

The UK Contractor *Toolkit*



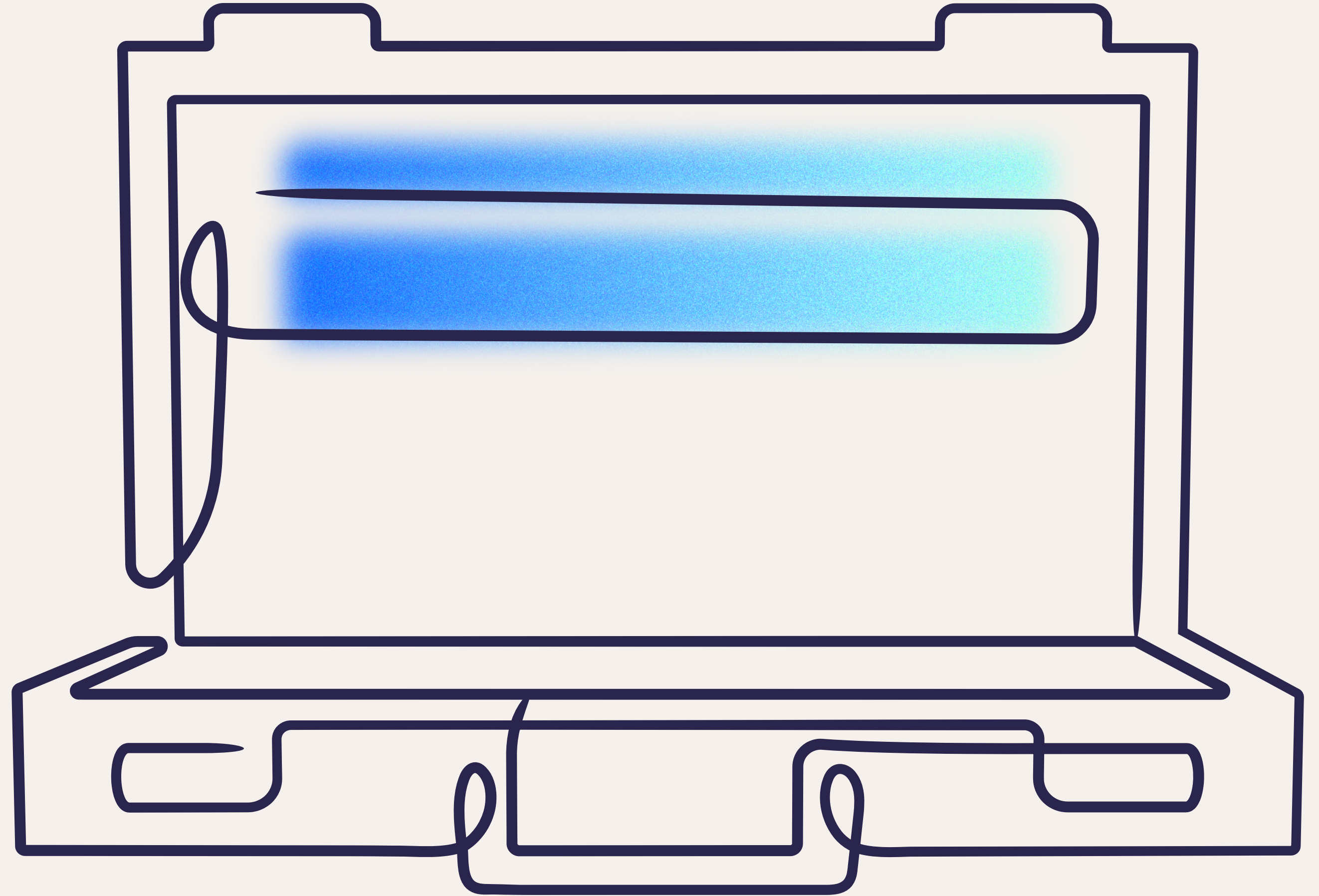
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Before you *begin*



5 reasons to become a contractor

While permanent employment offers the stability and familiarity that many professionals enjoy, there are several benefits for those who embark on a career in contracting.

1

Flexibility

Contractors have a greater chance of remote work and flexible hours, which benefits those far from office hubs or with commitments outside of work. They can also choose different projects as their priorities change.

2

Pay

Organisations need specialists to help solve problems over shorter time frames, which means the potential for higher income. Many projects will also pay overtime and could be more tax efficient, depending on location.

3

Skills development

While you'd be hired for your existing skills, you can still rapidly upskill within the role. Being a contractor gives you access to a range of technologies and knowledge in areas that will broaden your skillset.

4

Less workplace stress

From working unpaid hours to difficult colleagues, contractors are free from the stressors of a traditional career. You also needn't worry about doing enough to earn a promotion, or other workplace politics.

5

Networking opportunities

Moving between projects means more opportunities to forge valuable connections. By making a good impression, you'll find it easier to receive a good reference or keep the door open for future assignments there.

“Contracting offers the flexibility to choose projects and working hours, higher earning potential, and opportunities to develop diverse skills.”

“It’s an attractive option for professionals seeking independence and variety.”

Roddy Adair,

National Specialist Director (Temporary & Interim appointments)

Hays UK&I



What you *should* consider

Before committing to becoming a contractor, ask yourself whether it's right for you.

Can I run a business?

While contracting offers more freedom, you'll need discipline, strong organisational skills and a solid understanding of marketing. Consider:

- **Preparing your accounts** – You'll need to file all your receipts and expenses to keep your accounts up to date.
- **Paying taxes correctly** – This will involve completing the right paperwork to a deadline consistently.
- **Ensuring you have more projects lined up** – While it's true that contractors can be paid more, it only happens if you work enough!

Will I be proactive in finding new projects?

Contracting requires finding work frequently, often during your current project. It can help to work with a recruiter that specialises in sourcing roles for contractors, as well as keep in touch with your network.

Can I cope with not being part of a team?

If you're currently part of a tight-knit team, contracting will probably seem more isolating by comparison - especially if you prefer to work outside normal hours.

Am I good at self-promotion?

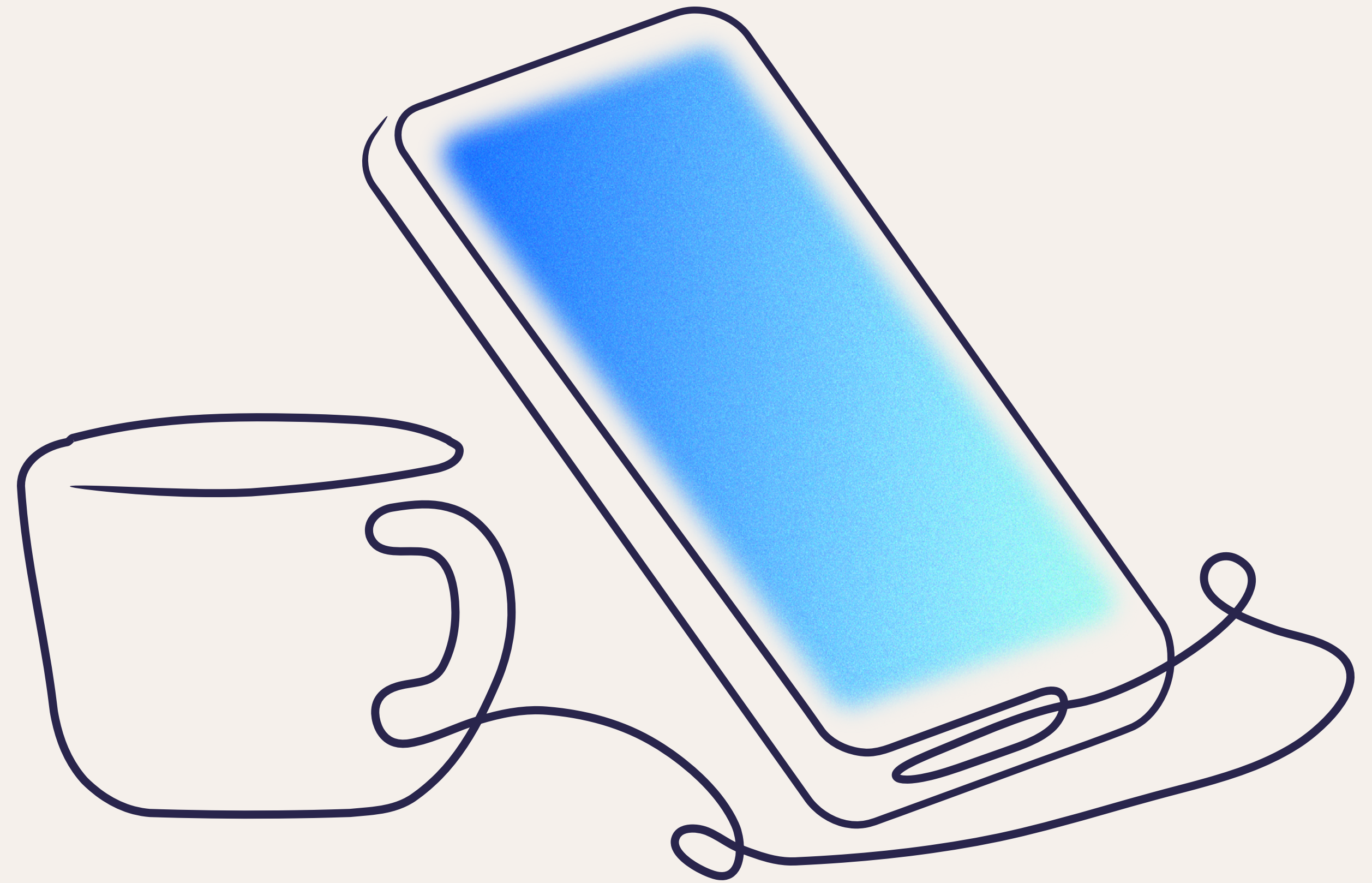
If you're your own boss, then promoting the business is up to you. This entails:

- Being active on LinkedIn and engaging with the right people.
- Updating your recruitment partner on your availability and capabilities.
- Standing out from the competition on your CV and in interviews.

How will I develop my skills?

Continued success requires you to upskill, often without access to an employer's training resources. You'll need to find a way to learn in your own time.

Starting out



Setting up *your business*

Before you start your search for your first project, learn how to set yourself up for success.

1

Prepare to move on from your full-time job

Contracting alongside a full-time role enables you to build a portfolio with the safety net of permanent employment. Look for opportunities, either through formal channels or informally, to add to your existing experience (check that your existing employer permits this).

2

Confirm your status and tax position

Tax rules in the UK are particularly important for contractors. The IR35 legislation is key, as it determines whether you are genuinely self-employed or should be considered an employee for tax purposes. It's crucial to assess your IR35 status for each contract, as this influences your tax liabilities and take-home pay.

3

Find an accountant and set up your banking

Accountants may cost money, but they can keep your accounts in order, avoid any complications with your tax bill and reduce the risk of fines or audits. This is especially useful if you've set up a limited company.

4

Create your contractor portfolio and online presence

Connecting with new clients is easier with a strong online profile. From having a complete LinkedIn profile to creating your own site, this is important for promotion and cementing your business status. Find more guidance in [Building your brand](#).





Budgeting and *setting your rates*

Many contractors' primary concern relates to money. Making time to thoroughly plan your budgeting at the start of your career will pay dividends later on.

Four reasons to budget

- Setting your rates
- Managing your expenses
- Paying taxes (See [Setting up your business](#) for more information)
- Preparing for periods without work

Four things to consider

- Equipment or software you'll need to provide
- Learning resources
- Emergency funds (enough for 2-3 months)
- Tax and other payments deducted from your payslip as a permanent employee.

What to consider when setting your rates

Losing access to your permanent salary means you'll no longer receive holiday pay, benefits (such as health insurance) or pension contributions. Similarly, even well-organised contractors will experience downtime without income. This means that you'll need to (and be expected to) charge more for your services when you do work. While many contractors set their rates on a daily basis, research from our recent Tech Talent Explorer survey revealed a trend for IT contractors charging clients an hourly rate, with 58% of respondents doing so. This means you're less likely to work unpaid overtime, particularly if your working hours are outside the norm.

With the above in mind, it's worth working out your hourly rate in a permanent role and doubling it to determine what to charge for your services.

Pay will often be dictated by market demand, as well as the extent to which hiring contractors is established in your location or industry. While you can usually set your rates to prospective clients, you might need to negotiate in some instances. When setting your rates, don't overlook the cost of materials and equipment. Under IR35 rules, providing your own resources signals that you operate as an independent business rather than a disguised employee, and these costs should be built into your pricing.

Taking on *your first project*

Ready for your first client? Hays experts share their advice on entering the world of contracting.

Make a good first impression

“When starting a new contract, preparation and professionalism set you apart – review the contract scope and project goals so you can hit the ground running. Arrive on time, dress appropriately, and communicate clearly from day one.

“In finance roles, precision and pace matter: know your role in key cycles like month-end, year-end, and audits, and be ready to navigate ERP systems and any specific financial reporting standards that may be relevant for example. Approach every task as an opportunity to demonstrate your expertise and leave a lasting impression.”



Karen Young
Director of Accountancy & Finance
Hays UK&I

Define what you want

“Projects often aren’t delivered within budget and on time and, although this isn’t down to the contractor or client individually, there should be a collective effort to ensure they’re realistic and aligned. Don’t be afraid to give your honest opinion throughout the project so that you help limit any resources expended down the line.”



Amanda Whicher
Technology Director
Hays UK&I

“Preparation and professionalism set you apart – review the contract scope and project goals so you can hit the ground running...”

Karen Young,
Director of Accountancy & Finance, Hays UK&I

Lifelong *success*



Updating *your* CV

A CV should differ between applications for contractor projects and permanent roles. Here are four tips for updating yours.

1. Contact Details

Clients often need someone who's available to start a project quickly. Underneath your name and contact details, clarify whether you've departed from a previous organisation and when you're ready to commence work. Similarly, list the expected completion date of your current assignment in your employment history, or else the reader may think you're unavailable.

2. Personal statement

Use your personal statement to explain why you've chosen contracting. Reasons may include the variety of work, skills development and networking opportunities. Also add any unique selling points or achievements that highlight your suitability as a valued contractor, such as, "My last assignment was extended as I was asked to collaborate with the team on an XYZ project."

3. Employment history

Add "(contract)" or "(freelance)" after each job title to give readers a clear indication of your experience. This is particularly important when you've completed several assignments, as hiring managers might assume you've been job hopping or that you're unreliable.

4. Skills

Identify your strongest soft skills and weave these into your personal statement and key skills section. Some commonly sought-after ones include:

- **Communication** – the ability to communicate with other departments in a language they'll understand, rather than specialist jargon.
- **Adaptability** – the ability to adjust quickly to new environments and integrate with a new team and culture.
- **Learning quickly** – the ability to grasp new product knowledge quickly and hit the ground running.

Building *your brand*

Contracting requires selling yourself as the right candidate more frequently than in permanent employment. To do this effectively, it's important to have a strong brand.

Perfect your online presence

A LinkedIn profile photo leads to 21x the number of views and 9x as many connection requests. It doesn't need to be a studio shot, but should be professional and recent. At the start and end of each project, update your Experience and Certifications sections and add recommendations from managers and colleagues.

Create a website. User-friendly platforms, such as Wix or GoDaddy, allow you to use templates and existing components. Craft an 'About You' section with keywords that explain who you are and what you do, and upload a portfolio (including extra-curricular projects), as well as client testimonials. If you have time, add a blog with regular updates.

Network proactively

Start online by commenting on LinkedIn or forum posts. Approach this with the attitude of being helpful or sharing an insight you've found useful, so that your peers will recognise you as someone to contact for advice.

Once you're more confident, explore in-person events. Think about what you have to offer and introduce yourself with that in mind. You won't be helpful to everybody you speak to with, nor will they be a useful contact to you. However, coming away with one or two names you can continue the conversation with is a great result.

Create content that showcases your expertise

Producing content will help you stand out as a thought leader to both potential clients and other contractors.

Topics include:

- Commentary on trending news that impacts your field
- In-depth exploration on relevant challenges and solutions
- Advice for professionals and businesses
- Updates on your projects and learning



How should you share content?

Quick tips or updates <ul style="list-style-type: none">• Social media posts• Videos and reels	In-depth content <ul style="list-style-type: none">• LinkedIn posts and articles• Blogs	Audience engagement <ul style="list-style-type: none">• LinkedIn polls• Live streams and webcasts
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Tips:

- Ask your audience for comments and suggestions for future topics
- Work with peers to record engaging conversations that tap into their audience
- Learn to use emerging tools that can help you create posts, blogs and videos

Growing *relationships*

A good reputation will open doors and allow you to forge relationships. Hays experts share how to leave a lasting impression and secure future work.

What’s one tip you would give a contractor upon completing a project?

“As your interim assignment draws to a close, make sure all deliverables are completed to the agreed standard and any outstanding queries are resolved. Document key processes and provide a clear handover to ensure continuity for the client. Before you leave, request feedback and a reference where you can – not only does this validate your contribution, but will also help strengthen your profile for future opportunities.”



Karen Young
Director of Accountancy & Finance
Hays UK&I

Do you have any networking advice for new contractors?

“Building your network as a contractor opens doors to valuable industry insights, practical advice, and new opportunities. By actively connecting with peers – both online and at events – you’ll stay ahead of market trends and regulatory changes, giving you a competitive edge when securing your next contract.”



Roddy Adair
National Specialist Director (Temporary & Interim appointments)
Hays UK&I

How can contractors make the most of LinkedIn and online forums?

“Always get a reference to share with future employers. A LinkedIn referral always helps as many clients will look at your profile, so the more recommendations you have, the more confident they will feel about your expertise.”



Amanda Whicher
Technology Director
Hays UK&I



Learning and *development*

Contractors may not have access to a client's learning resources, making it harder to develop your skills during your assignments. What are the alternatives?



Online courses

LinkedIn, Udemy and Microsoft offer courses under subscriptions or one-off fees. Although the latter also has free modules on topics including AI, it's worth allocating budget to invest in development. Add any certificates to your LinkedIn profile, website and CV as proof of your relevant knowledge.



Events, workshops and webinars

Research event organisers and subscribe to newsletters so you're aware of upcoming opportunities.. These won't always apply to you, but over time you'll get to know speakers and relevant conferences that can reliably educate you. Keep your list up to date as new trends and thought leaders emerge.



Forums and other digital content

Forums are an effective resource for finding new information, either directly or via recommendations to other sources. Set aside time to regularly visit these and see whether there's anything useful for your development, and follow relevant accounts on LinkedIn, YouTube and other social media channels.



Research materials

They may seem outdated in comparison to the other media mentioned above, but journals and magazines still remain a valuable source of knowledge. These publications are often written by experts and peer-reviewed, so should be a verified authority on the subjects they explore.



Relevant projects and opportunities

While it's true that clients need your expertise, projects also allow you to learn new processes, use emerging technologies and explore different industries. Don't just view each project as your responsibility to provide – think about what you can gain from it and actively pursue those opportunities.





Staying productive *between contracts*

As explored in [Updating your CV](#), there's no issue with applying for projects while still involved in one, as long as you make clear your availability. However, if you find yourself with a break, here are some ways to be productive.

Update your CV, LinkedIn profile and website

While your mind is still fresh, dedicate time to updating your online profiles and CV, ensuring the information is consistent.

Reflect on your previous contracts

Assess your past work and [identify what you'd like to work on next](#). Questions to ask yourself include:

- Which working environment suits you best?
- How big were the organisations you enjoyed working with most? Were they private or public sector?
- Where did the company structure and culture impress you?
- What did you like or dislike about these contracts and clients?
- Are there any areas you'd like more exposure to?

Study your area of expertise

This is an opportunity to prioritise learning and development. Focus on courses or reading around your profession and attend events and seminars. Having reflected on previous contracts, familiarise yourself with the industries or sectors you want to work in so that you're a strong candidate for future projects.

Keep in touch with your network

Don't feel reserved about updating your recruitment partner, LinkedIn connections and any other communities on your availability. Contact previous clients you've enjoyed working with, in case they know of any opportunities or can give an endorsement. This is the main reason for building a network, so use it!

Find your next contract *with Hays*

Hays works with skilled contractors worldwide every day to connect them with [exciting projects](#) that meet their shifting preferences and requirements. Whether you're stepping away from permanent employment for the first time or a seasoned specialist looking to broaden your network, reach out today.

[Contact Hays to find out more ▶](#)



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