

## Umbrella:

Under 21 years old without pension		Under 21 years old with pension	
£15	£11.66	£15	£11.90
£20	£11.80	£20	£12.04
£25	£11.93	£25	£12.17
£30	£12.06	£30	£12.30

  

Over 21 years old without pension		Over 21 years old with pension	
£15	£15.82	£15	£16.13
£20	£15.95	£20	£16.27
£25	£16.09	£25	£16.4
£30	£16.22	£30	£16.53

## PEO:

Under 21 years old without pension	Under 21 years old with pension
Minimum rate	Minimum rate
£11.26	£11.50

  

Under 21 years old without pension	Under 21 years old with pension
Minimum rate	Minimum rate
£13.75	£14.07



Both PEO and umbrella are fully employed solutions, but **PEO offers a simpler payslip structure and better cost efficiency** for agencies and end hirers.

## Example: Pre auto-enrolment pension (first 12 weeks of employment)

Payroll Model	Charge Rate (per hour)	Weekly Cost (40 hours)
Traditional Umbrella	£16.27	£650.80
PEO (inc. pension savings upstreamed)	£15.95	£638.00
<b>Total Savings</b>	<b>£0.32 per hour</b>	<b>£12.80 per week</b>

# Why choose PEO?



## The problem facing recruitment agencies

Recruitment agencies constantly juggle hirers' cost pressures with talent expectations. But with April 2025 bringing fresh cost implications and employment law changes, the flexible workforce is facing new challenges.

### The solution: The PEO model

QPS is here to help. Our innovative solutions tackle three critical areas:

- ✓ Unlock new profit margins
- ✓ Attract and retain top talent
- ✓ De-risk your supply chain



## Revolutionising umbrella for the lower-rate market

Traditional umbrella models create confusion—complex payslips, hidden costs, and fluctuating take-home pay erode contractor trust. PEO is changing the game.

Unlike umbrella, PEO provides a fixed, transparent pay structure—mirroring direct employment. No more fluctuations, no double deductions, and lower costs for recruitment agencies when workers opt out of pensions or work part-time.

### Typical savings on the PEO model vs umbrella

#### £13 per worker per week

(based on 40 hours), reflecting the pension allocation for those who have not yet enrolled or have opted out.

#### Additional savings:

For workers who do not meet the Employers' National Insurance threshold, this saving is also up stream to the recruitment business—further improving margins.

**For example:** pre auto enrolment pension (first 12 weeks employment)

- Traditional umbrella – charge rate £16.27
- PEO (pension saving up streamed) – charge rate £15.95

**Difference:** £0.32 per hour x 40 hours = £12.80 per week for the first 12 weeks



**The bottom line? PEO is a more attractive, cost-effective solution that enhances contractor relationships and increases agency margins.**

Ready to explore PEO further?

Contact us today:

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