



Get ahead with automated payments

How we help umbrella companies deliver
a winning payday solution with payments,
powered by Modulr



Contents

Get ahead with automated payments

How we help umbrella companies deliver a winning payday solution with payments, powered by Modulr

- 1-2 | It's tough to stand out, but umbrella companies have to do it.
- 3-4 | The demand for a winning payments journey
- 5-6 | How to stand out from other umbrella companies
- 7-9 | How to find a payments platform that can help you get ahead
- 10 | Why partner with Modulr?
- 11 | The Modulr platform
- 12 | Deliver a premium experience to your customers, with Modulr



It's **tough to stand out**, but
umbrella companies have to do it.



The umbrella and temporary recruitment market is evolving into a highly complex and competitive space. Companies are under growing pressure to deliver value and pay contractors and employees quickly, so they can attract and retain customers in what is a fast-paced business environment.

Those that can offer instant, efficient, real-time payroll will undoubtedly benefit from the most traction in the market but delivering the high level of payments flexibility that contractors would like requires umbrella companies to have control of a complex financial ecosystem. They need to be able to handle complicated payroll workflows and make payments into any UK or EU account, and fast. Many umbrella companies can only access instant payments via traditional banks, causing client dissatisfaction as traditional banking portals are slow and inefficient, with payment cut off times and high costs causing major problems. And, without full control or visibility over payment flows, they struggle with complex reconciliation as well as meeting tax liabilities and reporting requirements.

Many umbrella companies are forced to rely on inefficient payment processes which leave them bouncing between several third-party applications for reconciliation. While

bank portals are unreliable and clunky, with considerable downtime.

In short, if you're an umbrella company and you're still relying on traditional transactional banking, then your payments won't be as fast or efficient as they could be.

But, if you're looking to increase payments efficiency and add more value to your long-term customer relationships, then you need look no further.



In this guide we'll show you how to become a stand-out umbrella company (spoiler alert: the trick is to choose a solution with automated, faster payments at its core and a provider who can do the payments heavy lifting for you!).



The **demand** for a winning payroll payments journey



Nowadays, we're all used to joined-up, instantaneous user experiences, both in our personal and professional lives. We want our processes and interactions to be as friction-free and intuitive as our last (and best) customer experience and getting paid is no exception.

But, for contractors, flexible workers and those in the gig economy, the unpredictable nature of their income complicates their financial lives, something that's compounded by unnecessary pay delays. While they may work on-demand, they certainly don't get paid on-demand and umbrella companies are under increasing pressure to deliver a payroll solution that's faster, more transparent and every bit as flexible as their customers.

But the reality is that the new-age gig economy and its flexible workers are being let down by old-age payments processes which lack scope for innovation, particularly when dealing with complex payroll.

Instead, umbrella companies have to deal with convoluted workflows involving clunky banking portals.

It's a slow process even before we consider the time taken to fix file errors, incorrect value inputs, doublecheck and deal with payment rejections resulting from inaccurate data capture. And not forgetting the fact the banks still require tight 'cut off'

times that add days to the process (even longer at weekends and on bank holidays). The lack of approval workflows further increases the risk of inaccurate payments. And, with no access to out-of-hours payments functionality, umbrella companies are simply unable to process emergency or ad hoc payments, such as HMRC, in a timely manner.

It's a solution that's far from ideal.

Any umbrella company that can remove these pain points and enjoy a straight through link to Faster Payments as part of a seamless, hassle-free solution could have a distinct operational and competitive advantage. But many umbrella companies are challenged with delivering this level of payments integration and functionality. That's because there are huge costs and risks associated with building and launching payments in-house, let alone the regulatory and operational burden they bring. And there are high costs associated with using Faster Payments via traditional banks.

Most umbrella companies have just accepted faster payments, payments automation and payments innovation will never be a part of their processes.

Until now.



How to **stand out** from other umbrella companies



Imagine if you could remove the cost, complexities and challenges you face with making and managing contractor payroll payments, and instead execute them seamlessly and easily. Imagine if you could take advantage of automation to cut down on admin hassle and enjoy access to payment solutions not easily accessible via traditional transactional banking. And imagine if you could do all this while easily meeting both contractor expectations and the changing business demands associated with managing complex payroll patterns.



Eliminate payment complexity: Save valuable time by minimising manual processes and the risk of error, and you can use this time to focus on developing other value-added services and growing your proposition. Equip yourself with the payments flexibility to adapt and meet the expectations of changing business and contractor demands (such as the gig economy).



Enable real-time payments: With direct access to the Faster Payments network, you'll be able to make and amend payments right up until the payroll deadline. No more bank cut off times.



Enjoy a simplified solution: Reduce the need to bounce between systems and enjoy the benefits of payments automation for a level of ease that you and your customers have only dreamed about.

The key to getting your payments processes to this level of slick is partnering not just with a payments provider, but with the right payments provider.



How to find a **payments platform** that can help you get ahead



Any provider should bear the regulatory burden for you

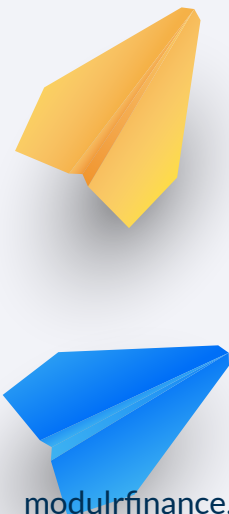
The payments landscape is, understandably, a highly regulated space. And, for umbrella companies, the investment, time and expertise required to meet the raft of regulations and gain access to the payment schemes directly is just too costly and laborious. So, look for an authorised payments provider that has done the regulatory heavy lifting for you.

Ideally, you'll find a payments provider that has direct settlement access to the Bank of England and the payment schemes like the Faster Payments network. Having direct access means they're not reliant on a third party or a directly connected commercial bank to submit payments or settle payment obligations on their behalf. Which means more efficiency, less cost and complexity, and fewer points of possible failure for you.

They should offer increased flexibility to manage complex payroll

However slick a payments service appears to be, if it's still ultimately relying on a bank's payment process then it's not as flexible as it could be, especially when it comes to the demands of complex payroll.

Find a payments solution that plugs directly into the Faster Payments scheme, the only UK payment system that's available 24/7, 365 days per year. As the name suggests, Faster Payments are payments that clear almost instantly, with funds showing up in the contractor's account in a matter of seconds. As Faster Payments don't have a cut off time and clear even on weekends and bank holidays, payments can be set up to transact on the day they are needed, making managing those last-minute requests far easier than ever before. And, find a partner who can offer payments automation wherever possible, so you can cut down on admin hassle.



They should integrate with the software you already love

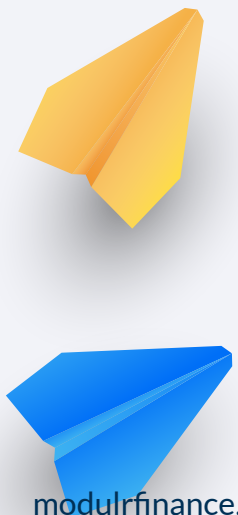
Find a payments platform that enables you to enjoy optimised and automated payment workflows, either directly via a simple file upload solution, or by integrating with the software you already love. Payroll software providers like BrightPay, MyDigital and Zellis are increasingly partnering with payments platforms so they can pass on the benefits of automation, faster payments and payroll consolidation to their customers.

By embedding payments directly within their propositions, payroll software providers can turn complex payroll into simple, cost saving and streamlined processes. Allowing umbrella companies to centralise and make payroll more easily, while enjoying access to payment solutions not easily accessible via traditional transactional banking, and all from a familiar interface.

The platform should provide monetisation and enhanced service opportunities

Offering real time payments, 24/7 not only offers an important competitive differentiation but the time saved from a more efficient process could give umbrella companies the scope to grow their business and take advantage of new market opportunities.

Whether it's offering professional liability insurance or providing access to other financial products, switched-on umbrella companies could make themselves truly indispensable. And, added functionality will only serve to make an umbrella company stickier – that's to say so indispensable that it would mean a considerable investment for workers to switch.



Why partner with Modulr?

At Modulr, we make it easy for umbrella companies, like you, to enjoy optimised payment workflows, without the need to become payments experts or regulated themselves.

That's because we're one of the few non-bank payment service providers to have direct access to the Bank of England as well as access to other EU and UK payment schemes. We package up this payment scheme access together with our regulatory permissions and API infrastructure and use it to enable umbrella companies to benefit from more unified payments journeys and, in turn, to pass these benefits onto their customers. Managing, making and reconciling complex payment flows are transformed into simple, cost saving and streamlined processes, using the intuitive Modulr portal. You can centralise and make payments on time, every time, and all with minimal effort. Our portal also enables multiple payments to be managed together so you can import, view, approve or cancel payments in batch. You can even pay HMRC through the Modulr portal, leveraging our access to the UK Faster Payments network and reducing the risk of fines which are so damaging to reputation and customer relationships.

In short, we offer a payments experience that is second to none, which has resulted in us becoming the digital payments partner of choice for leading payroll providers such as MyDigital, BrightPay, IRIS and Sage.

We integrate with



Modulr's Platform

Underpinning this game-changing solution is Modulr's bespoke payments and accounts infrastructure, all of which is managed through a single, flexible and scalable API.

Transform your payments experience by routing payments through Modulr's portal – either by one of our existing integrations (such as MyDigital), or with a simple file upload solution (eliminating the need for costly API integration). Thereon in you'll be able to leverage our access to the UK Faster Payments network alongside a host of other payment innovations and automation of key stages of the payments process.

Our direct participation in the Faster Payments network means there are no deadlines, payments can be made in real time, 24/7, 365 days a year (unlike Bacs which takes days as opposed to seconds) and late payments become a thing of the past. Payments (including PAYE tax) can even be future dated and scheduled to be sent automatically when requested and you can pay, manage and track bulk payments as a batch. What's more, we have proven expertise across the accounting

and payroll ecosystem, including established relationships across recruitment and umbrella organisations.

With Modulr, payroll payments are immediate and flexible. With so much time saved, you'll be able to focus on running your business and developing new value-added services to make your proposition even more invaluable and indispensable.

Deliver a premium experience to your customers, with Modulr

Without modern, digital, faster payments, many umbrella companies are still stuck in the payments dark age. With Modulr's payments functionality, we'll help you to enjoy a slicker, faster payments experience. We'll help you to improve customer retention and add more value to your customer relationships, and all far more cost effectively and efficiently than you could do alone.

Traditional payroll experiences may lag behind user expectation but, with Modulr as your payments partner, umbrella companies can put pay to payments pain.



modulrfinance.com



www.modulrfinance.com

We integrate with



Modulr Finance Limited is a company registered in England with company number 09897957 and ICO registration: ZA183068, registered with the Financial Conduct Authority (Firm Reference Number: 900699) as an EMD Agent of Modulr FS Limited. Modulr FS Limited is a company registered in England with company number 09897919 and ICO registration: ZA183098, authorised and regulated by the Financial Conduct Authority as an Electronic Money Institution (Firm Reference Number: 900573). You can check the Financial Services Register here. Modulr Finance B.V. is licensed and regulated by De Nederlandsche Bank (Relatienummer R182870) as an Electronic Money Institution.