

EAS

Employment Agency Standards Inspectorate



EAS Webinar – Providing a Key Information Document to Agency Workers

14 July, 2021

Handout instructions

Please note: This presentation handout must not be placed on publicly accessible web pages without permission, but can be made available to all employees within your organisation with a need to know. All requests to disseminate beyond your organisation must be made to and handled solely by eas@beis.gov.uk.

The handout document is intended as a brief guide to assist employment businesses in understanding Regulation 13A of The Conduct of Employment Agencies and Businesses Regulations 2003 (as amended).

It should not be taken as an authoritative statement on the law and it is not intended to be relied upon in any specific context or to be a substitute for seeking advice on your specific circumstances.

What will we be covering today?

By the end of today's session you should have an understanding of:

- What information should be included in a Key Information Document (KID) where an umbrella company is involved
- When a KID should be provided to an agency worker
- The common issues that we see and our tips on best practice

Background on new legislation

- Regulation 13(A) took effect from 6th April 2020. From this date, all agency workers must be given a KID before agreeing terms with an employment business. **Please note:** Workers engaged under terms by the employment business, or a third party, before the 6th April do not need to be issued a KID.
- The KID gives agency workers more immediate access to key pay related information before agreeing terms with an employment business or a third party and a clear idea of how any fees and deductions will affect their pay.
- The KID is intended to improve transparency of information for agency workers, particularly around pay.

What is a Key Information Document

- The KID is designed to present a brief overview of how an agency worker's prospective terms of engagement affect their pay over the course of an assignment or other specified period of time.
- The figures in the KID will not need to be completely reflective of what an agency worker may actually go on to earn in an assignment, but rather will demonstrate how a proposed rate of pay is affected by fees and deductions made throughout the supply chain.

Timing and frequency

It is not necessary for employment businesses to issue a revised KID every time an agency worker begins a new assignment if there are no changes in the information recorded in the KID as a result.

However, revised KIDs must be issued when there is such a change.

For example, if a new deduction takes effect, or if a new umbrella company engages the worker, a revised KID should be issued to the worker.

The KID should be kept updated and a revised KID should be issued no later than the end of the fifth business day following any change. The revised document should state the date on or after which the change took effect.

Responsibility

In all cases it is the responsibility of the employment businesses to provide agency workers with a KID, including when the agency worker is engaged through an intermediary or umbrella company.

When an intermediary or umbrella company is involved, this will mean that employment businesses will have to gather information from the intermediary or umbrella company for the purposes of the KID.

Responsibility

Employment businesses are free to rely upon any information given to them by third parties, such as umbrellas, where they do not have that information themselves.

Employment businesses may consider asking intermediary or umbrella companies to notify them of any changes to information referenced in KIDs so that it remains up to date.

An agency worker can request any information that the employment business relies upon from an intermediary or umbrella company, and the employment business must supply a copy of this within five business days. If the intermediary or umbrella company engaging the worker changes, then a new KID must be issued.



How should a KID be formatted?

It is written in the legislation that the KID should be

- written in a clear and succinct manner
- A maximum of two sides of A4 sized paper when printed
- Presented in a way that is easy to read, using characters of readable size
- Separate from any other documents provided to the work-seeker or person supplied

The KID should not contain any other items of additional information beyond what is specified in Regulation 13(A). Only details of terms agreed under Regulation 14 as set out in Regulation 15 may be permitted.



How should a KID be formatted?

It also states in the legislation at (3)(a) and (3)(b) that

- The title “Key Information Document” should be at the top of the first page
- Statements immediately beneath the title that
 - The KID specifies key information which relates to the relationship between the EB and the work-seeker, and, where an umbrella company is involved, the person supplied to carry out the work.
 - Where necessary, identifies documents where further information may be found
 - Includes contact details for EAS and informs the recipient we may be contacted if they are concerned the EB has committed a breach of our legislation.

Representative pay example

All KIDs should include a representative example pay statement that

- Reflects a single pay period based on the intervals that payment will be made
- Must include reasonably estimated numerical values
- Sets out deductions item by item

All deductions listed in the KID should be set out in the pay example



Different types of engagement

It would be considered best practise for an employment business to have a standard KID for each method of engagement it offers to the work-seeker.

There is no obligation, but employment businesses may offer agency worker multiple KIDs if they offer multiple types of engagement. The agency worker can then compare and choose how they will be engaged.

They must be given a KID that reflects their decision. This should be kept as a record.



Umbrella KID

Key Information Document

This document sets out key information about your relationship with us and the intermediary or umbrella company used in your engagement, including details about pay, holiday entitlement and other benefits.

Further information can be found at terms and conditions for Umbrella Company Name at www.umbrellacompanyname.co.uk/terms

The Employment Agency Standards (EAS) Inspectorate is the government authority responsible for the enforcement of certain agency worker rights. You can raise a concern with them directly on 020 7215 5000 or through the Acas helpline on 0300 123 1100, Monday to Friday, 8am to 6pm.

GENERAL INFORMATION

Your name:	Worker name
Name of employment business:	Employment business name
Name of intermediary or umbrella company:	Umbrella Company Name
Your employer:	Umbrella Company Name
Type of contract you will be engaged under:	Contract of service
Who will be responsible for paying you:	Umbrella Company Name
How often the umbrella company and you will be paid:	Weekly

INTERMEDIARY OR UMBRELLA COMPANY PAY INFORMATION

You are being paid through an intermediary or umbrella company: a third-party organisation that will calculate your tax and other deductions and then pay you for the work undertaken for the hirer. We will still be finding you assignments.

The money earned on your assignments will be transferred to the umbrella company as part of their income. They will then pay you your wage. All the deductions made which affect your wage are listed below. If you have any queries about these please contact us.

Your payslip may show you as an employee of the umbrella company listed below.

Name of intermediary or umbrella company:	Umbrella Company Name
Any business connection between the intermediary or umbrella company, the employment business and the person responsible for paying you:	None
Expected or minimum gross rate of pay transferred to the intermediary or umbrella company from us:	£450 per week
Deductions from intermediary or umbrella income required by law:	Employer's National Insurance; Employer Pension Contributions Apprenticeship Levy Holiday pay (retained)

Any other deductions from umbrella income (to include amounts or how they are calculated)	Umbrella margin £20 per week
Expected or minimum rate of pay to you:	Not less than National Minimum Wage
Deductions from your wage required by law:	Income tax National Insurance
Any other deductions or costs taken from your wage (to include amounts or how they are calculated):	Employee Pension Contributions (5% gross)
Any fees for goods or services:	None
Holiday entitlement and pay:	5.6 weeks pro rata (or as otherwise agreed). Paid at an average rate to represent a standard week's pay. This will be retained and paid as leave is taken.
Additional benefits:	Discounted gym membership and discounted private healthcare.

EXAMPLE PAY

	Intermediary or umbrella fees	Worker fees
Example gross rate of pay to intermediary or umbrella company from us:	£450 per week	
Deductions from intermediary or umbrella income required by law:	Employer Pension £39.93 Employer NI £36.26 Apprenticeship Levy £2 Holiday pay £37.89 (retained)	
Any other deductions or costs taken from intermediary or umbrella income:	Umbrella Margin £20 per week	
Example rate of pay to you:		Gross pay £313.92
Deductions from your pay required by law:		Tax: £20.67 National Insurance: £20.26
Any other deductions or costs taken from your pay:		Employee Pension Contributions: £17.59
Any fees for goods or services:		None
Example net take home pay:		£293.29

Key Information Document

This document sets out key information about your relationship with us and the intermediary or umbrella company used in your engagement, including details about pay, holiday entitlement and other benefits.

Further information can be found at terms and conditions for Umbrella Company Name at www.umbrellacompanyname.co.uk/terms

The Employment Agency Standards (EAS) Inspectorate is the government authority responsible for the enforcement of certain agency worker rights. You can raise a concern with them directly on 020 7215 5000 or through the Acas helpline on 0300 123 1100, Monday to Friday, 8am to 6pm.

GENERAL INFORMATION

Your name:	Worker name
Name of employment business:	Employment business name
Name of intermediary or umbrella company:	Umbrella Company Name
Your employer:	Umbrella Company Name
Type of contract you will be engaged under:	Contract of service
Who will be responsible for paying you:	Umbrella Company Name
How often the umbrella company and you will be paid:	Weekly

INTERMEDIARY OR UMBRELLA COMPANY PAY INFORMATION

You are being paid through an intermediary or umbrella company: a third-party organisation that will calculate your tax and other deductions and then pay you for the work undertaken for the hirer. We will still be finding you assignments.

The money earned on your assignments will be transferred to the umbrella company as part of their income. They will then pay you your wage. All the deductions made which affect your wage are listed below. If you have any queries about these please contact us.

Your payslip may show you as an employee of the umbrella company listed below.

Name of intermediary or umbrella company:	Umbrella Company Name
Any business connection between the intermediary or umbrella company, the employment business and the person responsible for paying you:	None
Expected or minimum gross rate of pay transferred to the intermediary or umbrella company from us:	£450 per week
Deductions from intermediary or umbrella income required by law:	Employer's National Insurance; Employer Pension Contributions Apprenticeship Levy Holiday pay (retained)

Any other deductions from umbrella income (to include amounts or how they are calculated)	Umbrella margin £20 per week
Expected or minimum rate of pay to you:	Not less than National Minimum Wage
Deductions from your wage required by law:	Income tax; National Insurance
Any other deductions or costs taken from your wage (to include amounts or how they are calculated):	Employee Pension Contributions (5% gross)
Any fees for goods or services:	None
Holiday entitlement and pay:	5.6 weeks pro rata (or as otherwise agreed). Paid at an average rate to represent a standard week's pay. This will be retained and paid as leave is taken.
Additional benefits:	Discounted gym membership and discounted private healthcare.

EXAMPLE PAY

	Intermediary or umbrella fees	Worker fees
Example gross rate of pay to intermediary or umbrella company from us:	£450 per week	
Deductions from intermediary or umbrella income required by law:	Employer Pension £39.93 Employer NI £38.28 Apprenticeship Levy £2 Holiday pay £37.89 (retained)	
Any other deductions or costs taken from intermediary or umbrella income:	Umbrella Margin £20 per week	
Example rate of pay to you:		Gross pay £313.92
Deductions from your pay required by law:		Tax: £20.67 National Insurance: £20.28
Any other deductions or costs taken from your pay:		Employee Pension Contributions: £17.59
Any fees for goods or services:		None
Example net take home pay:		£293.29

Opt-out

It is possible for an intermediary or umbrella company to agree to opt out of the protections of the existing regulations under Regulation 32(9), but this also needs the agreement of the worker themselves.

Where there is an agreement to opt out it should be referred to on the KID.

Regulation 13(A) cannot be opted out of. Whether an opt-out is in place or not, all agency workers must receive a KID and revised KIDs when there are changes.

Agency workers placed in roles working with, or caring for, vulnerable persons cannot opt out of the Conduct Regulations.

Common forms of non- compliance

Not including the deductions detailed in the main body of the KID within the representative pay example.

- ▶ A common issue is deductions being detailed within the main body of the KID and then not being represented in the representative pay example.
- ▶ Regulation 13(A)(6)(b) refers to the information detailed in Regulation 13(A)(6)(a). This is why it's important to make clear in the details of the general information section what deductions will be present in the Example Pay.
- ▶ All detailed deductions within the KID should be represented as a numerical value affecting the take home pay in the representative pay example. If they are not included, then this is a breach of the legislation.
- ▶ The work-seeker should be able to read through the KID and clearly conclude what deductions are likely to affect their pay, and then see these deductions represented as reasonably estimated numerical values affecting their take home pay in the example pay statement.

Key Information Document

This document sets out key information about your relationship with us and the intermediary or umbrella company used in your engagement, including details about pay, holiday entitlement and other benefits.

Further information can be found at terms and conditions for Umbrella Company Name at www.umbrellacompanyname.co.uk/terms

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GENERAL INFORMATION

Your name:	Worker name
Name of employment business:	Employment business name
Name of intermediary or umbrella company:	Umbrella Company Name
Your employer:	Umbrella Company Name
Type of contract you will be engaged under:	Contract of service
Who will be responsible for paying you:	Umbrella Company Name
How often the umbrella company and you will be paid:	Weekly

INTERMEDIARY OR UMBRELLA COMPANY PAY INFORMATION

You are being paid through an intermediary or umbrella company: a third-party organisation that will calculate your tax and other deductions and then pay you for the work undertaken for the hirer. We will still be finding you assignments.

The money earned on your assignments will be transferred to the umbrella company as part of their income. They will then pay you your wage. All the deductions made which affect your wage are listed below. If you have any queries about these please contact us.

Your payslip may show you as an employee of the umbrella company listed below.

Name of intermediary or umbrella company:	Umbrella Company Name
Any business connection between the intermediary or umbrella company, the employment business and the person responsible for paying you:	None
Expected or minimum gross rate of pay transferred to the intermediary or umbrella company from us:	£450 per week
Deductions from intermediary or umbrella income required by law:	Employer's National Insurance; Employer Pension Contributions Apprenticeship Levy Holiday pay (retained)

Any other deductions from umbrella income (to include amounts or how they are calculated)	Umbrella margin £20 per week
Expected or minimum rate of pay to you:	Not less than National Minimum Wage
Deductions from your wage required by law:	Income tax National Insurance Student Loan (if applicable) Child maintenance AEO (if applicable) DWP Debt Recovery AEO (if applicable)
Any other deductions or costs taken from your wage (to include amounts or how they are calculated):	Employee Pension Contributions (5% gross)
Any fees for goods or services:	Manual Handling Level 3 £20 (one off deduction) (if applicable) BFH Level 3 £20 (one off deduction) (if applicable) Umbrella discounts club £2 per month (if applicable)
Holiday entitlement and pay:	5.6 weeks pro rata (or as otherwise agreed). Paid at an average rate to represent a standard week's pay. This will be retained and paid as leave is taken.
Additional benefits:	No additional benefits

EXAMPLE PAY

	Intermediary or umbrella fees	Worker fees
Example gross rate of pay to intermediary or umbrella company from us:	£450 per week	
Deductions from intermediary or umbrella income required by law:	Employer Pension £39.93 Employer NI £36.26 Apprenticeship Levy £2 Holiday pay £37.89 (retained)	
Any other deductions or costs taken from intermediary or umbrella income:	Umbrella Margin £20 per week	
Example rate of pay to you:		Gross pay £313.92
Deductions from your pay required by law:		Tax: £20.67 National Insurance: £20.26
Any other deductions or costs taken from your pay:		Employee Pension Contributions: £17.59
Any fees for goods or services:		None
Example net take home pay:		£293.29

Not including the deductions detailed in the main body of the KID within the representative pay example.

Key Information Document

This document sets out key information about your relationship with us and the intermediary or umbrella company used in your engagement, including details about pay, holiday entitlement and other benefits.

Further information can be found at terms and conditions for Umbrella Company Name at www.umbrellacompanyname.co.uk/terms

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GENERAL INFORMATION

Your name:	Worker name
Name of employment business:	Employment business name
Name of intermediary or umbrella company:	Umbrella Company Name
Your employer:	Umbrella Company Name
Type of contract you will be engaged under:	Contract of service
Who will be responsible for paying you:	Umbrella Company Name
How often the umbrella company and you will be paid:	Weekly

INTERMEDIARY OR UMBRELLA COMPANY PAY INFORMATION

You are being paid through an intermediary or umbrella company: a third-party organisation that will calculate your tax and other deductions and then pay you for the work undertaken for the hirer. We will still be finding you assignments.

The money earned on your assignments will be transferred to the umbrella company as part of their income. They will then pay you your wage. All the deductions made which affect your wage are listed below. If you have any queries about these please contact us.

Your payslip may show you as an employee of the umbrella company listed below.

Name of intermediary or umbrella company:	Umbrella Company Name
Any business connection between the intermediary or umbrella company, the employment business and the person responsible for paying you:	None
Expected or minimum gross rate of pay transferred to the intermediary or umbrella company from us:	£450 per week
Deductions from intermediary or umbrella income required by law:	Employer's National Insurance; Employer Pension Contributions Apprenticeship Levy Holiday pay (retained)

Any other deductions from umbrella income (to include amounts or how they are calculated)	Umbrella margin £20 per week
Expected or minimum rate of pay to you:	Not less than National Minimum Wage
Deductions from your wage required by law:	Income tax National Insurance Student Loan if applicable Child maintenance AEO if applicable DWP Debt Recovery AEO if applicable
Any other deductions or costs taken from your wage (to include amounts or how they are calculated):	Employee Pension Contributions (5% gross)
Any fees for goods or services:	Manual Handling Level 3 £20 (one off deduction) if applicable BFH Level 3 £20 (one off deduction) if applicable Umbrella discounts club £2 per month if applicable
Holiday entitlement and pay:	5.6 weeks pro rata (or as otherwise agreed). Paid at an average rate to represent a standard week's pay. This will be retained and paid as leave is taken.
Additional benefits:	No additional benefits

EXAMPLE PAY

	Intermediary or umbrella fees	Worker fees
Example gross rate of pay to intermediary or umbrella company from us:	£450 per week	
Deductions from intermediary or umbrella income required by law:	Employer Pension £39.93 Employer NI £36.26 Apprenticeship Levy £2 Holiday pay £37.89 (retained)	
Any other deductions or costs taken from intermediary or umbrella income:	Umbrella Margin £20 per week	
Example rate of pay to you:		Gross pay £313.92
Deductions from your pay required by law:		Tax: £20.67 National Insurance: £20.26
Any other deductions or costs taken from your pay:		Employee Pension Contributions: £17.59
Any fees for goods or services:		None
Example net take home pay:		£293.29

Too exhaustive in listing potential deductions

Key Information Document

This document sets out key information about your relationship with us and the intermediary or umbrella company used in your engagement, including details about pay, holiday entitlement and other benefits.

Further information can be found at terms and conditions for Umbrella Company Name at www.umbrellacompanyname.co.uk/terms

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GENERAL INFORMATION

Your name:	Worker name
Name of employment business:	Employment business name
Name of intermediary or umbrella company:	Umbrella Company Name
Your employer:	Umbrella Company Name
Type of contract you will be engaged under:	Contract of service
Who will be responsible for paying you:	Umbrella Company Name
How often the umbrella company and you will be paid:	Weekly

INTERMEDIARY OR UMBRELLA COMPANY PAY INFORMATION

You are being paid through an intermediary or umbrella company: a third-party organisation that will calculate your tax and other deductions and then pay you for the work undertaken for the hirer. We will still be finding you assignments.

The money earned on your assignments will be transferred to the umbrella company as part of their income. They will then pay you your wage. All the deductions made which affect your wage are listed below. If you have any queries about these please contact us.

Your payslip may show you as an employee of the umbrella company listed below.

Name of intermediary or umbrella company:	Umbrella Company Name
Any business connection between the intermediary or umbrella company, the employment business and the person responsible for paying you:	None
Expected or minimum gross rate of pay transferred to the intermediary or umbrella company from us:	£450 per week
Deductions from intermediary or umbrella income required by law:	Employer's National Insurance Employer Pension Contributions Apprenticeship Levy Holiday pay (retained)

Any other deductions from umbrella income (to include amounts or how they are calculated)	Umbrella margin £20 per week
Expected or minimum rate of pay to you:	Not less than National Minimum Wage
Deductions from your wage required by law:	Income tax National Insurance Student Loan (if applicable) Child maintenance AEO (if applicable) DWP Debt Recovery AEO (if applicable)
Any other deductions or costs taken from your wage (to include amounts or how they are calculated):	Employee Pension Contributions (5% gross)
Any fees for goods or services:	Manual Handling Level 3 £20 (one off deduction) (if applicable) BFH Level 3 £20 (one off deduction) (if applicable) Umbrella discounts club £2 per month (if applicable)
Holiday entitlement and pay:	5.6 weeks pro rata (or as otherwise agreed). Paid at an average rate to represent a standard week's pay. This will be retained and paid as leave is taken.
Additional benefits:	No additional benefits

EXAMPLE PAY

	Intermediary or umbrella fees	Worker fees
Example gross rate of pay to intermediary or umbrella company from us:	£450 per week	
Deductions from intermediary or umbrella income required by law:	Employer Pension £39.93 Employer NI £36.26 Apprenticeship Levy £2 Holiday pay £37.89 (retained) Umbrella Margin £20 per week	
Any other deductions or costs taken from intermediary or umbrella income:		
Example rate of pay to you:		Gross pay £313.92
Deductions from your pay required by law:		Tax: £20.67 National Insurance: £20.26
Any other deductions or costs taken from your pay:		Employee Pension Contributions: £17.56
Any fees for goods or services:		None
Example net take home pay:		£293.29

Not including the deductions detailed in the main body of the KID within the representative pay example.

Too exhaustive in listing potential deductions

- ▶ Some EBs have been quite exhaustive in including potential deductions within their initial KID alongside “(if applicable)”. By using the phrasing “if applicable”, it may be unclear to the work-seeker whether these deductions are likely to apply or not. **If too many possibilities are catered for then what should be the “key information” is lost.**
- ▶ There should be a judgement made by the EB on the likelihood of a deduction taking effect when deciding to include the deduction within the KID. If it is unknown whether these possible deductions are likely to apply, then they should be omitted from the KID at this point. A revised KID that includes them should then be issued if it becomes apparent that they will apply.
- ▶ One of the main reasons the legislation has been introduced is to provide transparency to the agency worker around pay and deductions.
- ▶ The work-seeker should be able to read through the KID and clearly conclude what deductions are likely to affect their pay, and then see these deductions represented as reasonably estimated numerical values affecting their take home pay in the example pay statement.

Not issuing a revised KID when there is a material change.

- ▶ Another issue we have seen is EB's taking a "once and done" approach to issuing KIDs. This is where an initial KID is provided and then no further KID being issued.
- ▶ This is fine provided that there is no material change to the content of the KID going forward. However, the KID must be kept up to date. Where there is a material change e.g. when a new deduction takes effect, or the umbrella company changes, then a revised KID should be issued to the worker. Regulation 13(A)(15)

EBs using their own formatting for their KID and missing required information

- ▶ An issue we have seen is EBs reformatting the example documents from the gov.uk website and then leaving off required information in the new versions they create. EBs are not required to use the example documents found on the gov.uk website however if they are creating their own format for the KID they should be careful to ensure that it includes all of the required information and follows the formatting set out in legislation.

Regulation 13(A)

- ▶ Formatting paragraphs: (2), (3)(a), (3)(b), (10) and (11).
- ▶ Content paragraphs for Umbrella KID: (6)(a) and (6)(b), (9)

Key Information Document

This is your umbrella company KID. You will be employed by *umbrella company name*. Please find details below.

EXAMPLE PAY

	Intermediary or umbrella fees	Worker fees
Example gross rate of pay to intermediary or umbrella company from us:	£450 per week	
Deductions from intermediary or umbrella income required by law:	Employer Pension £39.93 Employer NI £36.26 Apprenticeship Levy £2 Holiday pay £37.89 (retained)	
Any other deductions or costs taken from intermediary or umbrella income:	Umbrella Margin £20 per week	
Example rate of pay to you:		Gross pay £313.82
Deductions from your pay required by law:		Tax: £20.67 National Insurance: £20.26
Any other deductions or costs taken from your pay:		Employee Pension Contributions: £17.59
Any fees for goods or services:		None
Example net take home pay:		£293.29

EBs using their own formatting for their KID and missing required information

EBs presenting different scenarios, variations and options within the same KID

- ▶ If the EB wishes to present options to the agency worker, they are permitted to under Regulation 13(A)(12). However, if they wish to do this they should have an individual KID for each option they wish to present. We have seen some EBs trying to cram several different scenarios within the same KID, e.g. details for multiple umbrella companies, and often a finalised KID is not issued.
- ▶ Each KID should be written in a clear and succinct manner. It should ideally be easy for the agency worker to follow the details to understand the relationship and the deductions that would apply if they were to choose that particular method of engagement and see a representative example pay statement that provides an example of how this choice may affect their take home pay.

Key Information Document

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GENERAL INFORMATION

Your name:	Worker name
Name of employment business:	Employment business name
Name of intermediary or umbrella company:	Your chosen Umbrella Company Name
Your employer:	Your chosen Umbrella Company Name
Type of contract you will be engaged under:	Contract of service
Who will be responsible for paying you:	Your chosen Umbrella Company Name
How often the umbrella company and you will be paid:	To be confirmed by your chosen umbrella

INTERMEDIARY OR UMBRELLA COMPANY PAY INFORMATION

You are being paid through an intermediary or umbrella company: a third-party organisation that will calculate your tax and other deductions and then pay you for the work undertaken for the hirer. We will still be finding you assignments.

The money earned on your assignments will be transferred to the umbrella company as part of their income. They will then pay you your wage. All the deductions made which affect your wage are listed below. If you have any queries about these please contact us.

Your payslip may show you as an employee of the umbrella company listed below.

Name of intermediary or umbrella company:	Umbrella Company A	Umbrella Company B	Umbrella Company C
Any business connection between the intermediary or umbrella company, the employment business and the person responsible for paying you:	None	You may be paid by Umbrella Company D a subsidiary of Umbrella Company B	None
Expected or minimum gross rate of pay transferred to the intermediary or umbrella company from us:	£450 per week	£450 per week	£450 per week

Deductions from intermediary or umbrella income required by law:	Employer's NI Employer Pension Contributions Apprenticeship Levy Holiday pay (retained)	Employer's NI Employer Pension Contributions Apprenticeship Levy	Employer's NI Employer Pension Contributions
Any other deductions from umbrella income (to include amounts or how they are calculated):	Umbrella margin £20 per week	Umbrella margin £17.50 per week	Umbrella margin £15 per week

Expected or minimum rate of pay to you:	Not less than National Minimum Wage
Deductions from your wage required by law:	Income tax National Insurance
Any other deductions or costs taken from your wage (to include amounts or how they are calculated):	Employee Pension Contributions (5% gross)
Any fees for goods or services:	To be confirmed
Holiday entitlement and pay:	To be confirmed
Additional benefits:	Discounted gym membership and discounted private healthcare.

EXAMPLE PAY

	Intermediary or umbrella fees	Worker fees
Example gross rate of pay to intermediary or umbrella company from us:	£450 per week	
Deductions from intermediary or umbrella income required by law:	Employer Pension £39.93 Employer NI £36.26 Apprenticeship Levy £2 Holiday pay £37.89 (retained)	
Any other deductions or costs taken from intermediary or umbrella income:	Umbrella Margin £20 per week	
Example rate of pay to you:		Gross pay £313.92
Deductions from your pay required by law:		Tax: £20.67 National Insurance: £20.26
Any other deductions or costs taken from your pay:		Employee Pension Contributions: £17.59
Any fees for goods or services:		None
Example net take home pay:		£293.29

EBs presenting different scenarios, variations and options within the same KID

EBs using payslips as the example pay statement

- ▶ We would not suggest that screengrabs of payslips are used to meet the requirements of paragraph (6)(b).

Given that:

- ▶ the deductions listed under Regulation 13(A)(6)(a) need to be represented in the example pay statement Regulation 13(A)(6)(b); and
- ▶ Regulation 13(A)(15) requires EBs to issue revised KIDs when there is a material change to the content.
- ▶ There is much greater scope for non-compliance using payslips as the EB may need to keep screengrabs of payslips presenting each combination of possible deductions.
- ▶ Best practice for EBs to use a simple table format, as found within Annex B of the [gov.uk guidance](#). Each requirement of Regulation 13(A)(6)(b) from (i) to (vi) is addressed so there is clarity to the work-seeker, and the key information is presented as clearly and succinctly as possible. The tables are also easily amended when a new deduction is introduced and a revised KID is required to be issued.
- ▶ Where an umbrella company is involved, please see Annex B of the gov.uk guidance.

Our top tips for umbrella companies

- Produce your own KIDs ready for employment businesses to use
- Ensure that you are transparent about deductions made and the information is presented clearly and succinctly.
- Ensure that information relating to KID changes are communicated in a timely manner to employment businesses so that they may issue revised KIDs to the person supplied to carry out the work

Thank you

If you have any questions, please post them in the chat!

Contact Us:

ACAS Helpline: 0300 123 1100 for general advice and guidance, and if necessary to make a complaint for EAS to investigate

BEIS Business Support Helpline: 0207 215 5000 and ask to speak to an EAS inspector

Email: eas@beis.gov.uk