

Our Umbrella Employment Costs

Like any business, we generate our income by charging customers for our services, and use that income to cover our costs, one of which is paying you for the work you've done.

There are a number of other associated costs, which we take on, along with the administration and risk, when the agency decides to outsource the employment of its workers.

Our guide on '*How your pay is calculated*' explains how we arrive at your employment income from our umbrella income, including covering the costs of employing you.

Here are the main costs in a little more detail, with some background information to help explain them more fully.

Employers National Insurance

Any employer of staff in the UK has to pay Employer's National Insurance based on its employee's earnings.

We calculate this cost when processing your pay, and ensure that we retain an equal amount.

Holiday pay

If you don't submit a timesheet for a particular week, you might expect not to get paid for it.

We're not a payroll provider, we're your employer, and you've got rights to everything you'd expect as an employee.

You're entitled to holidays throughout the year, and we have to make sure that when you take them, we pay you for them.

To do this, we calculate an amount per hour that you work, in order to pay you the correct amount when you take your well-earned breaks throughout the year.

Workplace Pension scheme

We're required to enrol employees into a workplace pension scheme and have to contribute an amount into your pension each time that you do. It's a small amount, currently 1% each, however over the years this amount will gradually increase. Like Employers NI and holiday pay, we calculate our contribution based on our income, and retain an amount equal to that cost.

Further reading

If you'd like to read some more detailed information on any of these employment costs, the documents listed here are available in your contractor portal or by following the links to the relevant websites.

Contractors guide to how we calculate your pay

Employers National Insurance

Holiday pay

Workplace pension scheme <https://www.gov.uk/workplacepensions>