

Part 2

Becoming a creative freelancer



What is this document about?



This document is Part 2 of a 2 part guide to freelancing and to the working rights of freelancers in creative jobs.

With this information you will be able to:

- avoid some of the difficult things about freelancing
- understand what your rights are
- live a happy, well balanced and well paid life as a creative freelancer



Part 2 tells you about:

- Rates and payments
- Pensions, contracts and kill fees
- Copyright and payment
- Parental leave and maternity pay
- Disability rights
- Organisations that can help
- When things go wrong
 - Late payment fees
 - Small claims
 - When your work has been stolen
 - Legal advice and Unions
 - Informal social media groups



Setting your rates



Rates are the amount of money you would charge per hour or per day for freelance work.

Minimum wage law does not apply to freelancers.

Set your rates as soon as you begin freelancing.



Start by working out how much money you need and want to earn, rather than how little some employers want to pay you.

Many professional organisations have recommended **minimum rates**.

A **minimum rate** is the lowest amount of money you should be paid.

Google 'minimum recommended rates' for your job.



If you do need to get some 'starter gigs' to build up the amount of work you have done, give yourself a limit on how many you will do and stick to that limit.



You should not start freelance work at a low rate of pay.

A **discount** is money that is taken off the usual cost of something.



You might choose to do discounted work or free work:

- to build up your work
- for charity
- or at a cheaper rate for a friend

If you want to give a discount, invoice with your full **market rate** and apply a discount that brings you down to the agreed rate, even if that is zero.



This will show the client they are getting a good deal.

It will also show that you will move to that market rate when the discounted period is over.



The **market rate** is the amount a freelancer should charge per hour or per day for their work.

Inflation is a rise in the cost of living over a set period of time.



Your rates should go up every year by the same amount as inflation has gone up.



If you do not do this it will seem like a wage cut because things are more expensive.

Get into the habit of doing this at the start of every financial year.

Update your website and **rate card** as you go.

A **rate card** is a list of prices and descriptions for different types of jobs.



Have an email address just for work.

Clients should use this email address to contact you.

Getting payments



Getting money by bank transfer will always be the cheapest and simplest way to get paid by clients.

This usually includes clients paying with different currencies.



Many people use Paypal or Wise to send and receive money.



Wise used to be called Transferwise.

Pensions



A pension is a fund that you pay into while you are working, so that you can draw payments from it when you retire.

A state pension is arranged by the government.

The government has control over:

- when you get your money
- how much you get

The amount given to you by the government depends on how much you have worked.



A private pension is one arranged by yourself, usually through a financial management company.

Freelancers do not have a workplace pension to add to their government pension.

Freelancers can save money for their future in other ways like the UK government's Lifetime ISA scheme.

An ISA is an Individual Savings Account that you do not pay tax on.

Anyone aged between 18 and 40 can open an ISA.





You can pay in as much or as little as you like, up to £4000 per year.

The government invests the money and adds a 25 per cent 'bonus' to your savings, up to £1000 each year.

For example if you can save the whole £4000 in a year, you will end up with £5000 plus any money made by the investments.



You choose either low risk or high risk investments.

Any type of investment comes with the risk of making a loss.

You can manage your Lifetime ISA through free apps like Moneybox.



Try to put some money away in a pension or in a different way, even if it is only a little at first.

Contracts



A contract is a legal agreement that sets out what has been agreed between 2 **parties** – for example a freelancer and a client.

Parties is a legal term and means the people who are involved in the agreement.



Creative freelancers are not covered by employment law.

Freelancers must have a contract for any work you do, or at least a written agreement signed by both parties.

A contract can always be changed.



If you work with smaller companies or individuals, you can make your own contract template.

If you do not want to use a contract template, you can ask for or create a Letter of Engagement, or if you are an artist, a Commission Confirmation.



These do not have the legal language of a formal contract, but they set out what has been agreed.

They can help protect you if something goes wrong later.

Kill fees



Kill fees are an important part of creative contracts.

A kill fee is payment that has been agreed will be paid if a project is 'killed' or cancelled before it has been finished.



If you have a date that the work should be finished, you can work in kill fees that link in with this.

For example if you are halfway through the job when it gets cancelled you can ask for half of the full fee.

Copyright



Copyright is a property protection that allows an artist to stop others reproducing their work.

As a freelancer, you own the copyright of any artistic work you create unless you have signed a contract saying that the work belongs to someone else.



An idea is not protected by copyright.

An idea is only protected when it turns into work.



You can file a **Registered Design** which can cost as little as £50.

A **Registered Design** protects your work from being copied or used by other people without your agreement.

Find out more about this at:

https://www.freelanceuk.com/legal/Registering_Designs.shtml

You can also register copyright for any creative work with the [UK Copyright Service](#).

Payment



The law says that you should be paid for your work within 30 days of sending an invoice.

If payment takes longer than this, you can add late fees and interest too.

Parental leave and maternity pay



Freelancers and sole traders cannot get Statutory Maternity Pay but you can claim Maternity Allowance.

The full amount of Maternity Allowance is £172.48 per week, though you may not be entitled to all of this.

It lasts for 39 weeks and can start 11 weeks before your due date.



Claiming Maternity Allowance also may affect how much you receive in other benefits, such as Universal Credit.

Scotland's Pregnancy and Baby Payment



If you live in Scotland and you are on benefits you can apply for the Pregnancy and Baby Payment any time between being 24 weeks pregnant and when your baby is 6 months old.



It is one payment of either:

- £642.35 if it is your first child
- £321.20 if it is not your first child



If you are not living in Scotland it is called the Sure Start Maternity Grant.

Disability rights for freelancers



There are no protections in law for disabled freelancers but you are covered by the Equality Act 2010.

Find out more at:

<https://www.disabilityrightsuk.org/careers-and-work-disabled-people>

The law says that an employer must not treat you unfairly because of your disability.



If you are about to become self-employed or are just starting out, the UK government's Access to Work scheme may give you a grant for any aids you would find useful like:



- the costs of an interpreter or note-taker
- extra travel costs



If you are a graphic designer or a visual artist, this grant can be put towards equipment that will make it easier for you to do your work.

It can also help you to make a support plan.

Reasonable adjustments



Reasonable adjustments are changes employers must make to give a person who is disabled the same chance as anyone else to get and do a job.



This can be anything from installing a ramp to allow wheelchair users access to workspaces (for instance, a stage if you're performing your work) to changing the recruitment process or allowing you to work part-time.

Organisations that can help

The UK-wide disabilityunion.co.uk has memberships starting at £5 per month

The Crip Collective - a Facebook group for disabled artists in the publishing industry in the UK



neukcollective.co.uk/ - for neurodivergent artists in the Scottish arts scene

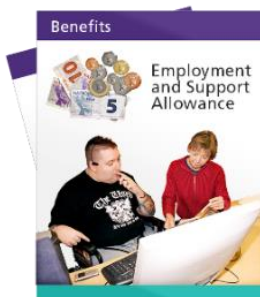
[Scottish Neurodiverse Performance network](https://scottishneurodiverseperformance.network)

Creativelicht.com - working for and with performance interpreters.

Birds of Paradise - an inclusive theatre company working with disabled and non-disabled artists.

Drakemusicscotland.org - creating opportunities for disabled musicians.

solarbear.org.uk/ - a theatre company working with deaf and hearing actors, theatre makers, artists and young people.



If you cannot work because of a health condition or disability, you may be entitled to New Style Employment and Support Allowance (ESA) if you have paid enough National Insurance.



You can also claim Universal Credit if you need to.

You can find full more information on the Government website at gov.uk



When Things Go Wrong as a Creative Freelancer

Late payment fees



The law says that you should be paid within 30 days from the date you send your invoice

If you have not been paid within 30 days send a new invoice on day 31 with late fees added.



Here are the amounts you can currently charge:

- If the invoice is less than £1000, you can charge £40 in late fees.
- If the invoice is between £1000 and £10,000, you can charge £70 in late fees.
- If the invoice is above £10,000, you can charge £100 in late fees.



If you are a member of a union or professional body you may be able to access free legal advice through them.



This can be 15 or 30 minute appointments on Zoom or a similar way.

Small claims



If you still do not get paid your next step is likely to be the small claims court.

This is how you can try to claim back debts up to £10,000.

A union can help you through this process, or if you work alongside someone else they can help you too.

Find out more about unions on pages 17 and 18.

The simple procedure



If the amount you need to claim is £5,000 or less you can now use 'the simple procedure'.

It is designed to make it easier and less expensive to get back smaller amounts of money.

You do not need a solicitor.



You can [put a claim in online](#) using the Scottish Courts Tribunal service.

Costs are:

- £19 to make a claim for £300 or less
- £108 to make a claim for £301 to £5 thousand
- £135 to make a claim for more than £5 thousand using the 'ordinary cause' procedure



When your work has been directly stolen



When your copyright has been **infringed**, you are entitled to **damages**.

Infringed means it has broken the rules of the copyright agreement.

Damages are a sum of money that makes up for the infringement happening.



The UK Copyright Service have a [clear and simple guide](#) to getting any copyright damages you are owed.

Where to get legal advice



Citizen's Advice and the Law Society of Scotland can offer you advice or help you to find a legal professional if you need to raise a claim against a client or employer.

Unions



A union is an organisation with members who are usually workers or employees.

It looks after their interests at work by talking to employers about pay, conditions, and things that workers are worried about.

Check out these websites and find which union might work for you.



[The Association of Illustrators](#)

annual fees are £170 or £78

[The National Union of Journalists](#)

annual fees are £348, £252 or £204

[BECTU](#)

annual fees are £120 or a percentage of your earnings

[The Musicians' Union \(UK\)](#)

annual fees are £240, £144, 20 or £1

[Equity UK](#)

annual fees are calculated by income

[The Association of Photographers](#)

annual fees are £396.

[The Scottish Artists Union](#)

annual fees are £72.

[The Visual Artists Association](#)

annual fees are £110 or £20.



[The Society of Authors](#)

annual fees are £110 or £49.

[The Writer's Guild](#)

annual fees are £198 or a percentage of your income.

[Association of Independent Professionals and the Self-Employed \(IPSE\)](#)

Memberships between £90 and £325 per year



Informal social media groups

You are not alone as a creative freelancer.

It is very easy to create a group on social media.

Add a few people in your industry and ask them to add anyone else who might want to share some information and support each other.



One of the easiest things you can do to help other freelancers is to talk to each other about money.

Sharing information about your rates and contracts can be very powerful.

Share this document!



Creative Scotland have some template documents that you can use.

They are on [pages 132 to 154 of the original Freelancers Guide](#).

Use these email templates as they are, change them or write your own.

Your own words are powerful!



This document is for guidance only.

Please get advice from a qualified professional adviser before dealing with any situation.

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