

## Norton Radstock u3a Contract for Payment of Tutors

In order to mitigate legal and financial risk to Norton Radstock u3a, if a group pays for a tutor, the following must be followed.

1. The U3A committee must authorise the existence of the group to ensure that legal and financial arrangements do not put that U3A at risk.
2. Neither central funds nor contributions from other interest groups in the U3A may be used to pay any costs of groups using paid tutors.
3. Every U3A committee currently supporting a paid tutor group, or contemplating one, must monitor annually, the status of such a tutor under employment and tax law.

If a U3A is considering a paid tutor it must make an informed judgement on the employment status of that individual. The recommended way of doing this is to use HMRC's employment status indicator ([hmrc.gov.uk/calcs/esi.htm](http://hmrc.gov.uk/calcs/esi.htm)) which, on the basis of the information supplied, will provide the answer to the individual's employment status. If the result is:

- 'Employed' - the U3A must not continue with that person as no U3A has the necessary employer's liability insurance and their U3A insurance will be invalidated.
  - 'Self-employed' - the U3A must print or save copies of the enquiry details screen and the employment status indicator result screen which will include a 10 digit reference number.
- Note: This is very important because if the worker's employment status is ever questioned by HMRC, the U3A will be required to produce these copies.

The U3A committee must monitor annually the paid tutor's public liability insurance policy as the U3A insurance policy covers risks created by U3A members only. The tutor's NI number, Unique Tax Reference number in respect of self-employment and copies of professional qualifications need to be held on file. The fact that a tutor says he/she has a self-employment status is not sufficient evidence of self-employment as regards a U3A because an individual tutor can be classed simultaneously as self-employed for one source of income and employed for another.

When a U3A has a substantial number of members who want to engage in an activity where they are not able to operate purely internally, as there is not a member with the requisite knowledge or skills, the U3A should consider the following:

- Investigate the issue, involving members of another, reasonably local, U3A. This could be either to get the group started, or to contribute to it on a longer-term basis. A member of another U3A who helps the group to get started cannot be paid a fee, but can be paid out-of-pocket travelling expenses.
- Investigate using expert non-member(s) to advise, for a few sessions only, on the subject required. Some necessary short-term payment could be provided for an agreed period.
- Require an interest group that wishes to use paid tutors on a continuing basis to operate completely outside the auspices of the U3A. If the group is external to U3A and is not part of the U3A-advertised programme, the U3A is clearly not involved in any way.

Note: Any person organising such a non-U3A group needs to be aware of the many insurance and employment law pitfalls including those discussed above.

**To conclude:** A U3A committee may have to choose between not having a particular interest group within the U3A or paying a tutor, for the duration of the interest group.



**This section is to be completed by the Tutor (External Group Leader):**

I agree to the above terms and conditions.

Name of Tutor .....

Signature of Tutor..... Date:.....

Address and Contact details

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.....

Email: ..... Tel: .....

Send invoices to Norton Radstock u3a at:

➤ *(insert our address or email)*

Approved: 14<sup>th</sup> June 2024

Review: June 2026

Signed: *Rosemary Lovell*

Chair, Norton Radstock u3a