

The Switcher's Guide

Helpful tips for moving to a new
umbrella company

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Changing umbrella company? Easy does it!

Switching umbrella companies is much easier than people expect, and it shouldn't disrupt your work or income. Essentially, you're leaving one employer, your current umbrella company, and joining a new one.

The process is usually straight-forward and in many cases you'll end up benefitting from a more reliable, transparent and supportive experience – especially when moving to a trusted provider like Liquid Friday.

Whether you've been asked to change umbrella companies by your agency, or you're making the move yourself, this short guide will walk you through it.

Why you might be asked to switch

Recent changes in legislation mean recruitment agencies are placing greater emphasis on working with fully compliant umbrella companies.

In some cases, this may mean being asked to move to a different provider, helping ensure contractors are paid correctly, compliantly and with full transparency – something we prioritise at Liquid Friday. As a contractor, this gives you better protection, more transparency around your pay and the reassurance that everything is being handled properly.

Of course, not all moves are driven by agencies. You might be thinking of switching because you're not happy with your current provider, you're not sure about how they operate, or you want a better level of support and benefits.

Many contractors choose to move to Liquid Friday for a more responsive service, clearer pay, and access to additional benefits that genuinely support them day to day.

What actually happens when you switch?

Your umbrella is your employer, so leaving means your employment with them comes to an end. They will process your final pay as normal and issue you with a P45, which is a standard HMRC document used when you leave a job in the UK.

When you join a new umbrella company, you become their employee. This involves signing a new contract and providing some basic details, such as your bank information and proof of identity.

Our team will guide you through each step, making the transition simple and ensuring there's no disruption to your payments.

Your switching checklist:

While the majority of the process will be handled for you, there are some key things to be aware of when you are changing umbrella company:



Take-home Pay

Your new umbrella company should offer you a pay illustration at the outset - if they don't, ask for one. Compliant umbrella companies all work within the same tax rules, so your net pay should be comparable across providers. One of the biggest warning signs to look out for is unrealistic take-home pay. If a company is promising significantly more than the others, it's worth questioning how that's being achieved.

At Liquid Friday, we provide clear, accurate illustrations so you know exactly what to expect - no surprises.

Key Information Document (KID)

You should be given a Key Information Document from your new umbrella company, which sets out what you can expect to earn and what deductions will be made. This document is there to give you a clear picture of your pay, so it's important that it matches what you've been told during the onboarding process.

We ensure your KID is clear, consistent and easy to understand from day one.

Your Tax Code

You should provide your new umbrella company with your P45 so your tax code can be transferred. If your P45 isn't available straight away from your former umbrella company, you should complete a "Starter Checklist" with HMRC (formerly known as a P46). You can access it [here](#).

You may be placed on a non-cumulative tax code (also known as an emergency code). This can result in slightly higher tax at first, but it should correct itself automatically once HMRC updates your online record.

Holiday Pay

If you opted to have your holiday pay accrued with your previous umbrella company, make sure you request this before you leave and that it is paid with your final payment.

Holiday pay can be handled in different ways so it's important to understand how your new umbrella manages it. In some cases, it's accrued and paid when you take time off. In others, it's included with your weekly pay. Knowing which approach applies, or if you have a choice, will help you plan your finances more effectively.

We'll clearly explain your options so you can choose what works best for you.

Pension Contributions

Most umbrella companies will automatically enrol you into a workplace pension, usually after a deferred period after the start of your employment with them. Your new umbrella may use a different pension provider to your old one, so it is worth checking this as you may end up with multiple pension pots.

Some umbrellas also offer competitive salary sacrifice options, which can be a really tax-efficient way to save for retirement. If this is important to you, find out what options are available.

At Liquid Friday, we offer flexible pension options designed to work for contractors at different income levels.

Getting the most from your new umbrella company

While compliance is a priority for agencies, the overall experience you receive still matters just as much. A good umbrella company should offer responsive support, clear communication and reliable payments. You should always feel confident that your payslips are easy to understand and that any questions you have will be answered quickly.

Beyond that, the best providers offer additional benefits that genuinely support you as a contractor, helping to make your day-to-day life a little easier.

That's where Liquid Friday stands out - combining compliance with a genuinely supportive contractor experience.

Moving to Liquid Friday? We're happy to have you!

With Liquid Friday, everything is designed to make your contracting life simpler, smoother and more rewarding.

You can rely on consistent, accurate payments, with daily payrolls helping ensure you're paid as quickly as possible. You'll receive a text notification as soon as your funds clear, so you're never left guessing.

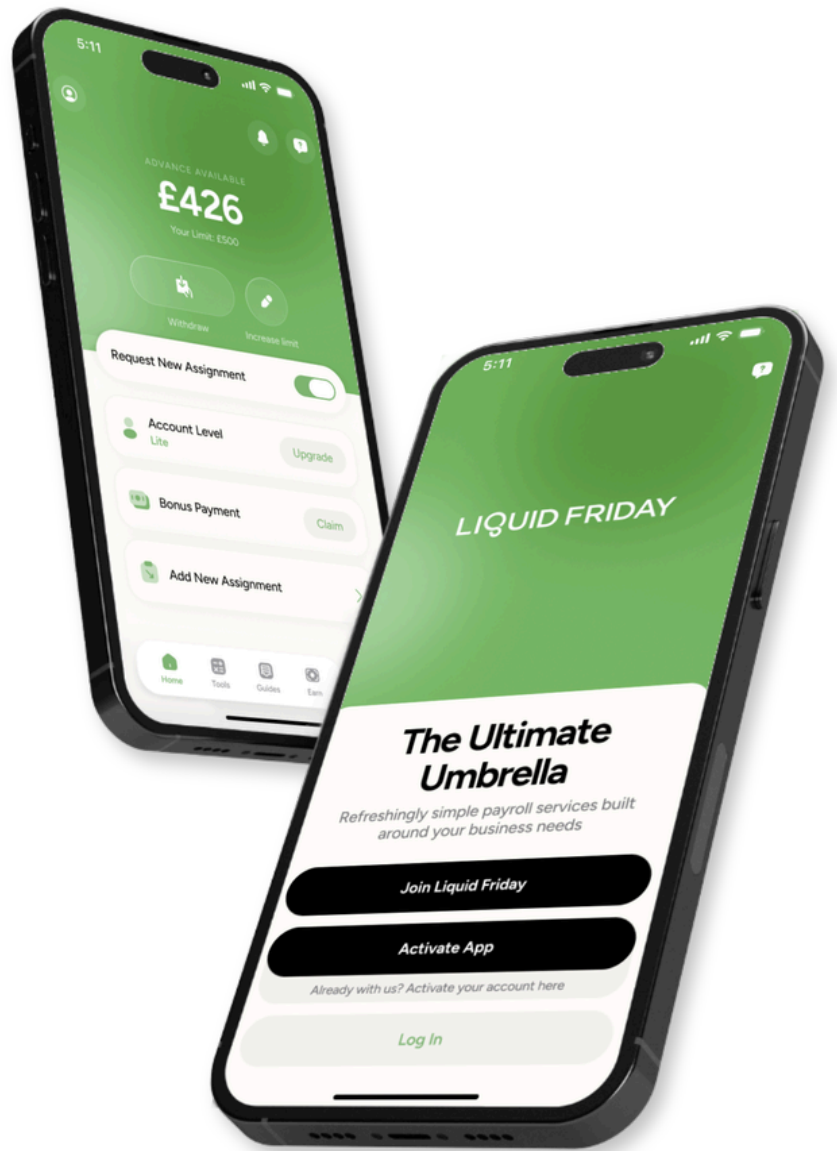
But it's about more than just getting paid. We've built a range of services around what contractors actually need - practical stuff that makes a difference both in and outside of work.

These include:

- Access to a private GP service for you and your family
- Specialist mortgage advice tailored to contractors
- Flexible salary sacrifice pension options
- Corporate gym memberships
- Discounts with well-known brands, including supermarkets, restaurants and holidays

Everything is brought together in the Liquid Friday app, putting everything at your fingertips.

You can check your payslips, request advances, explore your benefits, even tell us when you are looking for a new assignment.



Ready to switch?

I hope you will soon be one of our growing contractor community!

A member of the Liquid Friday team will be in touch shortly to talk you through the process and make the transition as smooth and beneficial as possible.

If you've any questions in the meantime, we're always here to help.

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