

Rockford Payroll Handbook



A professional engagement and
payroll services organisation

Rockford-Pay.co.uk



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Rockford Payroll

About this handbook

This handbook has been designed for contingent workers (see *Glossary ref. 1*) and includes everything you need to know about **Rockford Payroll**, including a summary of the current practices used across umbrella companies, and how **Rockford Payroll** has addressed the existing challenges experienced in the market. It provides a detailed view of our benefits and features, how we differentiate ourselves, and why we choose not to use traditional day rate payment models.

You may also find the following resources useful:

- **Rockford Payroll** registration guide
- FAQs
- **Rockford Payroll** portal (portal.rockford-pay.co.uk)

Speak to one our experts:
operations@rockford-pay.co.uk
+44 808 812 6126

Our working hours are 09:00–17:00, Monday to Friday.



“I feel a lot more secure with a lot more options.”

*Existing worker
Rockford Payroll focus group
24 August 2023*



Welcome to Rockford Payroll

Leading the way in professional payroll and engagement services

About Rockford Payroll

With over 500 umbrella companies in the UK, **Rockford Payroll** occupies a unique position as a professional engagement and payroll services organisation that believes in doing things differently.

It's an unfortunate fact that the traditional employment models and practices used by many umbrella companies may not always be in the best interests of you, the contingent worker.

We offer a new approach that places greater focus on clearly addressing your needs.

With our extensive understanding of the temporary work market, and our expertise in taxation and legal requirements, we offer a refreshing alternative to many umbrella companies by taking care of all the aspects of your payroll you would expect from a leading professional services firm.

This allows you to focus properly on your day-to-day engagement responsibilities, and thrive in your career.





Welcome to Rockford Payroll

Key benefits and features

When it comes to payroll services innovation, Rockford Payroll is leading the way in the temporary work market – bringing fairer and more transparent solutions to contingent workers.

A professional brand, leading the way

Rockford Payroll has been developed with input from highly-skilled subject matter experts across tax, pensions, legal, compliance and payroll, based on our extensive experience in managed services that have adopted the contingent worker model (see *Glossary ref. 2*).

Fully compliant with regulation

Rockford Payroll proactively adheres to all legislation and HMRC regulation, as well as setting new standards of compliance to minimise the legal and financial risks to you.

Clear representation of your earnings

Through our innovative Agreed Contract Rate (ACR) approach, you get a crystal clear view of your income (see section *1.0 Understanding Your Pay*).

Flexible and competitive pension scheme

We offer a range of pension options, allowing you to take advantage of tax exemptions when you contribute to our exclusive Standard Life pension scheme through salary sacrifice, with a more favourable charging structure than government-advertised NEST funds (see section *2.0 Pensions*).

Robust worker rights

We understand your rights as a contingent worker and ensure you have access to the full range of protections and benefits you are entitled to – including maternity, paternity, holiday and sick pay. Importantly, our calculations for these benefits are based on your Agreed Contract Rate (ACR), as opposed to the National Minimum Wage.

An easy-to-use platform

We give you easy, secure online access to all relevant documents in one place, including your engagement contract, work order assignments, submitted timesheets, processed expenses and issued pay slips.

Dedicated support

Our team of experts are here to help with any questions you may have relating to **Rockford Payroll** – by email or phone, 09:00–17:00, Monday to Friday.



Welcome to Rockford Payroll

Designed to meet the changing needs of the payroll services market

Rockford Payroll has been developed following our comprehensive review of the government's consultation: [Tackling Non-Compliance in The Umbrella Company Market.](#)

We've taken a proactive approach to address many of the challenges identified, as shown here.

Issue seen with traditional market models	Detail of issue	How Rockford Payroll addresses the issue
Misleading advertised day rate	Many workers raised concerns that the pay rate advertised by end clients (the 'assignment rate' paid for a worker's services to be provided), is different from what is paid by the umbrella company as a worker's gross pay. Traditional day rates combine costs that are not the responsibility of the contingent worker and include employer costs and contributions (for example, the employer's National Insurance Contributions and Apprenticeship Levy). Workers report receiving lower pay than expected when working with traditional umbrella companies.	Our solution is based on an Agreed Contract Rate (ACR) and removes the misleading elements that inflate the traditional assignment rates to provide an accurate representation of your pay.
National Minimum Wage and bonus structure	The traditional payment structure applied by umbrella companies often combines National Minimum Wage (NMW) for hours worked plus an additional, variable element – typically referred to as a bonus or commission. This disadvantages workers trying to prove income levels for loans or mortgages, as well as reducing pay during periods of sick leave, maternity pay, or other statutory pay.	We don't have a pay structure based on combining the NMW with a bonus or commission. We believe this is unfair and can put workers at a financial disadvantage. Instead, our Agreed Contract Rate (ACR) gives you a much clearer idea of your take home pay.



Welcome to Rockford Payroll

Designed to meet the changing needs of the payroll services market

Issue seen with traditional market models	Detail of issue	How Rockford Payroll addresses the issue
Compliance risks	Compliance with tax and employment regulations is a significant and common concern, as contingent workers may inadvertently face legal and financial risks if they fail to comply with current legislation.	We've designed Rockford Payroll with compliance as a top priority, adhering to all relevant regulations and ensuring contingent workers confidently meet all legal obligations on an ongoing basis.
Non-compliance with pension regulations	Contingent workers may encounter challenges when it comes to pension compliance within the industry. For example, there have been widespread reports of the retention of contingent worker funds by umbrella companies, and delays in transferring contributions to pension scheme funds. This clearly disadvantages the contingent worker, as they potentially miss out on growing their retirement income through tax-efficient contributions.	We believe it's essential for contingent workers to receive the necessary pension contributions and benefits mandated by regulations. We ensure complete compliance via auto-enrolment to a market-leading pension scheme, with the added benefit of salary sacrifice: the most tax-efficient way to enhance contributions and maximise your retirement income.



1. Understanding your pay

A clearer representation of what you actually earn

At **Rockford Payroll**, we use an Agreed Contract Rate (ACR) to clearly represent your earnings. Your Agreed Contract Rate does not include the costs that are the responsibility of the employer to pay. This means you're able to see your full-time equivalent salary and benchmark your pay against salaried employees. This is in direct contrast to the traditional day rate advertised on the market, which misleads the worker with an inflated rate inclusive of employer costs and deductions.

We accurately reflect your full gross pay. The traditional umbrella company payment structure often has pay broken down into two elements on your payslips: basic pay up to the level of National Minimum Wage with the remainder showing as a 'bonus' or similar. This means your net annual salary is only the National Minimum Wage, which is not an accurate representation of your income and can lead to problems proving your true pay.

Worse still, some payslips in the market don't explicitly show NMW but are still calculated on that basis which can be misleading for workers.

1.1 What are the benefits of our model?

Before accepting an assignment with a client, you can see the Agreed Contract Rate (ACR), which accurately reflects your gross pay or annual salary equivalent.

Current payroll arrangements for workers paid by umbrella companies are confusing, opaque, and very difficult to understand. By contrast, if you agree an ACR for an assignment with **Rockford Payroll**, you will be able to view your pay as easily as any salaried employee. In fact, the daily ACR, if multiplied by the number of working days in a year (260), is directly comparable to annual salary. As an example, a £300 ACR is directly comparable to a salaried employee earning £69,600 p.a.

When you apply for any credit, loans and mortgages, they can be calculated on your full pay, as opposed to traditional methods used in umbrella companies which split your pay between National Minimum Wage and a 'bonus'.

If you receive any furlough or statutory payments, including maternity and paternity pay, they are likely to be calculated on your Agreed Contract Rate (ACR).

1.1.1 What are the benefits of our model?

Employer costs are the financial obligations and contributions that employers incur when engaging workers through payroll. These typically include:

- Employer National Insurance Contributions
- Employer Pension Contributions
- Apprenticeship Levy
- Payroll Fee (invoiced to client, see *section 1.1.2*)

Under a current standard umbrella company structure, these costs are usually deducted from the contingent worker's 'day rate' (the agreed-upon rate for your services). Your gross pay is what you are left with once these employer costs are subtracted. Therefore, what has traditionally been advertised as a day rate, has been unfairly inflated.

Our ACR model rectifies this problem and gives you a more accurate, transparent and fair definition of your pay.



1. Understanding your pay

1.1.2 Payroll service fee

Rockford Payroll applies a payrolling fee which is similar to existing models. We do so in a way that provides a marginal benefit to most workers, as we levy the fee directly by separate invoice to the client or agency.

Remember: the Agreed Contract Rate (ACR) is the most important consideration for workers. All upstream costs, taxes, or charges that are the responsibility of the employer are taken into account when calculating the ACR. You are assured that your ACR will remain constant throughout your assignment (unless you elect to change your pension arrangements).

1.2 What is the 'Agreed Contract Rate'?

We want to bring a transparent approach to your payroll by introducing the Agreed Contract Rate (ACR) which is the equivalent of a daily salary.

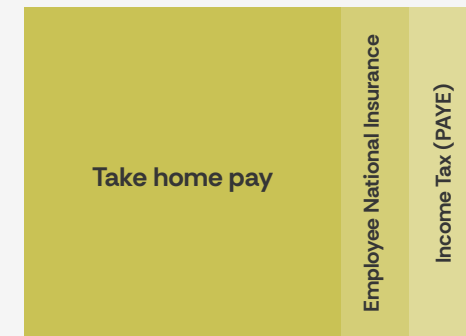
Alongside the traditional day rate that is currently advertised in the temporary work market, **Rockford Payroll** shows an Agreed Contract Rate, which is the amount you earn pre-tax and personal deductions. The Agreed Contract Rate is the rate you are taxed on and does not include the employer costs and employer deductions. This is why your Agreed Contract Rate will appear lower when compared directly with the traditional day rate. In fact, you are **no worse off financially and likely to be marginally better off**. We believe this is a more valuable, transparent and clearer representation of pay for workers.

An illustration of your estimated Agreed Contract Rate, and therefore your pay, can be viewed in the **Rockford Payroll** portal when you register and before you accept assignments. The illustration is an estimate as it assumes a tax code of 1257L, and a contribution of 8% into the **Rockford Payroll Pension Scheme** with a salary sacrifice arrangement.

Figure 1: Comparing rates



Traditional advertised rates give an overinflated view of your pay



Our Agreed Contract Rate (ACR) shows the true value, equivalent to a daily salary



1. Understanding your pay

1.3 Pay slips

Each time you are paid, you will receive a pay slip. Once a pay slip is generated, you will be notified via email, alerting you to the availability of the new pay slip on our secure **Rockford Payroll** portal.

An example of a payslip with a description for each line is shown here.

		This Period	YTD
PAYMENTS			
ES:DNSEES00013002 Expenses –Taxable		500.00	
TS:DNSETS00140013 19 days @ 402.21		7,641.99	
TS:DNSETS00140013 Standard Overtime 3 hours @ 50.27		150.81	
	Gross:	8,292.80	16,402.17
DEDUCTIONS			
National Insurance Contribution		459.00	914.33
PAYE Tax		3,682.13	4,465.33
	Total deductions:	4,141.13	5,379.66
	Net Pay:	4,151.67	11,022.51
ADJUSTMENTS			
Student Loan Deduction		-581.00	-1,145.00
	Total deductions:	-581.00	-1,145.00
	Net Pay:	3,570.67	9,877.51
Remaining Accrued Holiday Pay: £0.00		Employer Contributions	
		National Insurance: 1,039.80	
		Payment on 06.05.2023: £3,570.67	

Figure 2: Rockford Payroll payslip example

1. Tax code: Standard tax code applied for illustrative purposes. Your personal tax code will be automatically applied to your payslips once a P45 statement from your previous employer is received by HMRC.

2. Expenses: If you are eligible to claim expenses, they will be refunded back to you on your next payslip.

3. Agreed Contract Rate (ACR): The number of days you have worked in your pay cycle multiplied by your ACR per day. The ACR assumes an employer contribution of 3% of qualifying earnings into a pension scheme.

4. Overtime pay: If you are eligible for overtime, your ACR per hour is multiplied by the additional hours worked.

5. Gross pay: Your total payments for the period.

6. Employee National Insurance: The amount of NI you will have to contribute based on your total taxable earning in the period, which is deducted from gross pay.

7. Employee tax: The amount of tax you will have to contribute based on your taxable earnings in the period, which is deducted from gross pay.

8. Student loans: If you have student loans, an adjustment is made in line with HMRC regulation.

9. Take home pay: After all your deductions, the total take home pay represents the amount to be received into your elected bank account.

10. Holidays: Shows the value of your accrued holiday fund, and can be taken as holiday days, or paid out in monetary terms. A full-time worker is assumed to work 232 days with 28 days' paid annual holiday which have been factored into the ACR.

11. Employer contributions: Summarises the total contributions made separately by your employer.



1. Understanding your pay

1.4 Timesheets

Rockford Payroll will continue to use timesheets agreed with your respective client. Timesheet submissions and pay cycles are agreed with your agency and end client.

You can easily track the status of your timesheets through the **Rockford Payroll** portal.

1.5 Expenses

Rockford Payroll will handle your PAYE tax obligations. Your agency may allow you to claim certain expenses, but these are usually limited to business-related expenses that are necessary for you to carry out your contracted work and have been agreed with the client your assignment is with. Any expenses to be claimed should be discussed with your agency or client and they will authorise the reimbursement of these through **Rockford Payroll**. Expenses should be supported by appropriate receipts and documentation.

1.5.1 How to claim expenses

If an expense has been approved with your end client, you will be required to upload the expense with any appropriate receipts.

The reimbursed amount for the expense will appear on

The screenshot displays the Rockford Payroll portal interface. At the top, there is a navigation bar with the Rockford logo and several menu items: Home, Personal details, Assignments, Documents, Payslips, Timesheets, Expenses, and Holidays. The main header area is dark with the text 'Rockford Payroll Expenses' and a calendar icon. Below this, a section titled 'Your expenses' contains a table with the following data:

Expense sheet ID	Expense	Date submitted	Billable expense	Taxable	Status	Upload receipt
DNSEESP000030279	AIR - Non-Taxable	27-Mar-2023 00:00:00	1000.00	Not Taxable	Paid	Upload receipt

An 'Expenses' modal window is open on the right side of the screen. It includes an 'Upload receipt' button with a file selection dropdown menu currently showing 'Local Computer'. Below this is a 'Declaration' section with a text area containing the following text: 'I declare that the above expenses were incurred wholly, exclusively and necessarily in the performance of my employment duties. I confirm that I have read and understand the expense claim procedure and guidelines and I am aware that any employee(s) found to be falsifying expense claims will face disciplinary action.'

Figure 3 Expense submission through **Rockford Payroll** portal

your next pay cycle. A screen shot of the expense field within the **Rockford Payroll** portal is shown in *Figure 3*.

1.5.2 Claiming through HMRC

As a contingent worker, you may be able to claim some other expenses directly from HMRC, either via your tax return if enrolled for self-assessment or via the completion of form P87.

Depending upon the nature of your work and other working arrangements, you may be able to claim tax relief directly from HMRC for temporary work expenses which have been incurred.

More information on HMRC's contingent worker expense guidelines can be found on the HMRC website.



2. Pensions

When you register with Rockford Payroll, and signal permission by signing our worker contract, you will automatically be enrolled into the Rockford Payroll Pension Scheme, provided by Standard Life, with contributions made on a salary sacrifice basis.

Automatic enrolment is a government requirement we have carefully considered. However, we also understand you may have personal preferences when it comes to managing your finances. Our solution offers a range of flexible options to suit your needs.

Please note: Rockford Payroll cannot provide advice or guidance on your pension. It's important to consider the potential impact of salary sacrifice pensions on your take home pay, eligibility for benefits, and mortgage affordability calculations. We advise carefully reviewing the scheme details, consulting with a financial adviser, and assessing how it aligns with your individual circumstances and long-term financial goals.

2.1 Our default pension arrangements

Rockford Payroll will automatically enrol all eligible workers into a qualifying pension scheme with Standard Life on their first day. Once you meet the auto-enrolment eligibility requirements, Standard Life will issue you with a member guide and further information including the full benefits and features of the scheme. If you do not meet the requirement of the initial contingent worker assessment for auto-enrolment, you will be re-assessed on the next pay cycle to re-evaluate your eligibility and we will inform you of the results accordingly.

By signing a contract with **Rockford Payroll**, you agree to utilise salary sacrifice when contributing to your pension. This arrangement provides National Insurance savings, leaving you better off financially.

Salary sacrifice is not a mandatory condition of the pension scheme. Therefore, all workers have the right to alter their agreement, making contributions via a net pay arrangement instead.

After enrolment, workers also have the ability to opt out of the pension scheme altogether.

Your pension options are summarised in *Figure 4*.

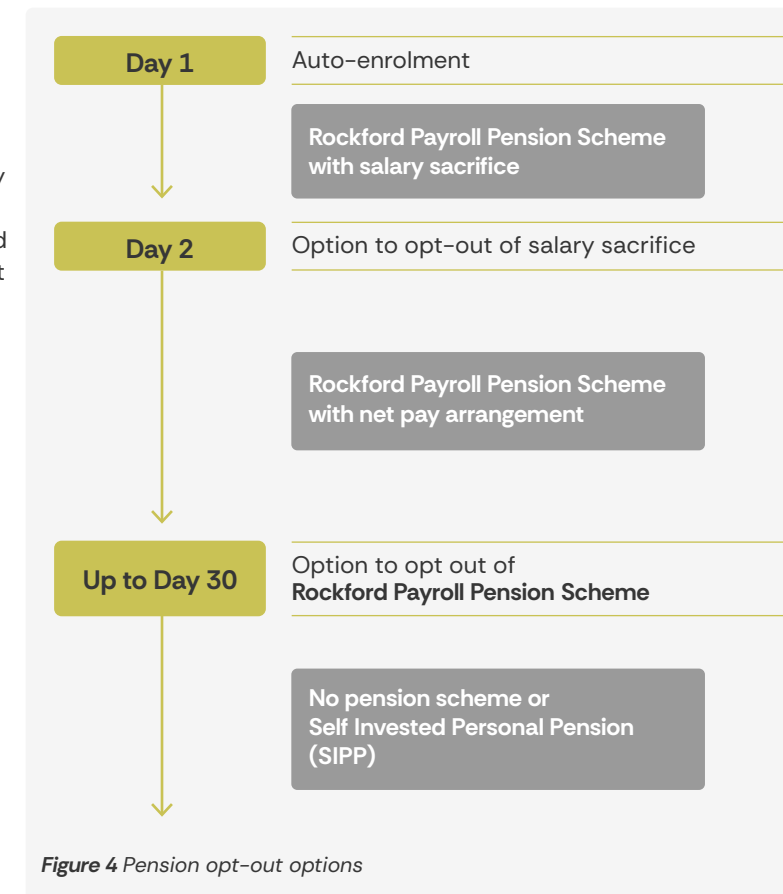


Figure 4 Pension opt-out options



2. Pensions

The **Rockford Payroll Pension Scheme** is provided by Standard Life, which is part of the Phoenix Group and the UK's largest long-term savings and retirement provider.

It provides extremely competitive rates by comparison with market alternatives. Comparative funds endorsed by the government (National Employment Savings Trust – NEST) charge an annual management fee of 0.3% of your total pension pot each year and 1.8% on your contributions, while **Rockford Payroll** has negotiated a more beneficial rate of 0.26% on your total pension pot each year, and 0% on contributions.

2.1.1 Salary sacrifice

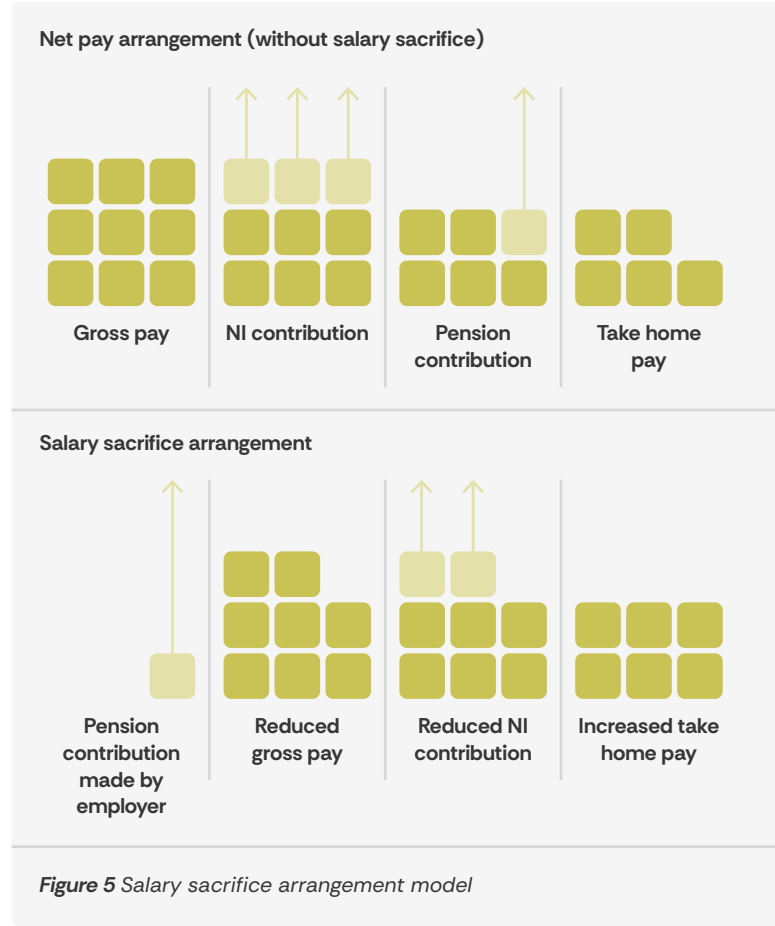
The default model we advertise in our worker contract upon signing with **Rockford Payroll**, is the **Rockford Payroll Pension Scheme** using a salary sacrifice arrangement.

A salary sacrifice pension is an arrangement where a portion of your salary is directly paid into your pension fund before income tax and national insurance

contributions are deducted. The benefit is increased take home pay for workers due to saving National Insurance Contributions (NIC) on the value of the salary sacrifice.

Traditional pension fund contributions are deductible for income tax but not for National Insurance (NI) purposes. Salary sacrifice for pensions changes the way these contributions are funded, effectively enabling the worker to save on their NI contributions. Importantly, there's no reduction in the funds going into the pension scheme. *Figure 5* helps to explain the benefits of how this works in practice.

All contingent workers are automatically enrolled into our pension scheme on a salary sacrifice basis. If you would prefer to contribute via a net pay arrangement, without salary sacrifice, you can let us know before your first timesheet submission. This means you will remain in the automatic enrolment with Standard Life, but your pension contribution will be subject to Income Tax and National Insurance contributions. If you would like to opt for the net pay arrangement, please contact our administrative team at operations@rockford-pay.co.uk





2. Pensions

2.2 Changing your contributions

Our pension scheme offers flexibility in contribution amounts, giving you control over your retirement savings.

- **Minimum contributions**
When you are auto-enrolled in our pension scheme, the minimum contribution required is 5% of your monthly qualifying earning. This ensures compliance with auto-enrolment guidelines and helps kick-start your retirement savings journey.
- **Employer contributions**
Alongside your contribution, we pay an employer contribution of 3% to further support your pension savings and enhance your retirement benefits.
- **Optional contribution increases**
Whilst the minimum contribution is set at 5%, you have the flexibility to increase your contribution beyond this amount. You can increase your contribution amount by contacting our pensions team at operations@rockford-pay.co.uk

Please note there may be limitations to the number of changes you can make to your pension arrangements during the course of your assignment.

Opting out

At **Rockford Payroll**, we understand that every individual has unique circumstances and preferences when it comes to pension participation. Here's what you need to know about opting out of the **Rockford Payroll Pension Scheme** and/or the salary sacrifice arrangement.

1. Opting out of the Rockford Payroll Pension Scheme

You may wish to opt out entirely from our **Rockford Payroll Pension Scheme**. Opting out means you will not participate in the pension scheme and will not make contributions towards it.

a) 30-day opt-out period

Once your membership with Standard Life is activated, you have a 30-day opt-out period. Registered members will receive an opt-out letter from Standard Life with instructions on how to opt out, either by using the dedicated opt-out phone line or member dashboard. **Rockford Payroll** cannot facilitate the opt-out within the first 30-day period.

b) Refund for opting out

If you choose to opt out within the 30-day period, any pension contributions deducted from your earnings will be refunded in your next payslip.

c) Leaving the pension scheme

If you would like to opt-out after the 30-day period, you will need to contact us directly at operations@rockford-pay.co.uk. At this stage, the contributions you have paid so far will be non-refundable and will remain in your pension pot until you take your benefits from the scheme or transfer them to another provider.

Ensure you carefully consider your options and understand how each will affect your personal circumstances before making your choice. You'll only be able to change this decision once every 12 months (except in the event of lifestyle changes – refer to *glossary 7*). For more information about this, please consult the HMRC website. We strongly recommend you take advice from an independent financial adviser.

If you would like to contribute to another private pension fund or Self Invested Personal Pension (SIPP), you can discuss your options with a member of our customer care team by contacting operations@rockford-pay.co.uk



3. Your worker rights

With guidance from our Rockford Payroll tax and legal experts, you can be sure that Rockford Payroll complies with all HMRC and legislative guidelines.

3.1 Holiday pay

All contingent workers, regardless of worker arrangements, are entitled to holiday pay (in line with the working pay directive).

Rockford Payroll offers an accrued holiday model where holiday entitlement gradually accumulates based on the number of hours or days worked.

Within the accrued holiday option, you can only claim for holidays to the value of those accrued at any given time. For example, if you have accrued three days of holiday entitlement, and wish to take five days off, three of those days will be paid holidays, while the remaining two will be unpaid leave. The number of holidays you accrue will be shown as an additional line on your pay slip (see *section 1.3*) as well as on the **Rockford Payroll** portal in monetary and day terms. If, at the end of your assignment, you have accrued holidays and not taken the days as leave, these will be automatically paid to you in the last payment of your assignment.

We also offer an 'Advanced Holiday Pay' option. This is where you elect to have your holiday pay advanced to you each month within your salary. If you elect to choose

this option, you will not receive any pay for days not worked when you do choose to take holiday during your assignment.

The accrued model offers greater flexibility and control over when to take holidays. **Rockford Payroll** encourages a healthy work-life balance, and holidays are recommended for personal wellbeing. Requesting any holidays should be done so in line with your current assignment requirements, making sure you receive any necessary assignment lead approval before taking time off.

3.1.1 Holiday pay calculations

When calculating your Agreed Contract Rate (ACR), **Rockford Payroll** assumes that in a year you will work 232 days with 28 days of annual holiday entitlement. For shorter term contracts, those numbers are pro-rated. For example, in a 6-month contract, we will assume you will work 116 days to fund 14 days of paid annual holiday.

As a reminder, the ACR is your salaried equivalent gross pay. It assumes both a 3% employer pension contribution and a deduction to ensure you can take the paid holidays noted.



3. Your worker rights

3.2 Statutory payments

A full list of your statutory worker rights can be found on the HMRC website using this link: [Employment status: Worker - GOV.UK \(www.gov.uk\)](https://www.gov.uk/employment-status-worker)

Statutory payments encompass a variety of payments including Statutory Sick Pay (SPP), Statutory Maternity Pay (SMP), Statutory Paternity Pay (SPP) and Statutory Adoption Pay (SAP) that contingent workers are entitled to based on specific qualifying conditions. **Rockford Payroll** will make statutory payments in line with government and HMRC guidelines. For further information and qualifying criteria please see www.gov.uk/government/collections/statutory-pay

It's worth noting **Rockford Payroll** calculates statutory payments based on your Agreed Contract Rate (ACR), so your statutory entitlement benefits reflect your full earnings – as opposed to many traditional umbrella company models which only make calculations based on the National Minimum Wage.





4. Our online portal

Rockford Payroll has an easy-to-use online platform for access to all relevant documents, including your worker contract, work order assignments, submitted timesheets, processed expenses, and issued pay slips.

4.1 Joining Rockford Payroll

To accept or continue an assignment, you need to join **Rockford Payroll** which will ensure no delays in commencing or continuing your engagement and receiving your pay.

Please refer to your **Rockford Payroll Registration Guide** for step-by-step details on how to register to our portal.

4.2 Making changes to your personal details on the portal

If you need to make a change to your personal information, please contact us on operations@rockford-pay.co.uk or call **+44 808 812 6126**.

Our working hours are 09:00–17:00, Monday to Friday.



5. Leaving Rockford Payroll

Should you wish to leave Rockford Payroll, you can do this by contacting us at operations@rockford-pay.co.uk and notifying us of your end date. Once you come to the end of your assignment, we will process your final payment, and pay any holiday entitlement that is applicable.

5.1 Important documents

If you choose to terminate your worker contract, your P45 and P60 will be available on the portal after resignation has been received. Please store these documents somewhere safely, so you can refer to them if required to do so by government authorities, financial institutions, or potential employers to validate your employment history and earnings.

5.2 GDPR and data storage

In line with GDPR and data storage laws, we only hold on to your personal information as necessary to comply with applicable laws. Where personal data is no longer necessary or relevant for our identified purposes, or where you have indicated that you no longer are interested in staying in contact with us, we will securely dispose of your personal data.



6. Appendix

6.1 Glossary

Definitions of terms used within this handbook.

Reference	Term	Definition
1	Contingent worker	At Rockford Payroll , we refer to you as a contingent worker. For tax purposes, you are employed due to your income being taxed as employment income. However, for legal purposes, you are not employed and are referred to as a contingent worker. Other terms you may have heard will include: associate, contractor, worker.
2	Managed services	A client engagement that utilises contingent workforce rather than full-time equivalents for their projects. Rockford Payroll has over 10+ years of experience working with such models, scaling teams and delivering solutions for clients.
3	Apprenticeship Levy	The Apprenticeship Levy is a government initiative that funds apprenticeship programmes.
4	Gross pay	Traditional umbrella company models advertise your day rate with employer costs and payroll service fees included. This is a misleading representation of your actual earnings. Rockford Payroll re-defines the 'advertised day rate' more fairly by removing all costs that are not the responsibility of the worker to pay. As such, under Rockford Payroll , your rate may appear lower – but, in fact, it is the same (or in some cases better) than existing rates in the market. Gross pay can be referred to as full earning, or gross earning.
5	P45	This document is given to you by your employer when you leave your employment. It outlines your earnings and tax deductions up until the date of leaving.



6. Appendix

6.1 Glossary (continued)

Reference	Term	Definition
6	P60	An annual statement summarising your earnings and deductions for a specific tax year. All contingent workers can anticipate receiving a P60 at the end of each tax year, usually by the end of May. It is an important document for verifying your income and tax contributions throughout the year and may be required for various purposes, such as filing tax returns or providing proof of income.
7	Salary sacrifice	PTM041000 - Contributions: essential principles - HMRC internal manual - GOV.UK (www.gov.uk)
8	Lifestyle change	Lifestyle changes may significantly alter an employee's financial circumstances. These may include: <ul style="list-style-type: none"> • changes to circumstances directly arising as a result of coronavirus (COVID-19) • marriage • divorce • a partner becoming redundant or pregnant

6.2 Acronyms

ACR	Agreed Contract Rate
NMW	National Minimum Wage
SSP	Statutory Sick Pay
SMP	Statutory Maternity Pay
SPP	Statutory Paternity Pay
SAP	Statutory Adoption Pay
YTD	Year To Date

This is an internal document which provides confidential advice and guidance to partners and staff of Rockford Payroll Limited and its subsidiaries. It is not to be copied or made available to any other party.

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A professional engagement and payroll services organisation

[Rockford-Pay.co.uk](https://www.rockford-pay.co.uk)