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CONTRACTORS' HANDBOOK



THE EXPERT GUIDE FOR
UK CONTRACTORS AND FREELANCERS

DAVE CHAPLIN

Foreword by John Brazier
Professional Contractors
Group

Contractors' Handbook

The expert guide for UK contractors and freelancers

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Contractors' Handbook

The expert guide for UK contractors and freelancers

Dave Chaplin

CONTRACTOR
CALCULATOR.CO.UK

your expert guide to contracting

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Foreword

By John Brazier
Managing Director
Professional Contractors Group (PCG)

Contractors and freelancers represent the inherent flexibility of the UK's workforce to adapt to the challenges of the national and global economy, with the unique ability to respond effectively to major opportunities and threats.

When the economic cycle is at its peak, contractors and freelancers are a vital additional skilled labour resource to increase the capacity of organisations and complete vital projects, where their independent perspective and fresh insights can add huge value. During downturns and at times of crisis, contractors and freelancers offer a low risk and flexible solution to organisations that need to maintain and improve the provision of their products and services in an uncertain climate.

It takes a special kind of person to thrive as a freelance contractor – the kind who embraces risk in return for potentially greater rewards. And the kind who, in addition to maintaining high quality professional and technical skills, is also able to seamlessly integrate into their client's organisation. Successful contractors and freelancers are those who recognise they must also focus on their business skills, because it is not necessarily the best qualified who win contracts, but those who most effectively apply a range of skills to market and sell their services.

As the stakeholders in the economy increasingly recognise the validity, effectiveness and strength of the contracting and freelance model, PCG is confident that the number of contractors and freelancers active in the economy will increase. Globalisation will also play its part in the growth of the sector, with an increasing number of cross-border opportunities available. The challenge is to

ensure that the flexible models that we know work in the UK can be constructively combined with the best international working practices, thereby preventing international barriers from reducing flexibility.

The influx of new blood will need guidance, particularly as many workers in permanent roles who are considering a freelance career are dissuaded by the uncertainties of the regulatory regime imposed by government. Such guidance will come from representative industry bodies, such as PCG and its guides to contracting and freelancing, as well as through websites like ContractorCalculator.co.uk and, of course, publications like the *Contractors' Handbook*.

Such expert guidance will ensure they get the best start and continue to trade successfully and profitably throughout their contracting and freelance careers.

John Brazier

Preface

The *Contractors' Handbook* is the expert guide for all contractors and freelancers in the UK – whether you're just considering the move into contracting, or have many years of experience, this book can help you. It's a resource that pulls together in one place: my first-hand experience; the wisdom of many contractors built up over nearly two decades; the specialist knowledge of dozens of expert contributors; and over 350 carefully researched and regularly updated guides available on ContractorCalculator.co.uk.

Scratch the surface of every great economy and you'll find that the hard work, cutting-edge skills, broad experience and flexibility of the key members of its workforce are the drivers of its success – in other words, contractors are the pathfinders of growing businesses and economies. Vital to the success of UK PLC for centuries, highly skilled and flexible contractors have always been found in every sector – from science, engineering and medicine, through crafts and trades, to education, the arts and media.

No matter what the state of the economy, from times of plenty through to recession, one thing remains consistent: the ongoing demand for contractors to achieve results for their private, public and not-for-profit sector clients. Demand may dip and soar, but it will always be there.

So, for those of you who have desperately longed to take control of your destiny and move into contracting, I offer you encouragement and practical 'how to' guidance for your journey. For experienced contractors, you'll find information on advanced techniques to really 'up your game'. And when things go wrong, which they probably will at some point in your contracting career, I'll share with you solutions that have been effectively used by others.

Most successful contractors remain successful because they recognise that their market is always moving, and maintain their skills accordingly. This book provides another opportunity to do just

that, but for the skills that feature less highly on most contractors' radars, but can be even more important than the letters after your name when it comes to winning the best contracts: things like CV writing, contract law, negotiation techniques and key sales and marketing skills.

As a maths graduate, my ambition was to become a teacher; but the lure of the City and its rewards to IT contractors have ensured my goal remains unrealised. However, through the website ContractorCalculator.co.uk and the *Contractors' Handbook*, I have found other channels to pass on what I have learnt. If I have achieved this, even in a very small way, I will have given back some of what I have taken over the years as a successful contractor. But if you don't find what you're looking for in this book, would like to take issue with anything I've written, or have any questions about contracting, then please do get in touch with me through www.contractorshandbook.co.uk.

Dave Chaplin

“AT LAST...

... the information, step-by-step guidance and advice we've all been looking for! After 14 years contracting I thought I was a pro', but the Contractors' Handbook has opened my eyes. I wish I'd had this when I was starting out, but it's just as useful to me now. ”

PAUL ROSS, UK CONTRACTING VETERAN

Despite the desperate shortage of contractors across virtually every sector, many highly skilled workers in permanent employment wrongly assume they don't have what it takes to make the move into contracting.

At the same time, experienced contractors are working in ways that make them miss out on the best contracts, leave them vulnerable to prosecution by the taxman, and cause them to earn much less than they should.

The Contractors' Handbook has been written in clear language and is designed to make contractors winners at every stage of their contracting career.

About the author

© Ian Bekker



Dave Chaplin has lived and breathed contracting since he first took the plunge and became a professional contractor in 1997. He spent seven years working as an IT contractor in the City of London on critical, cutting-edge IT infrastructure and development projects for global players like HSBC, Merrill Lynch, Cable and Wireless, and many others.

Dave's contracting career has seen him survive and thrive through the highs of the boom years and the lows of the dot-com crash; and through bright periods of plenty and gloomy times of belt-tightening recession. He founded the popular contractor website, ContractorCalculator.co.uk, and has been its full-time CEO since 2004.

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