

Employment Status Explained

A common question churches ask is ‘can I make the administrator self-employed’? In most cases this is due to the anxiety of taking on an employee and the rights they have and/or to reduce costs. However, the main issue is whether you want to have control about what they do and when they do it, whose equipment they use and whether they could send someone else to do the work. This is very unlikely in the case of a church administrator where they have been carefully selected, you want them to complete specific work at particular times on a regular basis, where you need them to behave in a certain way and be confidential. This all points to employment.

Comparison table (definitions, control, tax and rights):

Aspect	Employee	Worker	Self-Employed
Definition / key tests	Works under a contract of employment; personal service; employer control; mutuality of obligation.	Provides services personally under a contract for reward; limited substitution; not running own business.	Runs own business (contract for services); free to decide when / how/ where to work; can hire subcontractors; bears financial risk.
Contract type	Contract of service	Personal service contract	Contract for services
Control	Employer sets hours, location, duties	Some employer direction; more flexibility	Self-directed— decides when, how, where to work
Mutuality of obligation	Yes — ongoing obligations both ways	Usually no; work offered ad hoc	No — agreements per job
Right to substitute	No — must carry out personally	Very limited or none	Yes — can send others
Tax/NIC treatment	Employer deducts via PAYE; employer pays employer NIC	PAYE applies; employer deducts tax & NIC	Responsible for own tax/NIC under self-assessment; invoices clients
Statutory employment rights	Full set: unfair dismissal, redundancy pay, family leave/pay, SSP, notice periods, flexible working, emergencies + Worker rights	Core rights: minimum wage, paid holiday, rest breaks, working time limits, discrimination protection; no unfair dismissal or redundancy pay	Limited: health & safety, discrimination; no paid leave or minimum wage

Summary at a glance

- Employees have the highest protection and full statutory rights.
- Workers have core rights (minimum wage, paid holiday, rest breaks) but not dismissal/redundancy protections.
- Self-employed people run their own business and have limited rights (health & safety, discrimination).

Examples to illustrate status (UK)

Example 1 — Zero-hours youth worker

The church offers sessions as needed; the individual can accept or decline sessions, must work personally, and the church manages sessions and supervises tasks. This points to **Worker** status (core rights such as minimum wage and paid holiday), not employee (no ongoing obligation or dismissal protection).

Example 2 — Full-time (or part-time) church administrator

Works to a fixed schedule under a contract of employment, must attend and perform personally, receives regular salary via PAYE, and has ongoing mutual obligations. This points to **Employee** status (full statutory rights including unfair dismissal protection and redundancy pay).

Example 3 — Independent web developer

Quotes for church projects, can delegate parts to another developer, invoices clients, controls how/when work is done, and bears profit/loss risk. This points to **Self-Employed** status (limited statutory rights; responsible for their own tax/NIC).