independent advice▪ providing independent information▪ providing creative solutions to agency▪ providing legal services▪ drafting of legal documents▪ audit services▪ probity services▪ risk assessments▪ business and property valuations	<p>Type of assignment</p> <ul style="list-style-type: none">▪ provision of travel services▪ provision of communications services▪ provision of computer support services▪ printing and copying services▪ cleaning and waste removal services▪ maintenance of indoor plants services▪ provision of security services▪ preparation of training materials and delivery of training▪ writing of manuals and guidance materials▪ conveyancing services▪ temporary contract staffing▪ project management