

# employee benefits

ALIGNING REWARD WITH BUSINESS STRATEGY

## Health conscious

The importance  
of mental wellbeing

## Harbour master

Peel Ports Group  
consolidates benefits

## Lifting spirits

Key strategies for  
motivating staff



## TALENT SPOTTING

Reward's role in attracting and  
retaining star performers

eVouchers  
now available  
to order online

# 3 THINGS YOU DIDN'T KNOW ABOUT SUSAN ON RECEPTION:

- 1) SHE HAS A CRUSH ON JOHN  
IN ACCOUNTS.
- 2) SHE WAS A BACKING DANCER  
FOR ALL-GIRL RAP GROUP  
SALT 'N' PEPA.
- 3) SHE'D REALLY LIKE  
CORPORATE EYECARE  
BENEFITS.



Corporate eyecare is an important employee benefit, as well as a legal responsibility. So it shouldn't surprise you that in a recent survey the majority of employees considered it a valuable addition to their health care package.

With Specsavers, it'll cost you only £17 per employee to offer your staff the most comprehensive corporate eyecare package on the market - a full eye test, a pair of VDU glasses (if required specifically and solely for VDU use) worth up to £45, and retinal screening for the over-40s or when recommended by your optometrist.

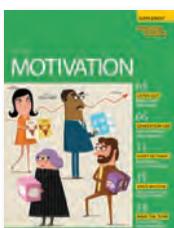
Not only that, but your staff can save £20 on their own glasses purchases too.

To find out more, call Specsavers Corporate Eyecare on 0115 933 0800, fax 0115 986 1983  
email [uk.corporateeyecare@specsavers.com](mailto:uk.corporateeyecare@specsavers.com) or visit us at [Specsavers.co.uk/corporate](http://Specsavers.co.uk/corporate)



**IN THIS ISSUE**

**Briefing** 05  
**Tax and legislation** 06  
**Events** 09  
**Interactive** 10  
**The big question** 11  
**Total reward in numbers** 13  
**Cover story** 14  
 To recruit and retain top talent, organisations must offer more than good pay and standard benefits  
**Voluntary benefits** 21  
 The latest trends driven by staff  
**Motivation** 25  
 Careful management is needed to make unlimited paid leave work as a benefit  
**Group risk** 26  
 Address the challenges of an ageing workforce  
**Pensions** 31  
 Re-evaluating default investment strategies  
**Communication** 35  
 Leave out jargon and engage the workforce  
**Communication** 39  
 Getting the branding right for employee benefit schemes can turbo-charge take-up  
**Tax-efficient benefits** 40  
 The OTS has scrutinised employee benefit taxation to simplify the system for all  
**Special report: health and wellbeing** 42  
 ■ Mental wellbeing  
 ■ Occupational health  
 ■ Return on investment  
 ■ Fit for work  
**Employer profile** 56  
 Peel Ports Group is aligning workplace benefits with its overall business strategy  
**Buyer's guide** 59  
 ■ Share incentive plans  
 ■ Group personal pensions  
**Confessions** 64  
**Contact directory** 66  
 Key service providers



Supplement: Motivation and Recognition



Supplement: Fleet Debate

**LEADER**



**The benefits of supporting key talent**

A strong talent pipeline is essential for organisations to ensure long-term success. However, two concerns we often hear from employers are that the inability of some older workers to retire will hinder the rise of key identified talent through their organisation, while, at the other end of the spectrum, economic improvements are resulting in increased employee mobility.

The one thing both scenarios have in common is that they pose challenges for employers in how to ensure their organisation attracts and retains the key talent they require to give them the edge in a competitive, fast-moving economy.

How can they ensure their employment proposition elicits the desired behaviours to achieve results from employees? While the answer to this question will differ between individuals, reward has a key role to play, particularly when it has strong links to an organisation's business strategy. Read more in this month's cover story, *Show stoppers*, on page 14.

Ensuring that employees feel supported, cared for and valued can be a key link in a successful talent management strategy. Placing a strong focus on employee health and wellbeing is a prime way for employers to demonstrate this to their workforce.

This is particularly true when it comes to providing support for sensitive health issues, such as mental wellbeing. Yet, employers that take a committed stance and invest in such areas will reap the benefits of their investment. Find out more in this month's special report on health and wellbeing, which begins on page 42.

Employers that achieve success as a result of their benefits strategy, be it their approach as a whole or individual schemes, will undoubtedly feel their achievements are worth shouting about. So, I hope all readers will enter the Employee Benefits Awards 2016. All of the category information is now available to enable you to start thinking about which of your achievements are worthy of recognition. This is a great opportunity to step back, reflect and gain recognition for all your hard work.

Previous winners have promoted their success to existing and prospective employees, which goes a long way to supporting their drive for key talent.

**Debbie Lovewell-Tuck, Editor**  
 Follow on Twitter: @DebbieLovewell

**Editor** Debbie Lovewell-Tuck [debbie.lovewell-tuck@centaurmedia.com](mailto:debbie.lovewell-tuck@centaurmedia.com) **Deputy editor** Louise Fordham [louise.fordham@centaurmedia.com](mailto:louise.fordham@centaurmedia.com) **Features editor** Tynan Barton [tynan.barton@centaurmedia.com](mailto:tynan.barton@centaurmedia.com) **Reporter** Marianne Calnan [marianne.calnan@centaurmedia.com](mailto:marianne.calnan@centaurmedia.com)  
**Contributors** Sam Barrett, Alison Coleman, Georgina Fuller, Ceri Jones, Nick Martindale, Nic Paton, Dilys Robinson, John Whiting **Senior art editor** Phil Gibson, [philip.gibson@centaurmedia.com](mailto:philip.gibson@centaurmedia.com) **Commercial manager** David D'Souza [david.dsouza@centaurmedia.com](mailto:david.dsouza@centaurmedia.com)  
**Business development manager** Barry Davidson [barry.davidson@centaurmedia.com](mailto:barry.davidson@centaurmedia.com) **Account manager** Luke Roberts [luke.roberts@centaurmedia.com](mailto:luke.roberts@centaurmedia.com) **PA to directors** Andreeca Fung [andreeca.fung@centaurmedia.com](mailto:andreeca.fung@centaurmedia.com) **Managing director, Centaur Financial Services Group** Sandeep Saujani **Production** Wendy Goodbun, Lyndon White [eb.production@centaurmedia.com](mailto:eb.production@centaurmedia.com) **Cover photo** Jacko

**Employee Benefits**  
 Wells Point, 79 Wells Street, London W1T 3QN  
 Tel 020 7970 4000  
 Fax 020 7943 8094

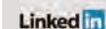
**Subscriptions** 020 7292 3719  
**Editorial queries/press releases email**  
[eb.editorial@centaur.co.uk](mailto:eb.editorial@centaur.co.uk)  
**Web** [www.employeebenefits.co.uk](http://www.employeebenefits.co.uk)

**Ensuring staff feel supported and valued can be a key link in a successful talent management strategy**

**Social media**



Follow us on Twitter.com for breaking news:  
[twitter.com/employeebenefit](https://twitter.com/employeebenefit)



Join our LinkedIn group by searching **EmployeeBenefits**

**employee  
benefits** *live*

21 - 22 September 2015. Olympia, London

Come and see us on Stand 412 and get the chance to win your very own pair of Ray-Ban® sunglasses!



**TOTAL REWARD**

**PLUS FLEXIBLE BENEFITS**

**AUTO-ENROLMENT**

**BENEFITS ENROLMENT**

**GLOBAL BENEFITS**

**HOLIDAYS AND ABSENCE**

**HR SELF SERVICE**

**WORKPLACE SAVINGS**

**SEE THE BENEFITS**

**WITH BETTER TECHNOLOGY**

See the benefits of market leading workplace technology to help you with employee engagement.

It's a reality that most employees don't see the true value of their reward package and your investment in employee benefits could be transformed with the latest workplace technology. With Staffcare's latest user experience we can help your employees see the full picture and understand the investment you make in them. And, our benefits administration tools give you full control to see your benefits work.

**See why over 300 organisations manage their benefits on Staffcare's technology and why most Benefit Consultants recommend it.**

**Contact us now to see the benefits of better technology on 0845 372 6644 or email us at [seethebenefits@staffcare.net](mailto:seethebenefits@staffcare.net)**

**0845 372 6644**

**[seethebenefits@staffcare.net](mailto:seethebenefits@staffcare.net)**

**[www.staffcare.net](http://www.staffcare.net)**

PAY

# National living wage falls short

Marianne Calnan

In the summer Budget on 8 July, Chancellor George Osborne announced that from April 2016, workers aged 25-plus will receive the new national living wage rate of £7.20 an hour. This is a 70p rise for those aged 21 and over, and 50p higher than the national minimum wage due to come into effect in October 2015.

But the rate is below the Living Wage Foundation's recommended living wage rate of £7.85 nationally and £9.15 in London, raising the question of whether employers will pay staff the higher, voluntary rate the foundation recommends or the slightly lower, compulsory wage set by the government.

A number of employers such as Burberry, Chelsea Football Club, GlaxoSmithKline (GSK), Ikea UK, Oliver Bonas, The University of Oxford and Yorkshire Water have already pledged to pay staff the Living Wage Foundation's hourly rate of £7.85.

Given that research from the Resolution Foundation, published in September 2015, found that 29% of

female employees in the UK are set to receive a pay rise as a result of the government's new national living wage, is it in employers' and employees' best interests for organisations to go beyond the legal minimum and pay

staff the rate recommended by the Living Wage Foundation?

Linda Holbeche, director of the Holbeche Partnership, said: "While it's good news that the government has at last made payment of a national living wage compulsory for employers, the hourly rate proposed, based on median earnings, will still be less than that paid voluntarily now by employers that have signed up to the Living Wage Foundation's standard, which is calculated according to the cost of living.

"It is also significantly less than the rate currently paid to those employees who receive the London living wage. Staff under 25, in particular, will still miss out.



"On the plus side, women and older workers, who have traditionally had the lion's share of part-time, insecure and low-paid work, should benefit. The risk is that the national living wage could make work even less secure as employers strive to keep their costs to the minimum."

Wyn Derbyshire, partner in the employment and pensions team at King and Wood Mallesons, added: "Some may see the national living wage as an opportunity to gain PR and HR advantages by seeking to raise salaries in anticipation of the introduction of the living wage requirements."

@ Read a longer version of this story at [bit.ly/1UEmAwT](http://bit.ly/1UEmAwT)

TOP 15 MOST VISITED STORIES ON THE WEB\*



- 1 British Airways gives staff allotment [bit.ly/1FsBOEG](http://bit.ly/1FsBOEG)
- 2 Court rules travel expenses are subject to tax [bit.ly/1ISQAZP](http://bit.ly/1ISQAZP)
- 3 Workers at Stansted Airport to strike over pay [bit.ly/1LewVoR](http://bit.ly/1LewVoR)
- 4 Netflix introduces unlimited maternity and paternity leave [bit.ly/1VIs3Qz](http://bit.ly/1VIs3Qz)
- 5 Amey extends wellbeing strategy [bit.ly/1Uwxxwp](http://bit.ly/1Uwxxwp)
- 6 CEOs paid 183 times more than average worker [bit.ly/1FsBfix](http://bit.ly/1FsBfix)
- 7 Government launches financial advice review [bit.ly/1FsB5rt](http://bit.ly/1FsB5rt)
- 8 34% too tired from work to enjoy life outside of it [bit.ly/1M5bOeG](http://bit.ly/1M5bOeG)
- 9 Duncan Brown to discuss unequal pay at Employee Benefits Live [bit.ly/1TQt13J](http://bit.ly/1TQt13J)
- 10 Government steps up penalties for national wage non-compliance [bit.ly/1OqhM7b](http://bit.ly/1OqhM7b)
- 11 Police to appeal against EAT decision on age discrimination [bit.ly/1ISQxx6](http://bit.ly/1ISQxx6)
- 12 Microsoft US enhances benefits package [bit.ly/1Lex9MR](http://bit.ly/1Lex9MR)
- 13 Unum acquires National Dental Plan [bit.ly/1KA3Mu8](http://bit.ly/1KA3Mu8)
- 14 Tesco staff to take part in Cycle to Work Day [bit.ly/1M5bHQ6](http://bit.ly/1M5bHQ6)
- 15 LateRooms.com launches long-service awards [bit.ly/1ERXFK](http://bit.ly/1ERXFK)

\*Ranked by number of page impressions from 1 August to 3 September.

LOUISE'S LOWDOWN

Follow Louise Fordham on Twitter: @LouiseFordhamEB

How does the living wage differ from the national living wage?



Louise Fordham

While welcomed by some, the new national living wage has worried others. Its announcement has elicited a range of responses: approval as a step towards nudging up pay for workers struggling with the rising cost of living; reservations

over the limitations of the new rate and those workers who will not benefit from it; concern that it will be a prohibitive cost for some businesses and sectors; and fears that it could affect job growth and change the make-up of workers in low-paid sectors.

There is confusion over the name of the new statutory rate, which seems to amalgamate the terms used for the national minimum wage and the Living Wage

Foundation's living wage. The living wage differs from the national living wage in key ways: ● The living wage is an independently calculated rate based on the cost of living in the UK. At £7.85 an hour, it is 65p above the national living wage launch rate of £7.20.

● The living wage takes into account the higher cost of living in the capital, with an hourly London rate of £9.15. ● The national living wage only applies to workers

aged 25 and over, whereas the living wage is recommended for all staff over 18.

● The living wage is a voluntary initiative, rather than a legal requirement.

In staff engagement terms, earnings above the statutory minimum could have a positive impact on loyalty and motivation. The higher rate of additional employer support may also help to reduce the weight of employees' financial concerns.

# TAX AND LEGISLATION

The latest information on legislation and tax issues affecting benefits, including a ruling on forced retirement in the police force and attempts by workers for FedEx and Uber to gain employee status

## CASE LAW

# Employee status in spotlight

Marianne Calnan

This summer's court cases involving Uber, Yelp and FedEx have highlighted the difficulties employers face in defining the difference between 'employees' and 'workers', and what rights these individuals are entitled to.

In the US-based case of *Gray vs FedEx Ground Package System*, the latter contracts with operators to make deliveries. Under the contracts, the operators were not required personally to drive, but could hire someone else to do so.

The plaintiffs brought a suit against FedEx claiming they should be classed as employees rather than contractors and should receive employee benefits. A court originally ruled in Gray's favour and awarded damages, but FedEx appealed. The verdict was reversed and the case has been submitted to a jury.

Meanwhile, US district judge Richard Seeborg dismissed a class action brought by a group of Yelp reviewers against the organisation. The reviewers sought to be considered employees and compensated as such. In the case of *Lily Jeung et al vs Yelp*, Seeborg ruled that submitting reviews could not be considered performing a service, dismissing the class action.

In the UK, Uber faces legal action from the National Union of General and Municipal Workers (GMB) over claims that it has breached its legal duty to give staff basic rights on pay, holiday, health and safety and discipline and grievances. Uber said drivers are 'partners' rather than employees, and are not entitled to workers' rights.



In California, a US District Court judge has certified class action by some Uber drivers against the firm. In the case of *O'Connor et al vs Uber Technologies*, the drivers seek to be recognised as employees rather than independent contractors.

Neena Patel, senior associate, employment and partnership law at Fox Lawyers, said: "Although it's a preliminary finding, this decision [in *O'Connor et al vs Uber Technologies*] has paved the way for further litigation and signalled a potential victory for the drivers, who argue that they are employees and should therefore be protected by employment laws."

Sarah Henchoz, partner at Allen and Overy, added: "These cases highlight the need for employers to take care when using alternative resourcing. What a worker is called is largely irrelevant; it is how that worker is treated in practice and the level of control that the employer has over them that really matters."

@ Read more legislation news at [bit.ly/1Fk1ha](http://bit.ly/1Fk1ha)

## ADVICE FROM THE EXPERTS



**Jo Broadbent**  
is of counsel at Hogan  
Lovells

### Long-term sick leave during unit transfers

A recent Employment Appeal Tribunal (EAT) decision found that an employee on long-term sick leave did not transfer under Transfer of Undertakings (Protection of Employment) (Tupe) to a new employer when the part of the business in which he worked before his absence was transferred.

In the case of *BT Managed Services v Edwards*, the claimant worked in the domestic network outsource (DNO) team. He was absent from work with a heart condition from January 2008 and Tupe transferred to BT in 2009.

The DNO contract Tupe transferred again in 2013. The EAT had to decide whether the claimant remained assigned to the DNO team, despite his lengthy absence. If he was assigned, he would Tupe transfer to the new provider. Otherwise, he would remain in the employment of BT.

The EAT confirmed that to be assigned to a particular group of employees there must be some level of participation, or a future expectation of participation, in carrying out activities on behalf of a client. A historical or administrative connection to a particular team is not sufficient.

The claimant had a very limited administrative connection with the DNO team and was permanently unable to work.

The position of employees on long-term sick leave should be assessed carefully if the unit for which they have previously worked is to be transferred. However, this was an unusual situation as there was no prospect of a return to work. Different considerations apply if the absence is temporary or there is a prospect of an absent employee returning to work.

@ To read more advice from tax and legal experts, go to: [bit.ly/RVrb6](http://bit.ly/RVrb6)

## AGE DISCRIMINATION

### EAT backs police over compulsory retirement

An appeal has been filed against an Employment Appeal Tribunal (EAT) decision that a regulation enabling police forces to compulsorily retire officers is not age-discriminatory.

The judgment in the case of *Harrod and others v Chief Constable of West Midlands Police and others* was delivered on

8 July. The EAT overturned the employment tribunal decision that five police forces committed age discrimination when they used the A19 rule, which allows forces to retire officers once they are entitled to a pension of two-thirds of pensionable pay. This tends to occur after 30 years of service. Use of the A19 rule increased

after forces were subjected to substantial budget cuts.

The EAT held that, while discrimination potentially occurred, the tribunal was wrong to conclude that the police forces' action was not justified.

A total of 15 police forces in England and Wales have made use of the A19 rule.

**TARGET INCOME**

**SHORTFALL RISK**

**A SMOOTH APPROACH TO RETIREMENT**

**Timewise Target Retirement Funds™ help members save confidently for what matters most to them**

Retirement is complex. So how can you help people in your DC plan with their savings strategy? Timewise Target Retirement Funds™ could be the answer. Based on substantial member research, we use an evolving glidepath approach to consolidate and protect savings as retirement gets nearer and beyond. It means your members know their retirement savings are working hard for them at every stage of their life.

Learn more about Timewise Target Retirement Funds™ at [www.ssga.com/ukdc-eb](http://www.ssga.com/ukdc-eb)

**STATE STREET  
GLOBAL ADVISORS®**

There's opportunity  
in complexity

State Street Global Advisors Limited. Authorised and regulated by the Financial Conduct Authority. Registered in England. Registered No. 2509928. VAT No. 5776591 81. Registered office: 20 Churchill Place, Canary Wharf, London E14 5HJ. Telephone: +44 (0)20 3395 6000. Facsimile: +44 (0)20 3395 6350. Web: [www.ssga.com](http://www.ssga.com). Investing involves risk including the risk of loss of principal. State Street Global Advisors is the investment management business of State Street Corporation (NYSE: STT), one of the world's leading providers of financial services to institutional investors. DCUK-0163. Exp. 30/07/16. © 2015 State Street Corporation – All rights reserved.



ANT DONALDSON  
**WINNER 2015**  
EMPLOYEE BENEFITS  
PROFESSIONAL OF  
THE YEAR

DETERMINATION,  
DRIVE, BELIEF,  
INSPIRATION,  
ENTHUSIASM,  
INNOVATION.

HAVE YOU GOT  
WHAT IT TAKES TO WIN  
EMPLOYEE BENEFITS  
PROFESSIONAL OF  
THE YEAR?

## SEE YOUR NAME IN LIGHTS AT THE 2016 EMPLOYEE BENEFITS AWARDS

If you have what it takes, you could be joining Ant Donaldson from E.On, winner of this year's Employee Benefits Professional of the Year award.

3 June 2016 | Put it in your diary

Enter now at:  
[employeebenefitsawards.co.uk](http://employeebenefitsawards.co.uk)

  
**employee  
benefits  
Awards**  
& Summer Party 2016

**Table Booking Enquiries**

Katrina Ryan  
Event Sales Manager  
[katrina.ryan@centaur.co.uk](mailto:katrina.ryan@centaur.co.uk)  
T: +44 (0)207 970 4661

**General Enquiries**

Ellie Long  
Senior Events Co-ordinator  
[eleanor.long@centaur.co.uk](mailto:eleanor.long@centaur.co.uk)  
T: +44 (0)20 7970 4112

**Sponsorship Enquiries**

David D'Souza  
Commercial Manager  
[david.dsouza@centaur.co.uk](mailto:david.dsouza@centaur.co.uk)  
T: +44(0)20 7970 4929

Barry Davidson  
Business Development Manager  
[barry.davidson@centaur.co.uk](mailto:barry.davidson@centaur.co.uk)  
T: +44(0)20 7970 8065

SPONSORED BY



Buck Consultants





There are 24 Employee Benefits Awards up for grabs in 2016, including the prestigious Grand Prix. Enter by 11 December 2015 for your chance to win.

## Employee Benefits Awards 2016 now open for entries

### ■ Best staff travel benefits

Most effective use of benefits for staff travel and car schemes

### ■ Best healthcare and wellbeing benefits – small employer

Most effective healthcare and wellbeing strategy for employers with fewer than 1,000 staff

### ■ Best healthcare and wellbeing benefits – large employer

Most effective healthcare and wellbeing strategy for employers with more than 1,000 staff

### ■ Best mental health resilience strategy

Most effective stress management and mental health resilience strategy

### ■ Best healthcare communications

Most effective healthcare communications strategy

### ■ Best DC pensions change

Most effective strategy to drive pensions change

### ■ Best pensions communications

Most effective pensions communications strategy

### ■ Best financial education strategy

Most effective use of financial education and workplace savings

### ■ Most motivational benefits

Most effective motivation or incentive strategy

### ■ Best flexible benefits plan

Most effective use of a flexible benefits plan

### ■ Best voluntary benefits

Most effective use of a voluntary benefits plan and staff deals

### ■ Best employee share schemes

Most effective all-employee share scheme strategy

### ■ Best global or expatriate benefits

Most effective reward or benefits strategy for staff based outside the UK

### ■ Best benefits communications – small employer

Most effective benefits communications strategy for employers with fewer than 5,000 staff

### ■ Best benefits communications – large employer

Most effective benefits communications strategy for employers with more than 5,000 staff

### ■ Best benefits strategy for a multi-generational workforce

Most effective strategy to support the needs of employees throughout their working lives

### ■ Best total reward strategy

Most effective total reward strategy

### ■ Best total reward statements

Most effective use of total reward statements

### ■ Best alignment of benefits to business strategy

Most effective alignment of benefits strategy to business strategy

### ■ Best use of benefits technology

Most effective use of benefits technology

### ■ Most engaging benefits proposition

Most effective use of benefits in an employee engagement strategy

### ■ Benefits team of the year

### ■ Employee benefits professional of the year

## Join the winners

The Employee Benefits Awards have returned to recognise employers' benefits achievements.

The categories are reviewed yearly to align with the latest market trends, resulting in three new categories for 2016: Best use of benefits technology; Best healthcare communications; and Best benefits strategy for a multi-generational workforce.

An award will also go to the Employee benefits professional of the year.



The awards process will culminate in the Employee Benefits Awards and Summer Party, which will be held on Friday 3 June 2016, when the industry will come together to celebrate its successes and share best practice.

## Best-in-class approach

Showcase the best of your benefit offerings by entering the Employee Benefits Awards 2016. There are 23 categories to enter, ranging from pensions and healthcare to voluntary and motivational benefits. Information about each category, guidelines, judging criteria and how to enter can be found at



[www.employeebenefitsawards.co.uk](http://www.employeebenefitsawards.co.uk), as well as links to the entry forms for each award category.

The deadline for entries is Friday 11 December 2015.

[www.employeebenefitsawards.co.uk](http://www.employeebenefitsawards.co.uk)

@ email us at [eb.editorial@centaur.co.uk](mailto:eb.editorial@centaur.co.uk) with your views



## PEOPLE MOVES

### Purnell moves to Lucozade Ribena Sutory



Sarah Purnell has joined Lucozade Ribena Sutory as senior compensation manager after a year-long career break. She was formerly head of UK reward and benefits at Tesco. Her other previous roles include IT finance manager at Tesco, finance analyst at Tesco and finance analyst at Ralph Lauren.

### Brooke to join Standard Chartered



Adam Brooke is joining Standard Chartered Bank as global benefits manager. He was previously HR communications manager and, more recently, vice-president, employee benefits (UK) at JP Morgan.

### ARM promotes Cooper



Alastair Cooper has been promoted to global reward director at ARM. He previously held the role of senior reward manager at the organisation. His other former positions include international reward manager at Iron Mountain and reward project manager at Marks and Spencer.

### Goodwin moves up at Countrywide



Countrywide has promoted Neil Goodwin to head of reward, with responsibility for execution and development of the organisation's employee reward strategy. He has previously been reward manager at Countrywide and at Macmillan Science and Education.

### SunGard Financial Systems appoints Maher



SunGard Financial Services has appointed Vivian Maher as Europe, Middle East and Africa (EMEA) benefits manager. She previously worked in EMEA reward at Research Now and at Bank of America as benefits manager EMEA.



## MOST TALKED-ABOUT NEWS

Sainsbury's gave 137,000 store-based workers a 4% salary increase on 30 August, increasing the supermarket's standard rate of pay to £7.36 per hour. This is the highest pay increase that Sainsbury's has awarded to store staff in more than a decade and takes the average salary above the government's new national living wage of £7.20 for workers over 25, which is due to come into effect in April 2016.

"This is a good announcement that comes in the wake of a fierce price war among the supermarkets. Many people believe that the government's new national living wage is likely to result in higher prices for customers.

"A widespread assumption within the retail sector is that [organisations] have no choice but to offer low wages because if retailers, whose business models entail competing on low prices, make greater investments in employees their customers will have to pay higher prices.

"Labour costs form a high proportion of a retailer's expenses and are generally perceived as a cost-driver, rather than a sales driver, so most retailers tend to focus on minimising labour costs by paying low wages, offering few benefits and little or no training.

"Retailers that hold such beliefs will miss out on the opportunity to improve their own performance, as well as contributing to creating the kind of jobs the UK economy really needs. When supported by the right type of operating practices, retailers can not only compete effectively on prices but also keep customers and employees satisfied."

*Shainaz Firfay, assistant professor of organisation and human resource management, Warwick Business School*

The National Health Service (NHS) is launching a £5 million health and wellbeing initiative for its 1.3 million health service staff. The new programme will be based around three pillars: a drive for improved staff health; occupational health services for GPs; and healthier food and nutrition.

"The benefits of this initiative far outweigh the investment for such a fundamental UK public service.

"The NHS often attracts bad press, with little attention given to the staff who work tirelessly to provide one of the best services in the world.

"I hope NHS organisations plan well and measure the impact of this initiative to ensure the best use of the investment."

*Rachel Helmn*



This month's big question:

# Are the pension freedoms living up to expectations?



Perhaps a more pertinent question is: what expectations did we have of the pension freedoms? Given the speed of the reforms, I'm not sure anyone had a clear idea of what they expected to happen.

There have been a few surprises since April. Many more people have taken lump sums from pension schemes or invested in drawdown products, and fewer have bought annuities. But most people who have taken advantage of the new flexibilities have been waiting for up to a year to do so.

There have been some wrinkles along the way. Given the tension between people who waited to take their money and providers concerned that individuals might lose out by doing so (and blame the providers for their losing out), guidance and advice was always going to be tricky. The early days suggest more work is needed to get the balance right.

There are more challenges ahead in the longer term, especially for employers. Those who have taken advantage of the reforms tend to have larger pension pots, and so could afford to wait for their money. But over the next few years, most of the people reaching retirement with pensions will have much smaller amounts.

The industry is likely to develop further products that may be of more use to those with smaller pots, but this will make decision-making more complicated and increase the need for trusted sources of help.

Without the right help, many people might not be able to secure the retirement they want, which could lead to many more wanting to stay in work for longer.

**Chris Curry** is director at the Pensions Policy Institute



After just six months, it would be premature to try to assess the reforms, but patterns have begun to emerge that hint at longer-term trends.

Members who have encashed entire defined contribution (DC) pots have done so with

smaller funds. It is reasonable to assume this cohort has other sources of retirement savings, including defined benefit (DB) pensions.

Encashing of larger funds seems to be less common, which suggests fears that DC members would squander their funds have been unfounded. But we need to wait until the DC market has matured to see how members behave when funds are larger and retained DB benefits are less common.

Many schemes or providers feel unwilling or unable to provide the new freedoms, which is hardly surprising given how little time the industry has had to adapt. Some members have faced punitive exit charges when seeking to transfer funds to providers that can offer the new options. The government seems to have been wrong-footed here. The charges are largely due to market value adjustments affecting with profits funds and schemes in deficit or the legacy of pre-Retail Distribution Review (RDR) commission structures and, arguably, should have been identified previously.

Perhaps the most worrying statistic is the low level of take-up of the Pension Wise service. Members must be able to make informed decisions before taking irreversible action. For the new options to be judged a success, the public has to have a far more detailed understanding of their choices.

**Kevin LeGrand** is president of the Pensions Management Institute



Since the pension freedoms came into force, a lot has been said about the sums withdrawn. It remains to be seen whether this trend continues or is a short-term response to the reforms.

National Employment Savings Trust (Nest) research shows that while people value flexibility and want access to cash, their main concern is having a secure income after they stop working that will last the rest of their life. The total sums withdrawn so far are very large, but the average cash payment is under £15,000. This probably reveals the nature of current retirees' savings. Nest's research shows people retiring today have a variety of sources of wealth, including property, defined benefit (DB) schemes, defined contribution (DC) pots, private pension plans and the state pension. Their DC provision may only be a small slice of their overall retirement provision.

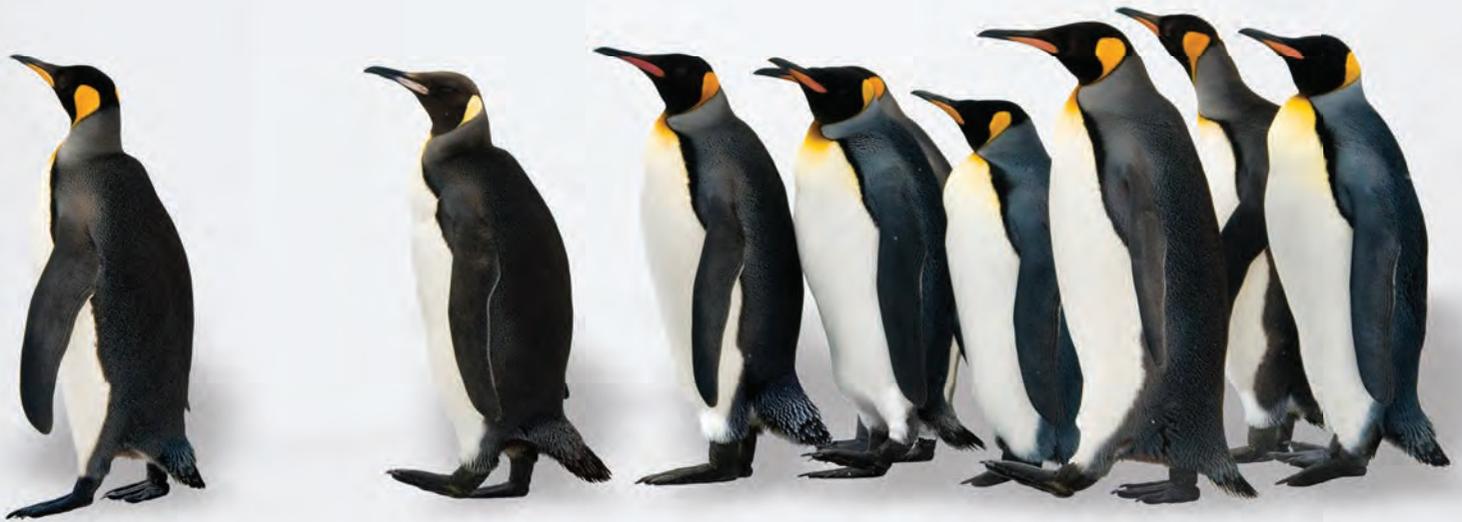
Ten or 20 years from now, this is far less likely to be the case. In future, most of the auto-enrolled generation are likely to rely mostly on their workplace DC pot and the state pension. This means retirement solutions will have to do a lot with the DC pot.

Nest would like to see a single solution that provides a steady income in the early years of retirement without locking savers in, offers access to some cash, and secures an income in later life that will not run out.

Whether or not the short-term expectations of the pension freedoms have been met, new solutions like this are needed so the DC generation of the future can benefit fully.

**Mark Fawcett** is chief investment officer at the National Employment Savings Trust

Do you agree with these views? Join the discussion by searching for the EmployeeBenefits group on [LinkedIn](#)



## With Compass, your employees can choose the direction that's right for them.

For employees, choosing the right benefits and planning for the future can feel like a sea of options. Compass from Buck Consultants at Xerox, a new kind of benefits platform, brings together all your benefits to guide your employees through their health, wealth and career journeys. Join us on stand 516 at EB Live for the launch of Compass to see how we can help you take the lead in the future of employee benefits.

To be entered into a prize draw to win an iPad mini, tweet a selfie of you with this advert using #compasspenguin or send it to the email address below by 31<sup>st</sup> October 2015\*.

[corporatesolutions@xerox.com](mailto:corporatesolutions@xerox.com) | 0800 066 5433  
[xerox.co.uk/hrconsulting](http://xerox.co.uk/hrconsulting)

**buck**consultants



# TOTAL REWARD IN NUMBERS

Louise Fordham gathers the latest facts and figures on total reward



# SHOW STOPPERS

If organisations want to attract and retain top talent, remuneration and standard benefits are no longer enough, says

**Tynan Barton**



In a fast-moving economy, successful businesses take an approach to people management that ensures their organisation is fully stocked with the best talent: that is, those employees who are willing to give it their all to support their employer and contribute to the success of the business. To be a top-performing organisation, an employer must attract and retain high-potential staff with a talent management strategy that is clearly aligned to the business's objectives. But what role does reward play in this? Is it enough to simply offer staff the highest pay grade, or to reward only results and not behaviours, in the hope that the business succeeds?

Reward plays a vital role in ensuring that an employer's values and aspirations are communicated and conveyed through its employees.

## Advocate employer values

For an employer to position reward effectively in a talent management strategy, it must consider the values that are important to the organisation and mould a reward structure around this. For example, it should look at the way in which results are achieved, not just that targets have been met. Ian Gooden, chief executive of talent management consultancy Chiumento, says: "Behaviour is very important. It's not just about delivering objectives, KPIs [key performance indicators], sales numbers or other metrics, but people achieving those results in a way that is compatible with the organisation's values."

Many reward structures are created in a way that does the opposite and rewards the metrics. For example, a typical bonus scheme sees everybody get a bonus if the organisation hits profit targets. "That means everybody gets the same bonus irrespective of how they've behaved," says Gooden. "That sends a message, whether intended or otherwise, that behaviours are discretionary."

Reward can be used to signal to employees what the organisation is trying to achieve and what it needs from staff in terms of performance, skills, values and attitudes.

## Top attraction drivers: employer versus employee view

Employer view – Talent management and rewards study	Employee view – Global workforce study
1 Career advancement opportunities	Base pay/salary
2 Base pay/salary	Job security
3 Challenging work	Career advancement opportunities
4 Organisation's reputation as good employer	Learning and development opportunities
5 Organisation's missions/vision/values	Challenging work
6 Learning and development opportunities	Organisation's reputation as a good employer
7 Job security	Holiday/paid time off

Source: Towers Watson Global talent management and rewards study 2014 and Global workforce study 2014

### IF YOU READ NOTHING ELSE, READ THIS...

- > Reward can be used to reinforce the organisational values that are important to an employer.
- > If behaviours are important to an employer, it should consider the way in which results are achieved, not merely that targets are met.
- > Reward can be used in every part of a talent management strategy, from attracting individuals to an organisation, through to employee retention and development.

Charles Cotton, performance and reward adviser at the Chartered Institute of Personnel and Development (CIPD), says: "Also [important is] how it will reward and recognise employees who demonstrate those performances, behaviours and skills that are required by the organisation to be successful."

## Recruit, reward, retain

Once a potential employee has initially been attracted to an organisation, how reward is positioned as part of the employment deal can be a huge factor in recruiting them. Mark Quinn, partner and business leader for talent and reward at consultancy Mercer, says: "[Pay and reward] is more important in the recruitment process than in the ongoing process partly because when people move





---

# SEASON'S GREETINGS FROM NEXT JUMP

Reward your employees this Christmas with gifts they really care about.



---

Contact Next Jump now on **0800 690 6295**  
or email [ukinfo@nextjump.com](mailto:ukinfo@nextjump.com) to find out more.

---

CASE STUDY **BIBBY FINANCIAL SERVICES**

**Bibby's values underpin its reward strategy**



As a family-owned organisation that has been in operation for more than 200 years, Bibby Financial Services knows the importance of organisational values that are firmly ensconced within all aspects of the business.

The organisation has five organisational values, 'Being Bibby': powered by people; putting customers first; positive energy; ambitious challenge; and we work as a family.

These values are reflected throughout the entire employee lifecycle and are made use of in its reward strategy. Vicky Smith, reward manager, explains:

"Our values touch somebody in the job advert, through recruitment, to the offer letter, the induction, to when they start with us and see our Your Rewards portal. We use the values to strengthen our total reward offering, and mention the terminology in a lot of our literature and communication."

The 'we-work-as-a-family' value is echoed in its flexible benefits, with health screens for employees and partners, and critical illness insurance.

Its 'powered-by-people' value is also key. Feedback is very important, and staff can share their views through methods including blogs, the intranet and the chief executive's roadshows.

It was on the back of this feedback that Bibby introduced three new benefits to its 2016 flex scheme: will writing, money boost and a cancer-risk health screen. "People told us these are the benefits they value. It's really important to us that we don't just pay lip service to that," says Smith.

jobs, they don't know what it's like to work there. The nature that pay plays in the decision is a risk-mitigation point."

Reward strategies can be influenced by an employer's approach to talent management; some will develop talent in all employees, while others will focus on high-potential staff and top performers. Whichever direction a talent management strategy takes, its reward approach must



be clear. Michael Rose, director of consultancy Rewards Consulting, says that employers need alignment and consistency between their talent management strategy and the messages they are giving through their reward system. "It's a question of making sure employers are looking at both what people are doing in terms of output and what they are achieving, but the real issue is around the extent to which they're displaying behaviours that will enable them to develop within the organisation," he says.

**Retaining the stars**

Once an employer has recruited that person with the X-factor, the next stage in the talent management cycle is to ensure staff are happy to remain at the organisation, while continuing to contribute to the business's results. Employees are motivated by different factors so structuring a reward strategy that reflects this is a challenge. "The danger is assuming the same benefits have the same impact on everybody,"

**Top retention drivers: employer versus employee view**

Employer view – Talent management and rewards study	Employee view – Global workforce study
1 Base pay/salary	Base pay/salary
2 Career advancement opportunities	Career advancement opportunities
3 Relationship with supervisor/manager	Trust/confidence in senior leadership
4 Manage/limit work-related stress	Job security
5 Learning and development opportunities	Length of commute
6 Short-term incentives	Relationship with supervisor/manager
7 Challenging work	Manage/limit work-related stress



The nature that pay plays in the decision to move is a risk-mitigation point"

Mark Quinn, Mercer

Source: Towers Watson Global talent management and rewards study 2014 and Global workforce study 2014

Viewpoint



Vlatka Hlupic is professor of business and management at the University of Westminster, a management consultant and author of The Management Shift

The new way to keep talent

Employees are motivated by both extrinsic and intrinsic factors. Extrinsic motivation relates to pay and perks such as medical insurance or a company car.

What many employers do not understand sufficiently is intrinsic motivation. What really drives top talent is a sense of purpose, passion for meaningful work, the ability to learn, grow and develop, and interacting with interesting people.

Top talent also wants autonomy, the ability to experiment with ideas and a caring organisational culture that is not based on hierarchical commands and controls, paralysis by bureaucratic processes, and excessive rules that stifle creativity and innovation.

Research confirms that knowledge workers and top talent share certain characteristics and have special needs and aspirations. They are highly skilled, intrinsically motivated and often ignore hierarchy. They need to be treated as associates or partners rather than subordinates and perform best in environments where they have autonomy, manage themselves and take responsibility for their own productivity.

Four decades of research into motivation (Daniel Pink, Drive: The surprising truth about what motivates us, published in 2011), reveals a mismatch between the evidence and most business practices. Financial incentives alone are no longer enough to motivate people for today's challenges.

says Gooden. "Reward is a very personal thing. Motivational types change over time for all sorts of reasons, and what we value highly at one point, we might not value two years down the track."

Research by recruitment firm Robert Half UK, published in August 2015, found that the top reasons someone leaves a job are for a better work-life balance (30%), further career advancement



(29%), higher remuneration, including salary, bonus and benefits (27%), better location (11%) and a better corporate culture (6%).

Employers can promote a deal that incorporates pay, benefits and development opportunities in order to retain key players. Quinn says: "What tends to be more important [than pay] are those issues around the manager, the organisation's culture and the intrinsic nature of the work they do."

Opportunities to develop and progress their career is a vital retention factor for employees, and is also recognised by employers, according to the Global talent management and rewards study, and the Global workforce study, published by Towers Watson in

2014 (see box, p17). Offering employees a managed career path will help to retain key talent, but it is not as simple to structure a reward strategy around this. A talent management strategy needs to be flexible in the way it identifies people, gives feedback and understands the drivers that are important to them, and it can be difficult to align reward to this. "An

organisation should develop some reward statements: what its belief system is on reward," says Rose. "For example, if it believes strongly in identifying talented people and therefore

having some relationship between people's progression, development, contribution and performance, then it probably should have some link to pay."

A talent management approach needs to be clearly aligned to the values important to the organisation. Reward can be used to support this approach by indicating the skills it needs [EE](#)



Tynan Barton is features editor at Employee Benefits @tynanbarton

@ Read also How can employers support staff in tackling the big societal issues? at bit.ly/1Q3e4Rr

Advertisement for MetLife featuring a construction worker and Snoopy. Text: HAPPINESS AND PRODUCTIVITY GO HAND IN HAND. Products and services are offered by MetLife Europe Limited which is an affiliate of MetLife, Inc. and operates under the "MetLife" brand.

The right employee benefits can boost the outlook of a whole business – from boardroom to staffroom.

For leading Employee Benefits solutions, visit metlife.co.uk/atwork or call 0845 603 8899\*

ENTER A MORE CERTAIN WORLD

Follow us @UK\_MetLife



\*0845 numbers will be charged at 5p per minute, plus your network provider's access charge.



## Driving made easy.

Imagine your employees funded their cars by using part of their gross monthly salary before it was paid into their banks. They'd save money by not paying income tax or national insurance on the amount they 'sacrificed'. **How great would that be?**

**Good news.** Our Salary Sacrifice Car Scheme does just that, and the monthly amount they sacrifice includes:

- Road tax • Fully comp insurance
- Scheduled servicing and maintenance
- Breakdown cover • Replacement tyres
- Windscreen and glass cover ...

In fact, it covers all costs associated with driving a car. We'll make sure everything is done on time, from renewing road tax to booking a service. So all they need to do is **keep an eye on their fuel.**

**And there's good news for you too.**

Not only are your employees engaged and motivated, our dedicated team will manage everything including the best deals direct from the manufacturer, so you have less admin and less stress.

There's no cost to your business and your schemes can be tailored to suit, perhaps you'd like to encourage low emission cars to help improve your CSR? Whatever you need, our Salary Sacrifice Car Scheme makes everything a doddle.

Discover all the benefits for you and your employees by calling  
**0844 848 9317**

email [hello@zenith.co.uk](mailto:hello@zenith.co.uk) or visit [zenith.co.uk](http://zenith.co.uk)



easy street



# allsave limited Benefits

## Making Benefits Simple

### Motivate, Reward and Engage with Allsave

#### Discount Benefits:

-  Allsave Myspree
-  Gymsave
-  Shopsave
-  Travelsave

#### Salary Sacrifice Benefits:

-  Bikesave
-  Childcaresave
-  Computersave
-  Greencarsave
-  Healthscreensave
-  Leavesave
-  Mobilesave
-  Parkingsave

#### Employer Provided Benefits:

-  Digital Support
-  Employee Support

### Choose one or choose them all

- ✓ Specialists in integrated and fully managed employee benefits
- ✓ Individual or full range of benefit options
- ✓ Seamless user experience and single integrated platform



# GLIMPSE INTO THE FUTURE



Employers are increasingly tailoring their voluntary benefits offerings around what employees want, says **Georgina Fuller**

## IF YOU READ NOTHING ELSE, READ THIS...

- > **Employee health and wellbeing is becoming an increasingly important voluntary benefit with employee assistance programmes, bikes for work and a range of other wellbeing initiatives now being offered as standard.**
- > **Financial health is also a growing trend, especially financial education and financial benefits.**
- > **The voluntary benefits sector is becoming increasingly technology driven with many employers now offering multiple products from one technology platform.**

Voluntary benefits have been steadily gaining popularity over the last decade or so and most employers recognise that they can boost morale, engagement and retention by offering a selection of optional perks.

One of the most significant trends in the voluntary benefits sector is the increased focus on health and wellbeing, according to Julian Foster, managing director at Computershare. "Employers are increasingly aware of the importance of staff wellbeing and mental health," he says.

"As well as the obvious benefit to employees themselves, a happier and healthier workforce is also harder working, more productive and less often absent, and the organisation can



Employers are beginning to understand the benefit of any scheme that helps with individual development"

Kaljit Kaur, The Voucher Shop at P&MM

therefore be more profitable and successful."

The fact that there is no longer such a stigma around mental health issues is one of the key drivers of this trend. "Mental health is no longer the dark secret it once was, with many employers accepting that a large proportion of people will, at some point in their working lives, experience problems and benefit from support," says Foster.

For example, many providers now offer employee assistance programmes (EAP) within voluntary benefits schemes to help deal with everyday life issues, from basic legal advice to being the parent of a troublesome teen.

Kuljit Kaur, head of business development at The Voucher Shop at P&MM, agrees that employee wellbeing has become a huge consideration. "There's a growing trend in healthy initiatives such as bikes-for-work schemes and subsidised gym membership," she explains. "[Employers] are beginning to understand the benefit of any scheme that helps with individual employee development and growth, places a high importance on work-life balance, and offers something of interest to the employee, both professionally and personally."

## Financial health

Employers are also starting to recognise the importance of financial health, in particular, realising that this does not always have to take the form of direct remuneration. "Helping people understand their finances better, as well as offering other financial rewards, particularly for loyalty, will continue to move up the agenda in many organisations," Foster explains. "Share plans and affordable loans for holidays, cars or housing, in particular, are gaining in popularity. We anticipate that travel and rental loan schemes, which help employees spread the costs of both purchases over a period of time, thereby helping them to budget, will also continue to grow in popularity."

Financial benefit tools are also being tweaked to suit the changing workforce. "Tools that help employees to better budget their finances and apps to showcase the

## CASE STUDY EXPERIAN



### Employee feedback drives refresh

Experian based its voluntary benefits offering on employee feedback when it relaunched the first phase of its scheme in March 2014.

Kathryn Finch, reward consultant at Experian, explains that this feedback is the basis behind the popularity of the credit risk management's firm voluntary benefits scheme. "Our employees told us that the opportunity to flex their holiday allowance was important to them so we built our voluntary benefits scheme from there," she says. "We rolled it out in two phases, launching holiday buy and a refresh of childcare vouchers and bikes for work first.

"We then followed this with a second phase a few months later with a number of health and wellbeing benefits, including gym vouchers and health assessments."

Experian also invested heavily in communicating the launches, selecting branding and imagery that it hoped employees could connect with. "We also ran a number of roadshows for employees to come and talk to us about the choices available to them," Finch says.

Feedback has been extremely positive so far and, following each launch, the organisation surveyed a cross-section of employees to test what else they might like it to consider. "Our recent people survey results have confirmed that employees really value the changes we have made," says Finch.

Experian is currently in the early stages of evaluating a number of other voluntary benefit options, including technology salary sacrifice and financial education.

benefits on offer are all helping to adapt the benefits landscape to suit more tech-savvy generations," says Kaur.

### Technological evolution

The voluntary benefits sector is also becoming increasingly technology-driven and there is a big push on mobile technology in particular. Glenn Elliott, chief executive officer of Reward Gateway, says: "Ten years ago the industry was fragmented and every benefit had a separate vendor. [The trend of] multiple products from one technology platform [has] caught on because it gives the best usage rates and it's very [user] friendly. Everything just works better with less hassle."

Much has changed in the last decade and usability and the mobile experience are going to become increasingly important. "When we first started 10 years ago, we pioneered cashback, reloadable shopping cards and instant e-vouchers," says Elliott. "But back then we were still producing benefits brochures and emphasising the phone line helpdesk because that's how [employers] reached an offline workforce."



The trend of multiple products from one platform has caught on because it gives the best usage rates and it's very user-friendly"

Glenn Elliott, Reward Gateway

These days, however, everyone has a smartphone and all of the non-office-based workers that were hard to reach are now accessible, as long as a provider understands technology and mobile.

There is also a move towards communicating benefits schemes more effectively and tailoring them to suit the individual. "[Employers] have previously been all too often overly concerned with simply getting something launched and ticking a box to say it has been done," says Kaur. "They didn't necessarily realise that the benefit is in getting the employee to realise the value or saving this brings to them.

"Thankfully, this seems to be a trend that is changing as HR teams are challenged more to make a tangible impact using their suite of benefits on engagement, retention, satisfaction and financial wellbeing." **EB**

## Viewpoint



**Zoe Spicer** is a speaker on Ashridge Business School's Strategic HR Management course and former head of HR, EMEA at Adobe

### Voluntary benefits need to reflect complex lives

With the increasing work-life blend, and new graduates seeking a working experience rather than a traditional career, focusing reward on a flexible set of possibilities hits the mark. Voluntary benefits are a great way of letting employees work out what is most value for them.

The traditional employee assistance programme (EAP) model should now be adapted to provide home-help, nanny or errand-running services, as well as financial, legal, family counselling and help services. Helping employees achieve their hopes and aspirations outside of work allows them to focus during their work day.

Wellness initiatives are now so much broader than just gym membership, and include onsite medical services or fitness classes, corporate 'step' challenges, quit smoking workshops, and flexible-working hours or annual leave, too.

These initiatives not only provide pay back in terms of employee fitness and motivation, but can also help reduce an employer's private medical insurance (PMI) renewal costs.

Employees' lives are complex, and so are their motivations and needs. Knowing employees helps employers target what will be attractive within their organisation, leading to greater happiness at work, loyalty and retention.



**Georgina Fuller** is a freelance journalist

@ Read also *How to build engagement with voluntary benefits* at [bit.ly/1iutfsv](http://bit.ly/1iutfsv)

# THE UK'S LARGEST FUEL NETWORK? MAKE IT PART OF YOUR ONE WORLD.

**ONE CUSTOMER. ONE CARD. ONE FLEET SOLUTION.**

Imagine a fuel card that gives your drivers access to over 7,600 fuel sites around the UK.

**Introducing Allstar One. A bespoke management solution shaped entirely around your fleet's needs, no matter how big or small.**

As well as access to the UK's largest fuel network with 7,600 fuel sites, of which 1,780 are discounted diesel sites, you'll also benefit from the security of Chip & PIN technology. Choose to use your card just for fuel or enhance your card with the ability to pay for glass repair and replacement, M6 Toll, servicing, roadside repair, tyres and much more, whilst enjoying significant savings. What's more, because all transactions are on one, consolidated, HMRC compliant invoice, you'll be able to dramatically reduce your administrative burden.

To find out more about how to shape your One world, call us today on 0870 974 9789 or visit [www.allstarcard.co.uk](http://www.allstarcard.co.uk)



**allstar  
one**

## Create a car scheme where every employee can benefit

Visit us at Employee Benefits Live, stand 722

- Car salary sacrifice
- Personal leasing
- Ex-lease cars

### Get in touch

Phone: **01635 589999**

Email: **[transform@hitachicapital.co.uk](mailto:transform@hitachicapital.co.uk)**

Web: **[hitachicapitalvehiclesolutions.co.uk](http://hitachicapitalvehiclesolutions.co.uk)**

**HITACHI**  
Inspire the Next

Hitachi Capital Vehicle Solutions Ltd is authorised and regulated by the Financial Conduct Authority.



Arthur J. Gallagher

# It's time for a breakthrough in employee benefits!

## BUSINESS WITHOUT BARRIERS™

UNDERVALUED  
BENEFITS

ESCALATING COSTS

LACK OF EMPLOYEE  
ENGAGEMENT

EMPLOYEE  
CONFUSION

COMPLEX  
PENSION REFORMS



Meet us at  
**Employee  
Benefits Live**  
21 – 22 Sept  
Stand 231

**Tired of hearing the same answers from  
the same people? Try The Gallagher Way.**

Group Risk / Benefit Consulting / Healthcare & Wellbeing / Workplace Pensions / Flexible Benefits /  
Multinational Benefits / Wealth Management / Communication & Engagement Powered by  SHILLING

Get in touch +44 (0)20 7204 8990 sayhello@ajg.com gallaghereb.com @ajgbenefits

Arthur J. Gallagher (Employee Benefits) and Arthur J. Gallagher (Wealth Management) are trading names of Gallagher Risk & Reward Limited, which is authorised and regulated by the Financial Conduct Authority. Not all business carried out by the company is regulated. Registered Office: The Walbrook Building, 25 Walbrook, London EC4N 8AW. Registered in England and Wales. Company Number: 3265272. Shilling Limited is a wholly-owned subsidiary of Risk & Reward Group (Holdings) Limited.  
www.gallaghereb.com

# HAPPY HOLIDAYS

Unlimited holiday must be managed to ensure it is practical and fair, says **Marianne Calnan**

Employers including Virgin, Visualsoft, Netflix and media agency the7stars offer their staff the opportunity to take unlimited holiday. But what are the pros and cons of doing so?

Unlimited holiday simply means salaried staff can take as much time off as they like, whenever they wish to, so the organisation's holiday policy, in effect, means it has no policy at all.

This may be why Andrew Drake, head of flexible benefits at JLT Employee Benefits, says: "[Unlimited leave is] 100% a positive benefit but the HR world would probably cringe at the thought of implementing it."

This is likely to be because of the perceived consequences that could arise from offering a benefit that places so much trust in employees' judgement and co-operation. It relies on staff taking full responsibility for their own work and being considerate of their colleagues to avoid placing undue strain on others.

## Unlimited motivation

Now that the traditional nine-to-five working pattern is no longer the norm for many people, unlimited holiday could bring high levels of motivation to the workplace because staff are likely to feel trusted. Uta Bindl, assistant professor of management at the London School of Economics and Political Science (LSE), adds: "Offering staff a benefit such as unlimited holiday signals that their work is valued."

LinkedIn's *Winning talent* research, published

### IF YOU READ NOTHING ELSE, READ THIS...

- > Offering unlimited holiday can signal to staff that their work is valued.
- > Employees and employers need to have open communication about holiday.
- > Employers must work out whether unlimited holiday suits their organisation and employees.



in June 2015, found that flexible-working arrangements would persuade 36% of respondents to take a job, even if friends and family disapproved.

However, an unlimited leave policy will not be right for every firm. Maggie Stilwell, UK and Ireland managing partner for talent at EY, says: "With young and more competitive employees, unlimited holiday might work for a while, but in its second or third year it may become counterproductive to a sustainable career."

EY offers staff five to six weeks' annual holiday, as well as flexible-working opportunities and the option to buy and sell up to six days' holiday through its flexible benefits scheme. Stilwell says employers need to adapt holiday rules, as employers will see little return from something for which the workforce has little appetite. "[Employers] have to work out whether unlimited holiday fits with their organisation and their clients' needs," adds Stilwell.

Among businesses that have embraced unlimited leave is web developer Visualsoft. When it launched a new benefits package in 2014 to boost productivity, wellbeing and motivation, it became one of the first UK employers to introduce unlimited paid holiday and flexible-working opportunities.

## All play and no work

How employers position an unlimited holiday benefit is also key to creating the right perception among staff, particularly if some take a great deal more holiday than others.

Drake says: "Productivity might go through the floor and employees may not be great assets if they are on holiday all the time. The line between work and play is already blurred, so will it get even more blurred with unlimited holiday in the mix?"

Conversely, employers should ensure staff take their holiday allowance. If they are not required to log an allocated number of days, some workers may not take adequate time off. Bindl says: "If employees choose not to take holiday, it can lead to them feeling demotivated and the quality of their work can suffer."

To achieve a balance, employers should set guidelines, says Drake. "It's important to have ground rules, which could include respecting other colleagues and their workloads."

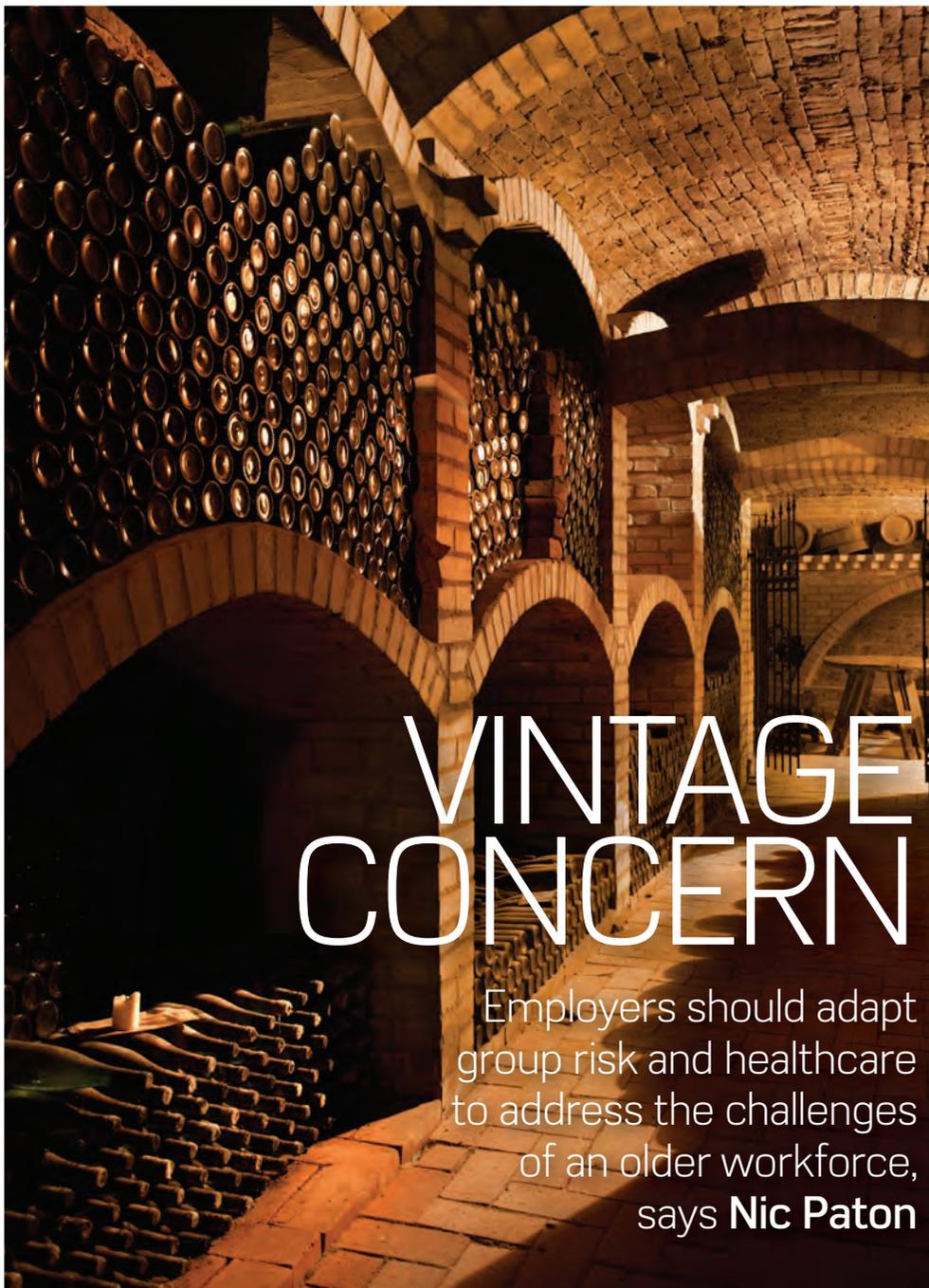
Bindl adds: "Employers need to give staff guidelines as to how and when they can take holiday. Open communication is the solution."

Offering unlimited holiday relies on a balance between what employers and staff need. It is crucial for employers to ensure unlimited holiday suits the nature of their workforce. As Drake says: "There's a danger [employers] could go too far without loose guidelines." **EB**



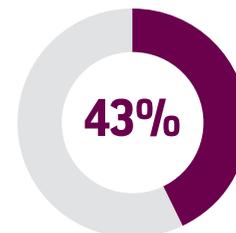
**Marianne Calnan** is a reporter at *Employee Benefits* @Mazsays

@ Read also *How much freedom should employers give staff?* at [bit.ly/1XPNW2f](http://bit.ly/1XPNW2f)



# VINTAGE CONCERN

Employers should adapt group risk and healthcare to address the challenges of an older workforce, says **Nic Paton**



expect higher costs of benefits as a result of an ageing workforce



agree that healthcare costs will increasingly fall on employers

## IF YOU READ NOTHING ELSE, READ THIS...

- > As the workforce gets older, employers will need to rethink the design and provision of healthcare and group risk benefit offerings.
- > Limited-term or flexible group income protection (GIP) provision is likely to become more commonplace, as employers try to retain some form of provision for older workers while keeping down costs.
- > But there is also likely to be greater emphasis on general health and wellbeing support and benefits, especially helping older workers to stay active and fitter for longer.

It is four years since the default retirement age was abolished in the UK in October 2011. Since then, some one million workers have taken advantage of the freedom to carry on working into later life, according to estimates published by the Department for Work and Pensions in October 2014.

Last year's introduction of a right to request to work flexibly has also made it, at least in theory, easier for employees to carry on working for longer, while April's pension freedom reforms have given those approaching retirement greater control over how, and when, they take a retirement income.

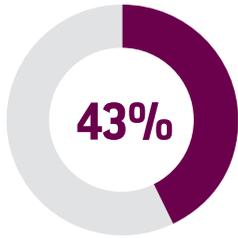
But what does this 'greying' of the workplace mean for benefits, especially age-weighted group risk benefits? How should employee benefits professionals structure their benefits strategies to meet the needs of the ageing workforce? And how can they balance the rising cost of providing benefits to older workers against the need to retain, engage and motivate this valuable employee demographic?

### Rising costs

Rebekah Haymes, senior consultant at Towers Watson, says: "Employers are telling us they want to look after their older workforce

because of the skills they have and the value they can give. But there is a challenge in terms of how they continue to provide benefits to an ageing workforce because it can, of course, be costly. The cost of risk and healthcare-related benefits is going up."

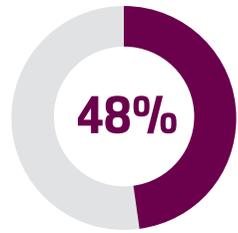
This tension was clearly illustrated last year in research commissioned by Towers Watson and carried out by the Economist Intelligence Unit. The report, *Is 75 the new 65? Rising to the challenge of an ageing workforce*, published in February 2014, argued that as the proportion of workers delaying retirement continues to increase, employers will need to address the



expect increased employee demand for benefits as a result of an ageing workforce



plan to change the employee benefits they offer in order to adapt to the challenging needs of their workforce



plan to offer employees more choice over their benefits in order to adapt to the changing needs of their workforce

*Source: Is 75 the new 65? Rising to the challenge of an ageing workforce, Economist Intelligence Unit and Towers Watson, February 2014, surveying 480 executives of organisations across 30 European countries.*

impact this has on benefit costs. The report also suggested that employers will need to think more imaginatively about the design and provision of healthcare and group risk benefit offerings. For example, increases in group life assurance costs could be negated by replacing dependants' death-in-service pensions with additional lump sums. Hikes in group income protection (GIP) costs could be mitigated by implementing limited-term GIP schemes with no upper terminal age.

"There is an opportunity for employers to rethink how they provide benefits, says Haymes. "Also, thought needs to be given to

how healthcare benefits are provided because of the impact of medical inflation and the cost of related long-term medical conditions."

### Limited-term options

When the default retirement age was phased out, group risk benefits were granted an exemption from the principle of equal treatment, irrespective of age, to allow employers to cease to provide such benefits to those aged 65 or over who continued working.



There is a challenge in how you continue to provide benefits to an ageing workforce because it can, of course, be costly"

Rebekah Haymes, Towers Watson

In practice, however, this tough approach can send a negative message to older employees. This is particularly the case when organisations are keen to keep older workers on board and engaged, even if their approach to providing some benefits for this group does not reflect this. This is why options such as limited-term GIP can be attractive, says Steve Bridger, group protection director at Aviva.

"Limited-term group risk has its place, especially for the most cost-conscious employer or where [they] have a scheme in place that tends to be contractual, and so removing it is difficult but adjusting it is easier," he explains. "When [employers] offer group risk benefits, and in particular GIP on a limited-term or flexible basis, everyone gets access to the core benefit, then people can top up to meet their own needs."

### Group risk compulsion?

There is also debate over whether, in time, an element of compulsion will need to be introduced into GIP provision, in much the same way as auto-enrolment for pensions.

Benefit reform is undoubtedly a key talking point when it comes to how employers should be responding to the ageing workforce. But Bridger, for one, argues that employers also need to take a wider perspective.

"How employers use, fund and tailor benefits to support older employees that are sick or have fluctuating or chronic health conditions is increasingly important," he says. "But it is also important to be managing demand for such

## Viewpoint



**Bernard Casey** is principal research fellow at the Warwick Institute for Employment Research

### Living longer may not mean people can work longer

Many employers will be interested in how compensation strategies will have to be adapted, for example, in terms of pay, different benefit packages and training programmes, to meet the challenges of an ageing workforce.

More important, however, and more provocative, is the question of whether we shall even have the older workers we think we are going to have.

Longevity has been increasing; indeed, it was this that motivated the state to raise the pension age. However, this begs two questions. The first, whether the increase in longevity will continue as projected is by no means as clear as might be presumed.

But the answer to this is closely related to the answer to the second: whether an improvement in mortality necessarily means an improvement in morbidity. Put simply, will the extra years people might have be 'good' years? Although many physically demanding jobs are disappearing, and risk factors such as smoking are reducing, lifestyle-induced diseases, for example, type two diabetes, are looming on the horizon.

Some wellbeing issues associated with mental health could also be partially attributed to lifestyle-induced stresses, such as tighter schedules and controls, and the difficulties of combining work with domestic life, which is not helped by increased elder care responsibilities.

Such are the real challenges that employers will have to confront. What can employers contribute to overcoming these challenges? And who else, individuals and governments, has a part to play in this?

CASE STUDY **AGE UK**



**Age UK sets example for benefits for the over-40s**

In May, Age UK launched a programme to help its 2,800 employees, two-thirds of whom are aged over 40, better plan their working lives and prepare for retirement.

The charity's Extending Working Life and Planning for Retirement programme includes midlife career reviews, health assessments, and financial and retirement planning advice clinics. Benefits include a generous contributory pension plan, flexible working and caring arrangements, a bikes-for-work scheme, health cash plan, discounted gym membership, employee assistance programme (EAP) and income protection.

The charity made a conscious decision not to age restrict any of its benefits, explains Caroline Bendelow, people and performance director. "The only area this has affected the cost of is income protection. We may have to pay a bit more for the cover, but it is not a huge amount to pay for people who are important to us."

Bendelow believes that, while employers will have to make their own decisions, this

type of holistic proposition is going to become increasingly relevant for those wishing to manage, motivate, engage and retain an older working population.

"Because of who we are, we have to be exemplars about this. But I also believe a lot of commercial organisations could learn from this," she says.

Marks and Spencer and Sainsbury's have already shown interest in the programme.

Bendelow says: "One of the most significant things we've seen is the response from our midlife career reviews. These allow people to think about their future, whether that's training they'd like, a different direction, or their financial provision for the future."

But providing benefits, support and education is just one part of the equation. Bendelow explains: "[We] can have the most amazing product, with all sorts of different elements, but it's also critical that managers have the skills and confidence to have conversations about retirement, without the 'Oh, so you're checking out' response."



Benefit provision will need to offer options over and above the traditional pension or life insurance-style benefits"

Robin McConnell, Buck Consultants at Xerox

benefits by helping older employees stay healthier and more active for longer.

"It is about focusing not just on benefits strategies and structures but on general health and wellbeing, early intervention and rehabilitation, modifying roles and working hours, access to physiotherapy or occupational health. It is about encouraging people to have fitter, more active lifestyles."

This may lead to the evolution of employee benefits. As Robin McConnell, senior consultant at Buck Consultants at Xerox, says: "Employee benefit provision will need to offer options over and above the traditional pension or life insurance-style benefits. Family care benefits could come more to the forefront, but we will also see innovations around short to medium-term savings vehicles."

"From a health perspective, I also wonder if we'll see more activity around something like chronic conditions cover; so cover to ensure an employee is not off for months waiting for a hip replacement on the NHS." **EB**



**Nic Paton**  
is a freelance journalist

@ Read also *Are group risk benefits relevant to younger employees* at [bit.ly/1f9VfiA](http://bit.ly/1f9VfiA)

**Did you know?**

**47%** of employees rank **eyecare** as one of their top 3 preferred benefits

We are a partnership between ASE Corporate Eyecare and Boots offering advice, expertise and a range of products and services in the area of workplace healthcare, with a focus on corporate eyecare.

T. 0844 800 4028 E. [sales@eyecareplans.co.uk](mailto:sales@eyecareplans.co.uk) [www.eyecareplans.co.uk](http://www.eyecareplans.co.uk)





## ...is for **Cost Neutral** voluntary Corporate health cash plan

Our health cash plans can help you look after the wellbeing of your employees - whatever your needs or budget. Our plans provide 100% cashback\* on a variety of health benefits, including optical, dental and physiotherapy alongside a virtual GP surgery and a personal coaching website.

We've now added occupational health services to our products, so why not find out how our health cash plans can help employees return to work more quickly.

- ✓ 100% cashback\* on all health benefits
- ✓ Children covered for FREE up to the age of 21
- ✓ Home assistance support after a hospital stay
- ✓ 24/7 virtual GP Surgery & Private Prescription service
- ✓ Exclusive member retail discounts and offers at **PERKS**  
Enjoy the perks of life
- ✓ Dedicated sales and marketing support to promote your plan

Call us free on  
**0800 378051**  
[www.healthshield.co.uk](http://www.healthshield.co.uk)

Tailored • Essentials • Elements • Corporate • Flex



Health Shield Friendly Society Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. \*Subject to annual review. Up to chosen limits.



Health Insurance, COVER and Corporate Adviser Awards  
Best Healthcare Cash Plan Provider

Find us on @HealthShieldUK

# [READY] FOR THE JOURNEY

With a robust default design that's built to flex and adapt to your members' savings journey, from work and through retirement, our global team of DC experts are constantly fine-tuning your investments. Whatever the objectives of your scheme and the uncertainties of the markets on the road ahead, our solutions are ahead of tomorrow so that you can sit back and enjoy a comfortable ride.

**Call us today to find out how simple it is to make the transition.**

Email: [TimBanks@abglobal.com](mailto:TimBanks@abglobal.com)

Phone: 0207 959 4783

[abdc.com/uk](http://abdc.com/uk)

AllianceBernstein—New look, same dedication.

This information is issued by AllianceBernstein Limited, 50 Berkeley Street, London W1J 8HA, a company registered in England under company number 2551144. AllianceBernstein Limited is authorised and regulated in the UK by the Financial Conduct Authority (FCA – Reference Number 147956). This information is directed at Professional Clients only. Past performance is no guarantee of future returns. The [A/B] logo is a service mark of AllianceBernstein and AllianceBernstein® is a registered trademark used by permission of the owner, AllianceBernstein L.P. ©2015 AllianceBernstein





# SET A TREND FOR DEFAULT

The pension reforms mean employers can re-evaluate default investment strategies, says **Marianne Calnan**

## IF YOU READ NOTHING ELSE, READ THIS...

- > The pension freedoms and auto-enrolment have impacted default funds.
- > Default investment funds should offer employees choice and future-proofing in order to be effective saving tools.
- > Employer communication is vital to ensure staff are aware of their options and what the default fund entails.

**D**efault funds are investments into which employees' pension savings are placed if they choose not to make a decision for themselves about where they wish to invest.

But following the recent shifts in the pensions market, such as the introduction of the new pension flexibilities and auto-enrolment, default investment strategies are also changing.

The pension freedoms, which came into effect in April 2015, have been seen as an opportunity for employers to re-evaluate their default investment strategies. Pensions

auto-enrolment, and from this year re-enrolment, have also highlighted the importance of reviewing a default fund.

Jo Sharples, investment principal at Aon Hewitt, says the freedoms have given employers an opportunity to review their provision and offer more choice. "Default funds used to revolve around annuity purchase, but now a mix of drawdowns might be best, to keep the flexible options open."

The changes to the pensions market have had an impact on how employees view their retirement funds. Jenny Holt, head of investment solutions at Standard Life, explains: "[Employees] still want to take tax-free cash and annuitisation isn't as popular as it used to be."

For example, only 25% of employees would use most or all of their pension pot to buy an annuity when they retire, according to research by pensions consultancy Hymans Robertson. The option of income drawdown may become more appealing, but employees will need appropriate information and guidance to decide on the best course of action for their retirement funds.

Holt believes preparing for the future, with ►

CASE STUDY **CANCER RESEARCH UK**



**Cancer Research UK diversifies default fund**

Cancer Research UK (CRUK) replaced its equity-based default investment fund with a more diversified, less traditional option following April's pension flexibilities.

Since then, of its 800 staff, including those who left its defined benefit (DB) pension scheme when it closed to future accrual on 31 March 2015, 90% have gone into the default option for the charity's group personal pension plan (GPP).

James Dolan, CRUK's pensions manager,

says: "We wanted to make our staff more aware of the changes, the value of the pension scheme and other benefits we offer, so we updated our internal pensions website and pushed people towards it via email."

The charity held awareness shows to highlight the main points of the incoming pension changes in October 2014, which it is repeating this year. It also ran shows in January, March and June this year in CRUK stores around the country to give staff a chance to question the internal pensions team and find out where they can get more information.

CRUK has a younger workforce in its London head office, so it adapted its pension communications accordingly. Its initial roadshows focused on older staff in CRUK stores, whereas communications for head office staff focused on what auto-enrolment means and why staff should contribute more into a pension.

regard to savers' pensions and the pensions market, is crucial to a default investment strategy. "Flexibility and future proofing are important because things can change and you need to be able to adapt," she says.

**Choice in default investments**

Default funds have historically used a lifestyling strategy so that when the employee is around 10 years from retirement, their investments are gradually moved from riskier assets, such as equities, towards safer ones, such as cash. This reduces the risk of a sudden drop in the fund's value.

Strategies are now changing, however, given the pension flexibilities. Simon Chinnery, head of UK defined contribution at JP Morgan Asset Management, believes the default fund market is distorted because people are taking cash for different reasons, and staff are typically in the default fund because they do not want to engage with investment. "It is likely that people will want or need to work longer and a cash-based default fund potentially offers less return than other paths," he says. "Default funds should always target a minimum income replacement for staff and we need to move away from outdated lifestyle funds."

Default investment strategies are being

shaped according to employees' options through the pension freedoms. Martin Thompson, director of Premier Companies UK, says: "Most defaults used to centre on annuity purchase, but now low-volatility multi-asset funds are likely to become more popular because they embrace the options of the pension freedoms. Employees' options target annuities, drawdown or cash."

Chinnery adds: "Consultants are looking at slicing and dicing workforces to create different defaults focused on cash, annuities and drawdown. But it can be dangerous to make those kind of assumptions about a workforce and its needs."

**Employer communication is vital**

Because many employees know little about investments, employers' communication needs to be clear and concise. Christopher Stiles, principal associate at law firm Wragge Lawrence Graham and Co, says: "Most savers don't get involved with pension investments, and as [employers need] to have a default fund with auto-enrolment, employees tend not to have to engage with investment."

"Employers, trustees and providers need to know their membership so they can ensure their communications are concise and explain what the default fund entails." **EB**

**Viewpoint**



**Rob Barrett** is vice-chair of the Defined Contribution Investment Forum (DCIF)

**Pension schemes must meet new freedoms**

Many providers have been reviewing their default funds since the April pension reforms. They have looked at whether their products will continue to meet investors' needs and whether they are providing what people are looking for in the new environment.

Plans have examined their defaults' composition to ensure they meet the new challenges, such as changes in income, reduced volatility, the ability to switch into other instruments at a reasonable cost and the changing retirement demographic. All these elements are being looked at to allow for potential change to the investment strategy of a plan.

Many providers have been reviewing their default allocations. Until now, very little has changed because many plans are still reviewing their options, but the Defined Contribution Investment Forum (DCIF) expects these new strategies to become more widely used.

While the overall defaults will remain fairly static, the new pension freedoms are likely to mean scheme members will be offered more options. This will ensure pension plans can meet the challenges of members wanting to drawdown cash to fund other requirements or to purchase annuities, and also the ongoing management of post-retirement in drawdown requirements.



**Marianne Calnan** is a reporter at *Employee Benefits* @Mazsays

@ Read also *Top tips for increasing employees' contributions* at [bit.ly/1L4uz0c](http://bit.ly/1L4uz0c)

# Retirement advice is key to good retirement outcomes



The value to employees and employers of providing retirement services outweighs the costs and is easier to provide due to technological advancement, says **Steve Lewis**

The radical changes to pensions mean that employees now have much greater flexibility and choice over how to access their pensions than ever before. The ability to take as much as you like, when you like, from your pension combined with the tax changes to allow wealth transfer, offers the potential for life-changing opportunities.

Perversely, this increased choice and flexibility also brings greater complexity and risk. Making the wrong decisions could have dire irreversible financial implications, and highlights the need for greater knowledge and understanding to ensure that employees achieve good retirement outcomes.

Recent studies have highlighted that employees are not well equipped to make these important decisions on their own. For example, the International Longevity Centre (ILC) think-tank report *Here today, gone tomorrow*:

*How today's retirement choices could affect financial resilience over the long term*, published in March 2015 highlighted how unfamiliar people are with the options now open to them.

Only 20% understood what an annuity is, only 35% understood what drawdown is and only 20% knew their marginal rate of tax. This basic lack of understanding is reinforced in the December 2014 *DC member survey*, published by benefits consultancy Aon Hewitt and Cass Business School. Some 68% of the 2,000-plus pension scheme members said they wanted a guaranteed income for life from their pension fund, yet only 14% said they would buy an annuity with the entire fund.

In an environment where retirement choices and freedoms are now extensive, and where the tax and longevity implications are significant, these basic shortcomings highlight the need for a dramatic rethink on how employers and trustees assist employees.

Transition to retirement is a gradual process rather than a one-off event. YouGov recently highlighted that around 50% of employees currently expect to continue working past state pension age. This could present a range of implications for the employee and employer if they are still paying into a workplace pension scheme. There is now a clear need to provide access to information and, where required, professional financial advice.

The perception of high costs, a lack of suitable resources and the fact that the employee retires from the business has led to



a reluctance among many employers to provide retirement services to their employees. Changing regulations and demographics, along with an increase in unscrupulous scamming activity, mean that doing nothing is no longer an option, and is no longer necessary because of advances in technology and digital solutions.

The provision of cost-effective advice has historically been a challenge. However, with the introduction of the Retail Distribution Review (RDR) and the new pension freedoms, we have seen innovation in the market with the advent of telephone advice models and the UK's first digital full retirement advice service, which can quickly and conveniently provide a personalised recommendation.

Consequently, cost need no longer be a barrier to supporting what, for many, will be the second most significant financial decision they make in life, after buying their home.

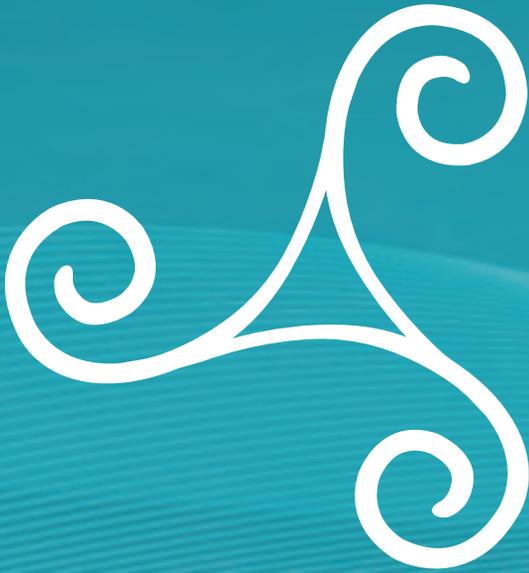


**Steve Lewis**  
is head of distribution at LV=  
Corporate Solutions

## KEY ACTIONS TO ENSURE GOOD RETIREMENT OUTCOMES FOR EMPLOYEES:

- Review the options to improve communication and support material available to employees from as early as age 45
- Review the range of advice, fulfilment options and technology available to provide access to quality affordable advice for all employees
- Assess the feasibility of employers meeting or subsidising the cost of advice to ensure good retirement outcomes.

## TOTAL REWARDS SOFTWARE



**FocalReview™** is an easy-to-configure web-enabled application suite used in companies of 50 to 500,000 employees. Integrating with standard HRIS data, it uses SaaS or On-Premise computing replacing legacy tools like Excel. We satisfy your multi language, multi currency and calendar requirements for TOTAL REWARDS, with independent, selectable modules covering the whole cycle from:

- Performance and Talent Management
- Compensation Planning and Budget
- Reward Proposals and Approvals
- Executive Compensation
- Reporting Analytics
- Employee Communication
  - Employee Portal and Self Services
  - Employee Statements
  - Appraisals
  - Benefits Summary



Call or email for a chat, a demo or technical information  
UK +44 (0) 1223 750168 US +1 (408) 608 6913  
[sales@spiralinks.com](mailto:sales@spiralinks.com) [www.spiralinks.com](http://www.spiralinks.com)

# CAPITA

Asset Services

## Your international share plan partner

### Contact us

Simon Stafford

t: +44 (0)20 7397 6261

m: +44 (0)7799 408 280

e: [simon.stafford@capita.co.uk](mailto:simon.stafford@capita.co.uk)

[www.capitaassetservices.com/shareplans](http://www.capitaassetservices.com/shareplans)

Capita Asset Services is a trading name of Capita IRG Trustees Limited which is authorised and regulated by the Financial Conduct Authority. Not all share plan activity is regulated. Registered office: The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. Registered in England and Wales No. 2729260.

# SPEAK WISELY

Engaging employees relies on much more than a sprinkling of business jargon and a reliance on singular methods, says **Marianne Calnan**

## IF YOU READ NOTHING ELSE, READ THIS...

- › Employers should refrain from using uniform approaches to communication around benefits.
- › If employers only communicate using one method, it may negatively impact the take-up and comprehension of benefits.
- › Business jargon and failing to consult staff about preferred communication methods should be avoided.

Effectively communicating benefits to a workforce can present a huge challenge for employers and there are some common pitfalls that many may inadvertently fall into. Some 40% of employees say their employer communicates benefits through channels they are not interested in, according to the *Employee insight report* by Capita Employee Benefits, published in July 2015. This demonstrates that many employers are missing the mark when it comes to benefits communication.

For benefits packages to be advantageous to staff, employers need to ensure they communicate consistently and effectively to increase awareness of the perks available. Ant Donaldson, global product expert, benefits at E.On, explains: "Good communication helps workers see the true value of their benefits."

Individual employees have different communication preferences, whether that be email, text message, face-to-face communication or another channel.

Therefore, employers should avoid using a one-size-fits-all method, because it is likely to disengage a sizeable chunk of their workforce. Steve Sykes, client director at employee communications provider Shilling, says: "Cover all demographics of [the] workforce and don't take a blanket approach; always segment with employee data, especially because some benefits may not be relevant to all." Failing to separate out

## Viewpoint



**Louise Aston**  
is wellbeing at work director at Business in the Community

### Benefits must be regularly promoted to staff

Many employers offer a wealth of benefits to staff, but too often employees do not take them up.

Classic benefits packages often miss a trick by not being placed alongside broader wellbeing benefits, such as flexible-working arrangements. Packaging benefits in a holistic framework enables staff to cherry-pick those relevant to them.

Too often, information about benefits is only communicated once, making it hard for staff to find out what is actually available. Positioning benefits under a recognisable internal brand and promoting it will boost recognition while keeping the offer relevant.

Moreover, if just one person is responsible for communicating benefits, it is unlikely they will cover everything. By engaging with HR and occupational health teams, benefits are likely to become more integrated into organisational practices.

And do not forget line managers; a one-page document outlining under-utilised benefits can be used during one-to-ones or appraisals.

Good communication of benefits can boost employee engagement, and by having an open, transparent and accessible employee benefits offer, organisations can position themselves as an employer of choice.



## CASE STUDY CNH INDUSTRIAL

### Succinct communication aids understanding

CNH Industrial aims to keep benefits communication for its 71,192 staff as simple as possible.

The agricultural and construction manufacturer held focus groups for employees prior to its September 2013 merger with Fiat Industrial and CNH Global to ensure employees were involved in the design and implementation of a consolidated benefits proposition.

Rob Gerdes, vice-president of compensation and benefits, says: "If a benefits concept is complex, employers

could map it out into a picture so it's easier to understand."

Many of CNH Industrial's workers do not speak English as their first language, which makes having a visual benefits brand imperative. Gerdes says: "As we have such a global [workforce], we use a lot of pictures to describe and explain benefits so things don't need to be translated so much.

"We have a very careful balance between the various



shades and levels of technical employee benefits language, and simplifying it too much. Good branding gets the message across quicker.

"Overcomplicating should always be avoided and communication should be succinct."

communications to different sections of a workforce may have a detrimental effect on the messages that the employer is trying to give. Jamie MacKenzie, marketing director at Sodexo, says: "Employers could segment staff by gender, age and what technology they have access to. The more specific [they] are, the more successful the communications will be."

However, employers need to avoid stereotyping staff. Nick Throp, director at employee communications provider Like Minds, explains: "Segmenting is great if it's done well, but employers must understand that employees' attitudes and behaviours trump age and level of service."

### Use more than one method

Employers should also ensure they are not just using one method of communication. David Pugh, managing partner at Lemonade Reward, says employee benefits communication needs some variety to be fruitful. "A good mix of types of content, and sending out teasers and links to more information makes it more of a campaign to create appetite," he explains.

According to research based on Lemonade Reward's financial education seminars, published in June 2015, 48% of young and single employees prefer face-to-face communication, 45% with a young family prefer digital methods, and 44% with a mature family are happy with either of the two.



Employers can make the mistake of not involving employees in how they decide to communicate"

Steve Sykes, Shilling

MacKenzie says that direct communication is the most effective way to engage employees. "An intranet message or email just won't do, but roadshows and workshops can be really useful in boosting engagement," he says.

### Timely communication

The time that benefits communications are sent can also greatly influence their reception, according to the aforementioned Capita Employee Benefits study. It found that 49% of employees open workplace benefits-related emails on Tuesday, compared to 34% on Monday, and 32% on Wednesday, Thursday and Friday. Donaldson says: "[Employers] can't communicate about something once and expect people to get enthused. [They] have to remind people in new and exciting ways."

Some employers also fall prey to corporate-style communication and business jargon when interacting with staff. For example, email may be an easy way to communicate

with many employees at once, but the messages may be ignored if they are not captivating enough. This style may also lead to lacklustre staff engagement. "How can employees know what's important for them and what isn't if everything looks the same?" says Throp.

Pugh adds: "Being too technical or detailed really puts employees off."

The fact that 50% of workers find pensions-related terminology confusing, according to the Capita Employee Benefits study, illustrates the importance of using language that is easy to understand.

### Avoid presumptions

Another communications pitfall employers need to avoid is making presumptions about communication styles. Shilling's Sykes says: "Employers can make the mistake of not involving employees in how they decide to communicate and what will actually resonate. This creates engagement from day one."

To achieve this, employers could offer focus groups for a handful of staff to discuss how they would like their benefits communication to be modified, or utilise employee engagement surveys to ensure that benefits communication is impactful.

Paul Bissell, head of reward at Three UK, says: "Understanding [the] employee population is enormously valuable. It helps [employers] find out employees' values, preferences and [benefits] buying preferences."

Employers also need to understand the importance of their employees' views. "Get staff feedback before and after a campaign to find out what employees want and how they want it delivered, as well as what they thought of the communication," says Pugh. "People like to be asked rather than told."

As MacKenzie states: "It's all well and good investing time and money in the benefits package, but if [employers] don't communicate it well, it can be ignored. The more [they] can understand what motivates and engages staff, the better equipped [they] are to deliver benefits and rewards that employees want and need." **EB**



Marianne Calnan is a reporter at *Employee Benefits* @Mazsays

@ Read also *How to build engagement with voluntary benefits* at [bit.ly/1uifsv](http://bit.ly/1uifsv)



## Making good pension decisions With our help, your staff can

Making good pension decisions has always been important. With the wider choices introduced in April 2015, increasing engagement with pensions and providing staff with expert guidance and access to advice around their retirement decisions is no longer optional, it is essential.

As a leader in both financial education and advice, Close Brothers is well placed to support organisations and individuals to respond to the pension reforms.

For more than 40 years we have helped the employees of some of the UK's largest and best known organisations with decisions around their pension and retirement planning.

To understand how we can help your staff, please contact us on:

**0800 028 8950**

email: [events@closebrothers.com](mailto:events@closebrothers.com)

---

The value of investments can go up and down and you may get back less than you invested.

**Financial Education experts**



Close Brothers Asset Management is a trading name of Close Asset Management Limited (Registered number: 01644127) and Close Asset Management (UK) Limited (Registered number: 02998803). Both companies are part of Close Brothers Group plc, are registered in England and Wales and are authorised and regulated by the Financial Conduct Authority. Registered office: 10 Crown Place, London EC2A 4FT. VAT registration number: 245 5013 86.

© Copyright Close Asset Management Limited 2015. CBAM3214 EB Ad exp12.06.16

# Discover why we're the UK's leading cash plan provider

Discover health cash plans from the experts

[www.simplyhealth.co.uk/cashplans](http://www.simplyhealth.co.uk/cashplans)



Now available with myWellbeing, a convenient way for your employees to manage their health online



[www.simplyhealth.co.uk/socialmedia](http://www.simplyhealth.co.uk/socialmedia)

Simplyhealth is a trading name of Simplyhealth Access, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Simplyhealth Access is registered and incorporated in England and Wales, registered no. 183035. Registered office, Hambleden House, Waterloo Court, Andover, Hampshire, SP10 1LQ. Your calls may be recorded and monitored for training and quality assurance purposes.

1507012-EMP-CP-EB-AD-0715



# THE ART OF BRANDING

Getting the branding right for employee benefit schemes can turbo-charge staff engagement and take-up, says **Nick Martindale**

**C**reating the right branding for an employee benefits scheme can be pivotal in getting staff to engage with what is on offer and drive take-up and appreciation, as well as enticing recruits to the business.

Darren Laverty, a director at Secondsight, says: "If [employers] are going to invest in providing benefits packages, they need to make those benefits really stand out. Creating a strong brand will engage staff and get them interested in what is being offered."

There are several key points to consider

## IF YOU READ NOTHING ELSE, READ THIS...

- **An employee benefits scheme needs catchy and effective branding to engage staff.**
- **Branding should complement the employer value proposition and external branding, but should also stand out as a distinct identity.**
- **Tailor any messages to workforce demographics and keep it simple.**

when thinking of how to present an employee benefits offering. Knowing who the employees are and what they are likely to respond to is essential, says Oscar Segovia, creative communications manager at Thomsons Online Benefits. "It's impossible to create a branded scheme and effective communications strategy without knowing what will appeal to the workforce," he says.

"It's also important to know how engaged the workforce is. If the organisation has recently undergone restructuring, employees may be more sceptical about a scheme. Using over-enthusiastic language and over-the-top branding may not be appropriate."

## Create the brand

Consider the tone of voice, language, positioning and visual styling used in the brand. Giles Hicks, creative director at brand engagement agency Synergy Creative, says: "Make sure the benefits package has its own clear identity but ties in with the external brand, or ideally the employer brand if there is one, to ensure consistency and recognition." Getting the right name is also important. It

needs to reflect what is being offered, says Iain McMath, chief executive at Sodexo Benefits and Rewards Services. "Keep all language simple when communicating schemes. Complicated descriptions reduce impact and value, resulting in lower take-up."

The format should be clear, concise and friendly, says Karen Partridge, head of client services (UK and Australia) at AHC. "The style of presentation is important," she says. "[Employers] want staff to 'get it' quickly and easily. Consider use of language and keeping copy to a minimum."

Hope Construction Materials recently moved all its offerings to its 'Rewarding our Colleagues' programme. Peter Spargo, HR manager, says: "The biggest lesson was to keep it simple. Ensure it is easy to find out about benefits and provide contact details for help and support."

Careful use of images and colour can help to make new branding stand out. It should complement external branding but employers should ensure their internal and external brands are not too similar, says Chloe Port, senior consultant in the communications team at Buck Consultants at Xerox: "Try not to piggy-back on the external marketing approach," she says. "This is about employees, not customers."

Visual design needs to keep the employee demographic in mind, says McMath. "For example, a mostly male workforce should not see childcare vouchers communicated through images of women and children as this might suggest their employer cannot relate to them."

Finally, remember not to make the employee brand too serious. As Laverty says: "When employers go out to create a brand, we always advise them to make one that is light-hearted and fun." **EB**



**Nick Martindale**  
is a freelance journalist

@ Read also *Top tips for communicating benefits strategies to overseas employees* at [bit.ly/1KcJHDC](http://bit.ly/1KcJHDC)



ISTOCK

# SHARPER FOCUS ON TAX RULES

The OTS has scrutinised employee benefit taxation to simplify the system for all, explains **John Whiting**

**M**any reward and benefits professionals will have heard in the summer Budget 2015 that the Office of Tax Simplification (OTS) is to be established on a permanent basis. No doubt some will be wondering: 'What has it ever done for us?'

The OTS has scrutinised employee benefits and expenses in a bid to achieve technical and administrative simplifications to the tax system, help employers and reduce their compliance burdens. As the project progressed, the aim evolved of trying to largely eliminate the need for the 4.5 million P11Ds that are completed annually. This would save employers and HM Revenue and Customs (HMRC) a great deal of time and effort.

Three reports on the area, *Review of employee benefits and expenses: Interim report* (published in August 2013), *Second report* (published in January 2014), and *Final report* (published in July 2014), set out six key reforms

that, if implemented, would all but eliminate those P11Ds. The reforms comprise:

- Voluntary payrolling: employers will be able to payroll benefits by adding the benefit to salaries and collecting tax via the payroll. Reporting will be via Real Time Information (RTI) and there would be no need for a P11D. Employers would be able to choose which benefits to payroll.
- Introducing an 'allowable business expenses' rule so that instead of the dispensation procedure, employers will, in effect, self-assess whether or not expenses are taxable.
- Abolishing the outdated £8,500 'higher paid' limit so there will be no need to monitor whether any employees fall below this level.
- Establishing a standard trivial benefits amount so benefits under £50 can be ignored. There will be some necessary anti-avoidance measures, so cash or a direct reward for services will not qualify.

- Reforms to the travel and subsistence rules: the current framework will be kept but problem areas such as multiple workplaces and the 24-month rule will be addressed.

- Pay-as-you-earn (PAYE) settlement agreements will be expanded, allowing more issues to be settled and ending the need for prior agreements for PAYE settlements.

The first three have gone through in the Finance Act 2015 and the related regulations have been drafted. Trivial benefits was dropped from the Finance Bill 2015 but is expected to come back in the Finance Bill 2016 and operate, like the others, from April 2016. Employers will need to decide how they will take advantage of these simpler rules and they may need to communicate implications with employees.

There are consultations moving ahead on travel and subsistence reform.

PAYE settlement agreements have been harder work because HMRC rejected the OTS's recommendation, but dialogue is continuing.

The organisation also came up with recommendations for reforming the difficult and sensitive areas of termination payments and accommodation benefits. It is good to see the current consultation on simplifying the often-misunderstood rules around terminations.

OTS's accommodation recommendations are still being considered and it is awaiting formal reaction to its March 2015 *Employment status* report. Several avenues have been suggested for reform but none are quick wins and it will take time to develop them.

Two major new areas where work is currently in progress are simplifying small company taxation and looking at closer alignment for income tax and national insurance contributions (NICs).

The second of these projects will no doubt catch the eye of many readers. Essentially, OTS is starting from the premise that closer alignment of tax and NICs is a good idea, but it is going to be digging deeply into the mechanics. There can be no promises that changes will be made but it is clear ministers are interested. Key themes will be published shortly and industry professionals will be able to submit their thoughts on the topic [EB](#)



**John Whiting**

is tax director at the Office of Tax Simplification

@ Read also *The legal minefields of tax-efficient benefits* at [bit.ly/1XPya05](http://bit.ly/1XPya05)



## GET YOUR EMPLOYEES ON THE ROAD TO A HEALTHIER LIFESTYLE WITH OUR CYCLE2WORK SCHEME

**Choosing the bike over the car can make a huge difference to employees' fitness and wellbeing. Which is why the government set up the Cycle to Work initiative. It's aimed at encouraging more adults to take up cycling and maximise the wider benefits it can have on employees. The scheme is a tax-efficient, salary-sacrificed employee benefit.**

With Halfords Cycle2work all employees have access to the scheme, in-line with HMRC guidelines, without any exceptions. Even those on or close to the National Minimum Wage can still get involved.

With our Cycle2work scheme employees also get access to a 100+ top brands; from a network of over 800 independent bike stores, Cycle Republic stores and 470+ Halfords stores open 'til late. Employees' can even sign-up and ride away the same day.

With over 11 years of experience in the market, we've distilled all our experience into ten top reasons to choose our Cycle2work scheme:

1. Huge access to bike shops; 800+ independent bike shops, Cycle Republic stores and 470+ Halfords stores
2. 20% discount card for cycle parts and accessories\*
3. Dedicated marketing and account management support
4. Onsite servicing and road shows
5. A free one-year bike care plan\*
6. Post scheme invoicing rather than up-front payment
7. A unique solution for National Minimum Wage employees
8. 10% off gift cards for employees outside of the scheme
9. Nil-cost, fully-managed end of hire
10. Special monthly offers for scheme participants

The scheme is available to all public and private sector businesses as a tax exempt hire scheme. This means employees are able to hire bicycles and safety equipment

from their employer as a tax-exempt benefit for the purpose of cycling to work. Employees choose their bicycle and equipment, it's owned by the employer for the entirety of the hire term and repayments are spread equally. At the end of the 12/18 month hire period, the employer can choose to give the employee the option to purchase the equipment.

Where costs of loaning equipment to the employee are offset through a salary sacrifice arrangement, the employer will save Secondary Class 1 NICs (at up to 12.8%) on that part of the employee's gross salary sacrificed. For example, if an employer was to loan a cycle worth £1,000 over eighteen months, the employee would sacrifice in total £1,000 of gross salary generating Employer's NIC savings of £128 per employee.

When a salary sacrifice is chosen, the gross pay of the employee is affected, this impacts upon their tax and NICs. As employee entitlement to some benefits is based on the amount of NICs that are paid and others on earnings, entering into a salary sacrifice arrangement may affect an employee's current or future entitlement to a range of benefits.



**"Biffa's Cycle2work scheme has proved to be a huge success this year. 7% of Biffa staff joined this brilliant employee benefit, and as a result collectively saved over £100,000 in tax and national insurance."**

*David Palmer,  
Group Head of Employee Engagement & Reward*

**TO DISCUSS LAUNCHING A SCHEME IN YOUR WORKPLACE CALL THE HALFORDS CYCLE2WORK SCHEME TEAM TODAY ON 0345 504 6444.**

**halfords** cycle2work 

# MENTAL HEALTH SUPPORT WORKS

Employers do not have a legal obligation to safeguard staff mental health but providing a supportive framework has widespread benefits, says **Sam Barrett**

Every year, one in four people will experience a mental health problem. At any time, one in six employees will be dealing with conditions such as anxiety, depression and stress, according to the mental health charity Mind. But although it is a common issue, mental health remains taboo in many workplaces.

This must change, says Dr Wolfgang Seidl, workplace health consulting leader, UK and Europe at Mercer: "Mental health problems can be very costly to a business. As well as increased absenteeism, presenteeism and staff turnover, an organisation can suffer reduced productivity, higher claims on group income protection and [private] medical insurance plans, and expensive legal claims."

## IF YOU READ NOTHING ELSE, READ THIS...

- > **Mental health problems can be a major financial drain on an employer, leading to increased absence, presenteeism and health insurance costs, as well as risking litigation and reputational damage.**
- > **Training can help line managers to identify the early signs of a mental health problem and signpost the employee to further support.**
- > **Initiatives such as mental health months and mental health champions can help to remove the stigma around the issue and make it easier for employees to ask for help.**

Research by the Centre for Mental Health in 2010 put the annual cost of absenteeism at £8.4bn and the cost of presenteeism at £15.1bn.

## Employers' responsibilities

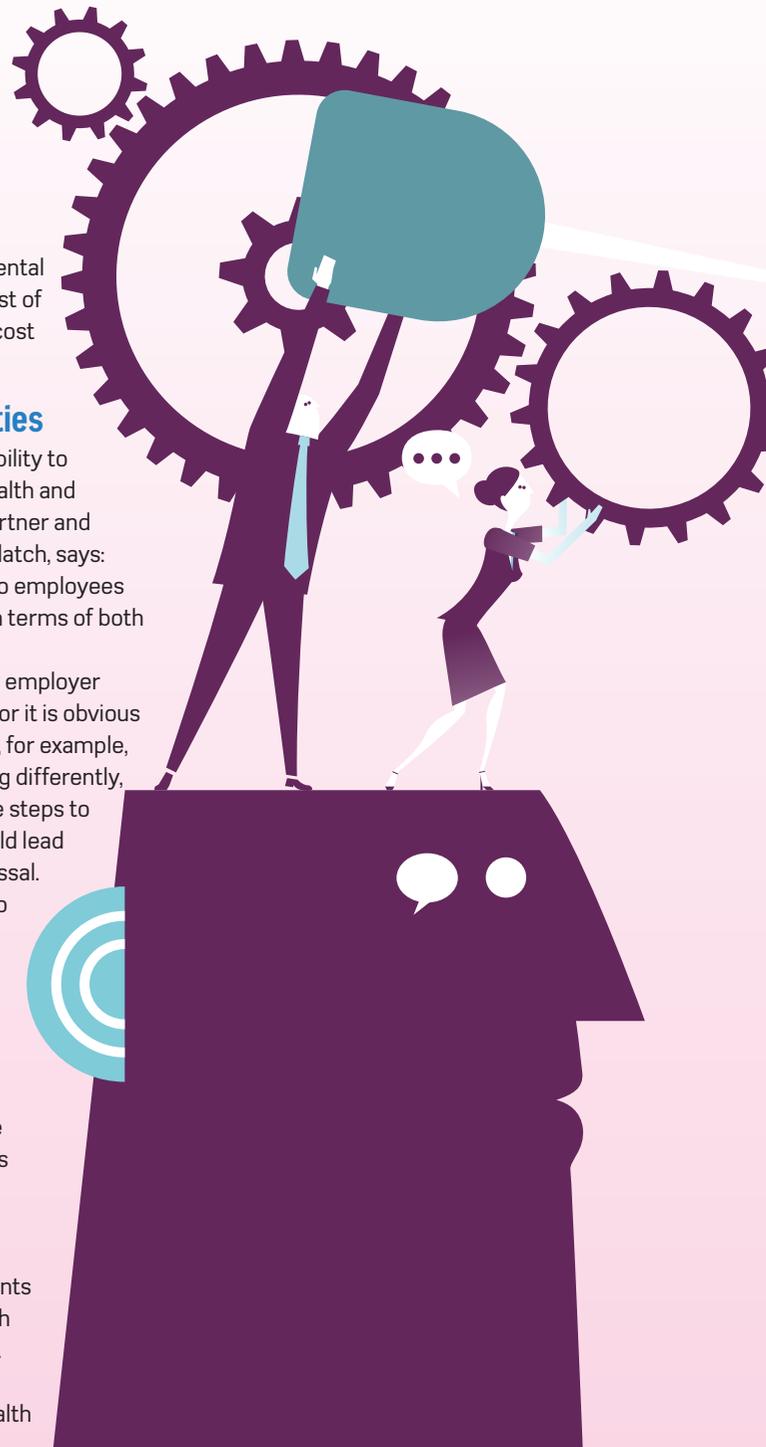
Employers have a legal responsibility to look after employees' mental health and wellbeing. Katherine Maxwell, partner and head of employment at Moore Blatch, says: "Employers have a duty of care to employees to provide a safe place of work in terms of both mental and physical health."

If a member of staff tells their employer they are feeling under pressure, or it is obvious they are showing signs of stress, for example, working longer hours or behaving differently, the employer is expected to take steps to address this. Failure to do so could lead to a claim for constructive dismissal.

While most employers want to support their staff, some workplace cultures make this difficult. "Employees can be scared to say they're struggling in case it affects their career prospects," adds Maxwell. "Creating an open culture, where they feel able to come forward, is smart business practice."

## Early identification

One of the most effective elements of an organisation's mental health strategy is line manager training. This teaches managers how to identify early signs of mental health



problems and talk empathetically to employees. Andrew Kinder, chair of the UK Employee Assistance Professionals Association, says: "It's not about turning them into counsellors. But if they can get in early and signpost the employee to the support available, it will make a big difference."

This support might include a variety of tools, such as: employee assistance programmes (EAPs), which can provide advice and information on work-related stress and personal problems such as relationship

**43%**

**of organisations saw an increase in reported mental health problems**

(Source: Chartered Institute of Personnel and Development *Absence management* annual survey report 2014)

breakdowns and debt; private medical insurance, which includes psychiatric cover but may also offer further support, such as counselling; and group income protection, which can deliver vocational rehabilitation where someone is likely to be absent for the long term.

Employers might also consider making adjustments to an employee's work to help them cope. Anne Payne, executive director of Validium, explains: "The line manager may be able to make simple changes, such as reducing an employee's workload or the number of meetings they attend, but it can also be useful to have flexible-working options, such as part-time or compressed hours, because this can help to reduce pressure on the employee."

**80%**

**of business leaders claim they have effective measures in place to tackle mental health issues, but only 32% of employees with a mental health condition agree**

(Source: Chartered Institute of Personnel and Development *Absence management* annual survey report 2014)

**One in six**

**workers is dealing with a mental health problem at any time**

(Source: Mind)

### Changing culture

Employers can also take proactive steps to safeguard employees' mental health and wellbeing. One available option is resilience training, which can teach staff how to recognise when they are in a stressful situation and provide them with the tools to cope or ask for help.

Mark Witte, principal at Aon Employee Benefits, recommends going further. "All sorts of factors feed into an individual's mental health and wellbeing, so it's sensible to take a holistic approach, taking into account factors such as sleep, exercise and diet," he says.

"These all support an

employee's mental wellbeing and make it easier to turn to their employer for help if they have a problem."

As well as providing employees with the tools to look after themselves, employers can take additional steps to 'normalise' mental health and put it on a par with physical health in terms of how it is perceived. These could include running mental health weeks or months, or recruiting employees as mental health champions.

These champions, who can come from all levels of the workplace, can be very effective. "If someone's happy to talk about their experience and the things they do to enable them to cope, it can really encourage other



## CASE STUDY ROYAL COLLEGE OF NURSING

### Proactive support for staff on the frontline

The Royal College of Nursing (RCN) employs around 900 people to represent and support its 420,000 members. While it aims to be an employee health role model, it also has its own business drivers for addressing mental health in the workplace.

Peter Cocco, deputy director of human resources and organisational development, says: "In 2013-14, we found that 77% of our employees had suffered stress, anxiety and depression, and that 18% of all sickness, 1,216 days,

was related to mental health. The wellbeing of our employees is our primary concern, but it was also concerning to see how much mental health problems were costing the business."

It worked with employee assistance programme (EAP) provider Validium to bring in initiatives to support staff including: manager training; a mental health month; 10 flexible-working options to support work-life balance; resilience training; and mindfulness sessions.

Special steps were also taken to support employees



on the frontline. "As pressures increase on the NHS, our employees are having to deal with more calls from stressed and anxious members," says Cocco.

employees to come forward if they have a mental health problem," Payne explains.

Seidl also believes that employers should be creative with their approach, recommending strategies such as encouraging employees to get together to let off steam, and exploring initiatives such as the psychology of happiness and mindfulness training

"There are so many things [employers] can do that are really positive,"

**50%**

of employees have never been asked about stress, depression or anxiety in a one-to-one with their manager

(Source: Bupa)

**One in five** people take a day off work due to stress, and one in 10 have resigned as a result of stress

(Source: Mind)

he says. "These will support employees' mental health and wellbeing, but will also engage them and potentially lead to improvements in workplace performance." **EB**



**Sam Barrett**  
is a freelance journalist

@ Read also *What health headline should employers take note of?* [bit.ly/1FzudIG](http://bit.ly/1FzudIG)

## Viewpoint



**Emma Mamo**  
is head of workplace wellbeing at Mind

### Open culture is key to supporting staff

Under the Equality Act (2010), if any employee discloses a disability, including a mental health problem, an employer has a duty to make reasonable adjustments to working practices to support them. For a mental health problem to be considered a disability, it must have substantial adverse and long-term effects on a person's ability to carry out normal day-to-day activities.

Ways to provide a supportive workplace environment include one-on-one support, flexible working hours, phased return, reduced hours and buddy systems. Employers also have a duty of care under health and safety legislation. This includes assessing and mitigating the risk of stress-related ill health arising from work activities.

However, we want employers to see supporting employees not just as a legal obligation, but as part of being a responsible business that values staff.

Employees need to be reassured that if they open up, they will get support, rather than facing stigma. Starting a conversation about mental health can be as simple as asking someone how they are doing. And having a mental health problem does not necessarily lead to problems with performance. A well-supported member of staff with a mental health problem can carry out their role to a high standard.



We're **not** a traditional benefits or flex provider... **we're different**

To find out more visit [salary-exchange.co.uk](http://salary-exchange.co.uk) | or call **0333 2000 104**

# Protection from the stress of mental health absence



With absence notifications rising, early intervention is invaluable to help employees get back to work sooner and keep costs down for employers, says **Vanessa Sallows**

Employee absences caused by mental health issues are impacting more businesses and costing them money.

However, options are available that help employees back to work sooner and enable employers to reduce the likelihood of absence in the workplace.

Last year, the Chartered Institute of Personnel and Development's (CIPD) *Absence management survey*, published in October 2014, reported that over two-fifths (43%) of employers said that stress-related absence had increased over the past year, compared to 24% in 2009. This represents a rise of almost 80%. Our figures show absence notifications related to anxiety and depression increased by 56% between 2012 and 2014.

More people off work for longer means more cost to the employer.

## A vicious spiral

Evidence shows the longer people are not working, the more likely they are to experience depression and anxiety disorders.

A Mental Health Foundation report, *Returning to work: the role of depression*, published in 2009, showed that more 60% of people who had a physical illness had not received a diagnosis for depression and other mental health illnesses, despite reporting symptoms of those illnesses.

The earlier these issues are addressed, the quicker employees can return to full strength.

The government's Fit for Work service is not the only solution. The initiative, which helps employees stay in or return to work, is great news but has limits. These include: the fact it only provides one assessment per person in any 12 months, regardless of cause; the service has a three-month cap; non-NHS



treatments must be arranged by the employer and paid for; and it can be more than four weeks between referral and first NHS treatment for severe or enduring mental health problems.

This is unlikely to be suitable for employees who develop mental health issues after suffering physical issues, or are not ready to go back to work after three months. And the treatments recommended are not funded by the NHS.

## Shrink the cost of absence

Early intervention and funding the recommended treatments is a key part of the best group income protection propositions. Our experience shows that absences are 30% shorter when we are notified at week six, compared to notification at week 26.

Also, more than three-quarters (79%) of people with notified absences due to mental health could return to work before they became a claim.

With staff absence costing employers an average of £92.27 a day, according to figures from the CIPD, this can save businesses thousands of pounds.

## Prevention better than cure

Organisations of all sizes can make long-term savings by making it easier for workers to feel comfortable coming forward with personal issues.

Managers must look out for changes in employee behaviour, be alert to mental health issues as well as more visible physical injuries and recognise that people do not react in the same way.

Reacting quickly means problems, both mental and physical, will be less likely to become long-term issues.



**Vanessa Sallows**  
is benefits and governance  
director at Legal and General



# Introducing our medical claim reports...

## To take the pulse of your company wellness

Generali Employee Benefits is proud to announce its new Paid and Incurred Medical Claim Reports. These reports provide multinational companies the tools they need to tackle skyrocketing medical premiums.

The most current dashboard overview of what company-sponsored health plans have effectively paid during prior periods.

Insight into local medical trends by diagnostic categories to help companies better consider appropriate wellness programs.

Global summaries and country-by-country detail associated with the covered populations and the time periods indicated.

Deeper population-based metrics to better identify the main cost drivers associated with a company's claims experience.

Insight into local medical trends by benefit class to help companies make informed decisions on health cover / benefit design.

A clearer perspective of the differences in employee health issues that exist between countries around the world.

## Local protection, global connection

[www.geb.com](http://www.geb.com)

**Head Office** Avenue Louise 149, box 17 1050 Brussels, Belgium - [marketing@geb.com](mailto:marketing@geb.com) - Tel. +32 2 537 27 60





## Viewpoint



**Robin Cordell**  
is president of the  
Society of Occupational  
Medicine

### Services changing to meet employer demand

Occupational health services are changing to meet the evolving needs of employers, employees and UK businesses. The dynamic nature of the workplace, people staying in work at an older age and new technologies are just some of the drivers for the repositioning of occupational health.

We know good work is good for health. Occupational health professionals help businesses become more productive and save money by using preventive measures, for example, advice on maintaining a healthy workplace, and early intervention to assist those absent through sickness to return at the optimal time. There is a myth that full recovery is needed before a return to work. In fact, returning at the right time, perhaps on a phased basis, aids rehabilitation.

Musculoskeletal problems, such as back pain, remain the leading cause of the 131 million days lost a year through sickness absence, according to the *Sickness absence in the labour market report*, published by the Office of National Statistics in February 2014. However, mental health problems are close behind. Occupational health professionals can advise on how to reduce risk to mental health.

The major change this year has been the introduction of the government's Fit for Work service. Using modern technology, Fit for Work provides generic advice on health and work, and assessment for individual employees who have been absent due to sickness for four weeks or more. This will particularly benefit employers and employees in small and medium-sized enterprises, which currently have little occupational health provision.

## CASE STUDY CAFCASS

### Occupational health is all part of the strategy

Family support service Cafcass has integrated its occupational health provision within its wider health and wellbeing strategy.

The organisation took measures to use its health and wellbeing spend more effectively after recognising that it was investing across a number of different providers, with a lot of reactive rather than proactive services.

Cafcass launched a health cash plan in April 2013 and consolidated many of its

health and wellbeing services into one provider.

To operate as efficiently as possible, the organisation uses occupational health selectively. For example, if an employee has a condition that could be a disability under the Equality Act, it will



seek advice from its occupational health provider.

Daryl Maitland, senior HR manager at Cafcass, says: "We tend to work in partnership with our occupational health provider. We've done briefings with the physician team to help them understand the work of Cafcass. When it advises us on the reasonable adjustments, it's important that it understands what the role is and the nature of the organisation. It signposts to resources we have in-house."

time, provides an approach that should enable the employer to meet its legal obligations," says Habbab.

A further trend is to integrate the traditional occupational health services into a wider employee wellbeing approach. Joanne Anderson, senior consultant at Towers Watson explains: "That manifests itself in looking at things like early intervention, musculoskeletal and psychiatric pathways, and really trying to get occupational health to integrate with all the other services, benefits and provisions within the organisation."

### Onsite versus offsite provision

While the size of an organisation will usually determine the extent of its occupational health services, many employers find that having an adviser or physician onsite will bring greater engagement with the service and result in a better understanding of the employer's culture and workforce for the healthcare professional. "The costs of employing clinicians and keeping an appropriate and fit-for-purpose governing process in-house has led many employers to outsource their occupational health provision," says Habbab.

"Many employers request that their outsourced occupational health service provides set clinician days onsite to deliver services such as health surveillance activities and risk assessments if needed."

Occupational health services are making use of technology where appropriate, although the

importance of providing help and guidance in person, particularly in complex or sensitive cases, cannot be replaced. "In a price-sensitive market, employers can look to get the best value by having services such as new starter health screenings and telephone consultations conducted remotely," says McCrea. "This also has the advantage of reducing the length of time to complete a referral or intervention."

Providers are also using technology to provide a smoother process for both the employee and employer. For example, Axa PPP Healthcare offers managers access to an online portal through which they can refer an employee electronically, track the progress of their referral and then view management advice.

As technological advances increase, there is a danger that occupational health will become more impersonal, so employers and providers need to ensure that what is being provided to employees is best suited for the culture, workforce and a variety of individual circumstances **EB**



**Tynan Barton**  
is features editor  
at *Employee Benefits*  
[@tynanbarton](#)

@ Read also *How to build a compelling business case for benefits at: [bit.ly/1yUCYxk](http://bit.ly/1yUCYxk)*

# Boots employee wellbeing schemes

Let's look after the health of your employees



winter flu  
vaccination service



corporate eyecare



travel vaccination  
and advice service

For more information call 0115 9591279<sup>†</sup>,  
email [corporate.wellbeing@boots.co.uk](mailto:corporate.wellbeing@boots.co.uk)  
or visit [boots.com/en/Boots-for-business](https://boots.com/en/Boots-for-business)



let's feel good

# DISCOVER THE LEADING EVENT FOR EXPATRIATE MANAGEMENT

## THE FEM EMEA SUMMIT AND EMMAS BRINGS TOGETHER THE GLOBAL MOBILITY INDUSTRY THIS NOVEMBER

We've sourced the experts for you in an exceptional line-up of speakers including:

**Richard McBride**, Global Mobility Director, **Baker Hughes**

**Jane Harris**, Head of Global Mobility, **Novartis**

**Karen O'Brien**, Global Mobility Lead, **AECOM**

More speakers to be announced

Find an abundance of ideas in the conference, meet key suppliers, network with peers and celebrate excellence at the renowned EMMA awards.

**REGISTER YOUR FREE PLACE TODAY**

When: **6 November 2015**

Where: **Lancaster London**

Find out more here:

[emea.forum-expat-management.com](http://emea.forum-expat-management.com)



**FORUM**<sup>FOR</sup>  
**EXPATRIATE**  
**MANAGEMENT**  
**EMEA SUMMIT**

Employee Benefits and Forum for Expatriate  
Management are part of Centaur HR



# PITCH PERFECT

To get the board to give the green light to a wellbeing strategy, the bottom line needs to be top of the agenda, says **Alison Coleman**

**W**orkplace wellness is a buzzword in corporate circles. Employers are recognising that staff health and wellbeing has a direct impact on issues such as sickness absence, staff retention, employee engagement and productivity, which in turn impact their bottom line.

Or are they? In a report by leadership development firm Morgan Redwood, *Wellbeing and business performance*, published in August 2015, only 46% of employers saw staff health as their responsibility, in spite of 82.8% seeing the connection between business performance and staff wellbeing.

So is it a case of business leaders being unconvinced about the return on investment (ROI) in employee wellness? If so, what information do HR and benefits teams need to relay to the board to get their buy in?

## Health is a business objective

Keeping a workforce healthy and productive are two key objectives for any business, whatever its size, says Brett Hill, commercial director at The Health Insurance Group. "Organisations that evaluate their wellbeing spend are more likely to continue to invest in wellbeing packages for their staff," he says. "Monitoring and regular reporting of sickness absence rates and associated costs, including hiring temporary staff, or the cost of missed deadlines, helps to measure the effectiveness and demonstrate the return on investment of a health and wellbeing benefits package."

Yet, producing the accurate data necessary to calculate the ROI is something

many businesses still fail to do. John Collins, a senior consultant at Thomsons Online Benefits, says: "Take sickness absence. Some [employers] still do not have a handle on their figures. They know there's a problem, but not the size of it."



Some [employers] still do not have a handle on their sickness absence figures. They know there's a problem, but not the size of it.

John Collins, Thomsons Online Benefits

"And sickness absence is only one area that supports a wellness strategy. They also have data around private medical insurance (PMI) and employee assistance programmes (EAPs), which provide the baseline metrics. The data is there, but they need to bring it together in a meaningful way."

## Choice of programmes

"What does an effective wellness scheme look like?" is a question the board is sure to ask. In truth, there are as many schemes as there are firms implementing them. No two employers are the same in terms of priorities, cultures, budgets, and demographics. The constant is the need to address physical, mental and financial wellbeing within a sustained and well-communicated programme.

Chris Evans, senior consultant at Buck

### IF YOU READ NOTHING ELSE, READ THIS...

- > To create a business case for a wellness scheme and demonstrate the return on investment (ROI), organisations need accurate internal baseline metrics around staff health and wellbeing.
- > An effective HR technology system is key to collating and analysing what can be a huge amount of data produced by a comprehensive wellness programme.
- > Employee engagement is a valuable index for monitoring ROI on wellness.

Consultants at Xerox, says: "The evolution of complementary wellbeing resources from traditional employee benefits providers, alongside the growth of specialised wellbeing services, presents a huge range of choice and opportunity to design bespoke solutions within an often restricted budget."



## CASE STUDY REED BUSINESS INFORMATION

### Reed Business Information leads wellbeing from the top



Reed Business Information's (RBI's) Living Well programme is designed to support the physical and psychological wellbeing of its 2,000 employees.

It encompasses physical fitness, healthy eating, emotional wellbeing and giving back through a strong charity agenda. The programme is led by global marketing director Lawrence Mitchell.

"People are a key part of our success and we need them to be healthy and engaged in their work," he says. "The leadership team all understand that, and have put some resources behind the RBI Living Well programme."

Having a voice in the executive meetings clearly helped put the topic on the agenda and

frame it in a language that resonated with the leadership audience.

In making the business case and demonstrating ROI, Mitchell initially focused on sickness through absence data, using the argument that having healthy, engaged people has to be good for business.

The organisation also created wellness experiences that could be measured and reported. One of these was the RBI 50 Days of Wellbeing, which engaged 25% of staff based in 50 offices around the world.

### Top benefits offered by reasons for doing so

% of companies and the reasons for offering health and wellbeing benefits and services

Rank	Employee attraction	%	Employee retention	%
1	Private medical insurance	67	Income protection insurance	68
2	Income protection insurance	64	Private medical insurance	48
3	Exercise advice or programmes	25	Online counselling	31
4	Wellbeing health checks	24	Wellbeing health checks	31
5	Online counselling	24	Health promotion events	30
6	Health promotion events	23	Weight loss advice or programmes	23
7	Weight loss advice or programmes	19	Exercise advice or programmes	19
8	Smoking cessation advice or programmes	15	Smoking cessation advice or programmes	15

Rank	Reducing absence	%	Improving health	%
1	Online counselling	71	Smoking cessation advice or programmes	91
2	Wellbeing health checks	68	Weight loss advice or programmes	89
3	Weight loss advice or programmes	66	Health promotion events	88
4	Health promotion events	57	Exercise advice or programmes	85
5	Exercise advice or programmes	56	Wellbeing health checks	81
6	Smoking cessation advice or programmes	53	Online counselling	71
7	Private medical insurance	44	Private medical insurance	35
8	Income protection insurance	16	Income protection insurance	19

Source: EEF/Jelf Employee absence sickness absence survey, June 2015

Conventional benefits, such as PMI, health cash plans and EAPs, are being complemented by sophisticated health screening programmes and wearable technology.

#### All-employee access

Universal access to the kinds of health screening that were once the preserve of top executives enables many more employees to be screened within a fixed budget, says GP Dr Nick Summerton, a medical director at Bluecrest Wellness. "This has great potential for taking wellbeing strategies to a higher level in terms of impact, value and evidence of ROI," he explains. "It enables organisations to mimic the public health plans of governments based on

needs-based data, so health and wellbeing activities can be targeted and their effects on staff can be tracked and monitored over time."

Individual employees can get their results in digital form, through their own health apps on a smartphone or smartwatch, to measure their own progress. Organisations can collate the data anonymously and use it to identify specific issues to be addressed, rather than talking in vague terms about wellbeing. They can track organisational progress over time based on hard data. For example, follow-up screenings will show reductions in weight, smoking rates, alcohol consumption, anxiety and depression.

Such a vast array of data being produced from multiple sources can be overwhelming



"It enables organisations to mimic the public health plans of governments, so activities can be targeted and effects tracked"

Dr Nick Summerton, Bluecrest Wellness

for some organisations. Evans says: "We have developed a wellbeing data dashboard into which selected data sets can be presented and monitored in a concise digestible format that will fit with the board's requirement for brevity."

#### Staff engagement

Another way of measuring ROI on wellness is through employee engagement. For example, prior to implementing its wellness strategy, online marketing agency Adtrak's 2014 employee survey revealed that 58% of its 100 staff were engaged. In 2015, with the wellness scheme in place, this figure rose to 73%. Also notable was the fact that it was Adtrak's directors that devised the wellness strategy, which includes flexi-time, a free onsite gym, a workplace breakout zone, bikes-for-work scheme and health cash plan [EB](#)



Alison Coleman  
is a freelance journalist

@ Read also *How to use wellbeing initiatives to boost employee engagement* at [bit.ly/1FBILsF](http://bit.ly/1FBILsF)

# Rewards & Benefits Summit

25-27 November 2015, Marriott Hotel Brussels

A new event for UK rewards and benefits professionals!

Over 40 Heads of Reward & Benefit already confirmed.

Call us for more info – **020 7828 2278**  
or visit [www.Summit-Events.com/RBSummit](http://www.Summit-Events.com/RBSummit)

## Expert speaker panel:

Rasmus Ankersen – Opening keynote

Jo Bean, Head of Reward UK & Ireland, Samsung Electronics UK

Debra Corey, Rewards & Benefits Specialist

John Fitzgerald, Global Compensation & Benefits Partner, XL Group

Jonny Gifford, Research Adviser, CIPD

Peter Newhouse, Global Head of Reward, Unilever

Brian Newman, VP HR International, Live Nation Entertainment

Deborah Warman, Head of Reward & Global Mobility, Marks and Spencer



*"A really beneficial event. I was able to meet with suppliers that may be able to support us with some of our challenges in an informal and relaxed environment...I have been on a number of similar events in the past and this is by far the best I've ever been on - I would definitely recommend it."*

**Tina Lewis: Director of People and Legal Service, The National Trust**

*"2014 was my first Summit and I can honestly say I was blown away! I have been fully engaged - this was a great use of 3 days."*

**Andrew Symonds: Head of Human Resources (GB), Tayto Group**

*"It was another fantastic event... always new delegates, insightful speakers, new conversations and great prospects. We're already successfully following up on our meetings."*

**Matt Duffy: Head of Online Consultancy, Aon Employee Benefits**

## Lead sponsors:



The Summit is CPD certified and attendees qualify for CPD credits

# This Christmas:

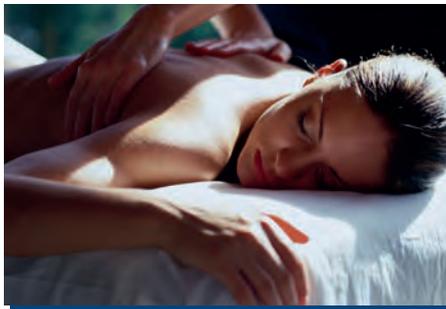
# GIVE EMPLOYEES A REWARD TO REMEMBER



## LIFESTYLE. MORE THAN JUST A HIGH STREET VOUCHER



## EXPERIENCES



## GIFTS



## NEW! SUBSCRIPTION GIFT PACKAGES



## INCENTIVE TRAVEL



For employee campaign ideas contact the team on **0845 600 7610**  
or email [corporateenquiries@redletterdays.co.uk](mailto:corporateenquiries@redletterdays.co.uk)



Tweet us  
[@RLDforbusiness](https://twitter.com/RLDforbusiness)

[redletterdays.co.uk/forbusiness](http://redletterdays.co.uk/forbusiness)



Join us on LinkedIn  
Incentive and reward experts

# BOUNCE BACK

The government's Fit for Work service has now been in operation for 10 months, so is it having the intended boomerang effect for workers? asks **Sam Barrett**

**R**educing absence and helping employees back to work is a major challenge for many organisations. But with the government having launched its Fit for Work service in December 2014, employers now have another tool to help keep their workforces healthy and productive. The service is made up of two elements. The first, which can be accessed by employers, employees and GPs, provides work-related health information and advice online and by phone.

The second offers a free referral for an occupational health assessment, where an employee has been, or is expected to be, off work for at least four weeks. With this, a trained healthcare professional will spend up to 45 minutes with them, putting together a return-to-work plan they can use with their employer and GP.

At present, referrals can only be made by an employee's GP, but this option will be extended to employers in England and Wales this autumn, with Scotland following suit next spring.

## Performance report

Although the full service is still to be rolled out, Mary Carter-Lee, HR director at Fit for Work, is pleased with the use it has received so far. "We've had a great response to the online and telephone health information, and the number of referrals we receive from GPs is building every week as awareness grows," she says.

Musculoskeletal and mental health problems are the most common reasons for referrals received by the service. This is in keeping with group income protection statistics, where these two conditions make up around 40% of claims. "We're producing more return-to-work plans every week and have already seen employees successfully go back to work," Carter-Lee adds.

However, many in the healthcare

benefits industry have not had dealings with the service. Axa PPP Healthcare has yet to see a referral to its occupational health services for someone who is also using Fit for Work, while Matthew Judge, director at Jelf Group, has seen very little awareness among employer clients. "It's still below the radar," he adds.

"This is probably a good thing at this stage because by gradually rolling out the service it can deal with the growing demand, but more work will need to be done to raise awareness among employers and GPs."

These areas are in hand, with a series of talks, conferences and exhibitions being used to raise awareness of Fit for Work among its target audiences. "We rolled out the service steadily to GPs, with

ambassadors visiting surgeries to explain how to refer a patient and what a doctor can expect," says Carter-Lee. "We're also working with partner organisations such as Acas to help spread



## IF YOU READ NOTHING ELSE, READ THIS...

- > **The Fit for Work service began its phased roll-out in December 2014.**
- > **It offers health information and advice to employers and staff, as well as a referral for a health assessment for employees who are off work.**
- > **The service has received mixed reviews, but is largely seen as a positive addition to workplace health benefits.**

the message in the workplace."

There are also some concerns about the nature of the service being delivered. Mark Witte, principal at Aon Employee Benefits, points to the experience that some of his employer clients have had with independent occupational health providers. "Some were concerned that the advice they received didn't take into account the needs of the business or the employee's role," he explains.

And with the service only kicking in once an employee has been off work for four weeks, there are also concerns that any interventions may come too late. However, this is not the case, says Joy Reymond, head of rehabilitation services at Unum. "Four weeks is the optimum time to intervene," she says.

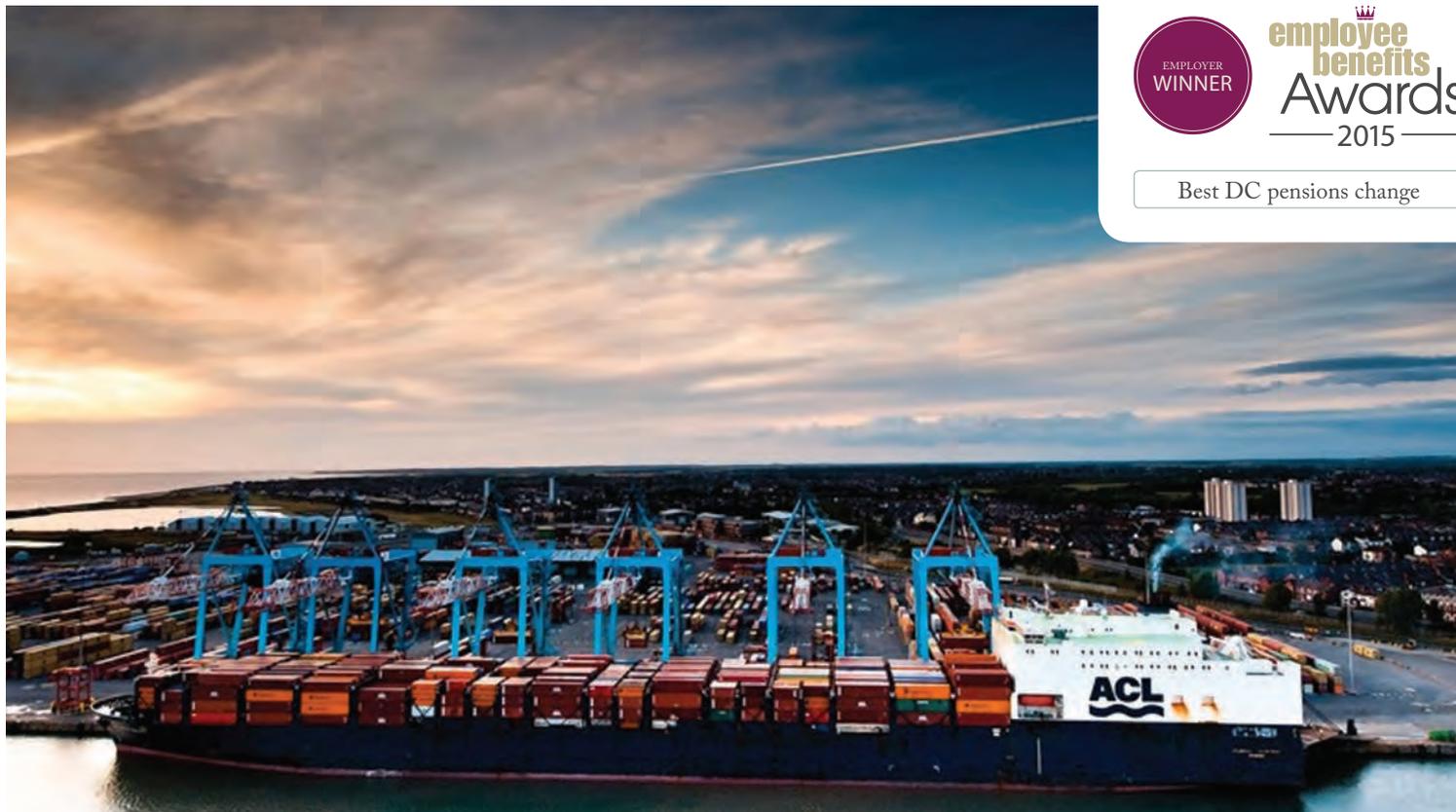
While there may still be concerns, the insurance industry's response to Fit for Work is largely positive. "I can see it being particularly good for smaller employers," says Witte. "By putting these types of service on the agenda, it has to be good for workplace health." **EB**



**Sam Barrett**  
is a freelance reporter

@ Read also *How to align workplace health with the Public Responsibility Deal* at [bit.ly/10rYJtd](http://bit.ly/10rYJtd)

## EMPLOYER PROFILE



employee  
benefits  
Awards  
2015

Best DC pensions change

# CONTAINED PACKAGE

Peel Ports Group is working hard to bring its workplace benefits together as one unit and align it with its overall business strategy, says **Marianne Calnan**

**S**ince 2011, Peel Ports Group has been evolving its compensation and benefits package to attract and retain staff, with a particular focus on its pension and flexible benefits offering. The organisation is currently creating a deep-water terminal for containers, Liverpool 2, which will result in an expanded

workforce. An additional 480 roles will be created, along with around 5,000 additional supply jobs in the north east of England.

Due to open at the end of 2015, Liverpool 2 is a £300m infrastructure, which will mean the rest of the Peel Ports Group will rely on the ports part of the business to deliver even more.

### Increased focus on pensions

Part of the organisation's benefits evolution is an increased focus on pensions provision, enabling it to meet legislative requirements such as auto-enrolment and the pension freedoms.

Almost all (90%) of its employees are in its defined contribution (DC) pension scheme, due in part to the benefits team focusing its attention on its pension benefits. Peel Ports held compulsory presentations for its workforce in the run up to auto-enrolment, put up posters and sent out newsletters and booklets to give employees more information.

It further encourages employees to save for their retirement with the increased employer contributions it introduced in January 2014, which rose from between 3% and 6%, to between 4% and 10%. The minimum employee contribution rate is currently set at 4%, before increasing to 5-10% from 2016. The combined average pension contribution is between 14% and 15%. The organisation received the Pension Quality Mark Plus in November 2014 for its low charges of 0.35%, quality of governance and ongoing communication.

The organisation's focus on pensions was also recognised with the award for 'Best DC pensions change' at the Employee Benefits Awards 2015.

### Business strategy

Peel Ports Group's workplace benefits are not all pension focused. It aims to bring its benefits together as one effective unit, and also blend it

### PEEL GROUP AT A GLANCE

The Peel Group was founded in 1920, and was formerly known as Peel Holdings. The group operates in sectors including media, transportation, ports and property.

Peel Ports currently has around 1,100 workers serving seven ports: Port of Liverpool, Manchester Ship Canal, Medway Ports, Port of Heysham, Clydeport, Marine Terminal Dublin, Victoria Terminal 3 Belfast.

## BUSINESS OBJECTIVES IMPACTING BENEFITS

- Managing new staff and their benefits brought into the business through the new Liverpool 2 terminal development.
- Continuing to align its benefits strategy with its business strategy.
- Making the organisation more attractive to potential new recruits.

with the overall business strategy. Howard Sloane, group HR director at Peel Ports Group, believes that combining the port's business strategy with its benefits strategy is the best thing for both the organisation and its workforce. "Our HR strategy was formed on the back of our reward and benefits delivery as a five-year plan. It's easy enough to put the two together," he explains.

"What's important is that the HR strategy works with the business strategy. We've looked at what the business objectives are for the next five years and designed an attractive benefits strategy around that."

In line with this, Peel Ports has enhanced its flexible benefits package to appeal to as many workers as possible, and align with the business' aims. It added green cars and holiday trading to its flexible benefits package during its scheme election window in May, to create a more tax-efficient offering.

## CAREER HISTORY



Howard Sloane has been group HR director at Peel Ports since 2011. His previous roles include head of people and culture, UK and Ireland at energy firm

Vestas, HR manager at engineering support services firm Babcock International Group, and HR manager at global logistical organisation TDG.

Sloane joined Peel Ports to act as the driving force behind the organisation's HR and benefits revamp.

He says: "I'm blessed to have found such a talented and dedicated team of HR practitioners who have worked so hard to achieve the HR strategy and vision that I set out."

## THE BENEFITS

### Pension:

- > Stakeholder pension scheme available for all UK employees.
- > Minimum employee contribution set at 4%, with matching employer contributions of between 4% and 10 %.

### Health and wellbeing:

- > Private medical insurance (PMI) available for all senior managers and executives.
- > Health cash plan available to all staff as a core benefit.
- > Eye care plan.
- > Employee assistance programme (EAP).

### Group risk:

- > Critical illness insurance (part of flexible benefits package).
- > Life assurance (part of core package).

- > Personal accident insurance available through the health cash plan as an employer-funded benefit.

### Staff travel:

- > Bikes for work
- > Car salary sacrifice scheme blended with car cash allowance.

### Family-friendly benefits:

- > Maternity leave on full pay for the first six weeks, and half pay for 7-39 weeks.
- > Return-to-work bonus of 20% of an employee's salary after at least three months of maternity leave.

### Holiday:

- > 25 days as standard in addition to statutory bank and public holidays.
- > Holiday trading.

The organisation also offers a home technology benefit where its 1,100 staff can select any iPad model between the iPad Air 2 and iPad Mini 3 range and pay for it over 12 months directly from their salary. This is one of its most popular benefits, with 10% of employees taking it up. "Adapting our benefits package has really helped us get closer to knowing our staff," says Sloane.

Almost all (98.5%) of Peel Ports Group's workers stay with the firm for at least 12 months, an improvement on previous turnover rates. According to Sloane, this is due to a changed company culture and mindset.

### Motivating messages

It is clear that Peel Ports' staff are at the centre of its business and reward strategies. In its meeting rooms, there are pictures on the walls with motivating messages such as: 'Be the change you want to see in the world', 'If it doesn't challenge you it doesn't change you', and 'Every accomplishment starts with the decision to try'. Sloane says: "It really feels like a very large family-run business. Everything we do is very people-focused."

Reducing sickness absence rates has also been a focus for the organisation. Sloane explains: "Those [employees] on long-term sick [leave] are not our priority in terms of monitoring. This is why we have an electronic system where line managers will get an instant notification about their employee. After three of these messages, the situation will escalate

into a conversation about the employee's attendance; it's short-term absences that hurt the business and other employees the most."

The organisation is focusing on becoming an employer of choice and sends its new recruits hand-signed cards to welcome them to the business. It is also aiming to demonstrate a more discernible employer presence and support, for example, by sending cards to staff on their birthday and work anniversary.

In addition, its benefits and HR brand, HR Connect, aims to personalise, as well as digitise, its workplace benefits service. It also has a call centre-style assistance programme to help staff with any queries about their benefits.

For Sloane, the next steps are to continue to develop a benefits strategy that supports the business. "We can't [implement] everything straight away," he says. "But we do have a package that's forward thinking and innovative. We're definitely growing towards world class, but equally, we're not rushing. Benefits, and a well-thought out strategy for them, is vital to a business, particularly one that is going through a period of significant growth and change." **EB**



**Marianne Calnan**  
is a reporter  
at *Employee Benefits*  
@Mazsays

@ Read also **BNP Paribas aligns multiple benefits schemes to achieve business vision** at [bit.ly/1ERxyru](http://bit.ly/1ERxyru)

# Impact of recent changes on the share plan market

Supplied by:



Employee take-up of share plans has risen over the last two years, with average monthly savings levels up to £129 from £93 in 2013, says **Ashley Price**

Over the last two years we have seen some interesting changes in the share plan market.

We are now starting to see the impact of these changes from trend analysis of 2015 share plan data and discussions with market advocates.

For example, the increase in the sharesave maximum savings limits introduced by HM Revenue and Customs (HMRC) and campaigned for by industry body IFS

Proshare, has led to increased participation rates in established all-employee share plans.

YBS Share Plans' average monthly savings levels have increased considerably for sharesave schemes to £129, up from £93 in 2013, while across the industry as a whole, these now stand at £107. This demonstrates the value employees place in share ownership.

New plans continue to be popular, with

## KEY INDUSTRY TRENDS

- Increase in savings limits for all employee share plans.
- Developments in online services.
- Increased activity in the initial public offering (IPO) market.
- Increased interest in reintroducing sharesave.

Source: YBSSP data



companies introducing at the time of initial public offering (IPO) or shortly after, while employers which have previously only offered share incentive plans (Sips) for staff are now introducing sharesave schemes. In some instances, this is for the first time, in others these are back by popular demand following an employee engagement exercise.

The potential benefits of sharesave schemes are an attractive tool for recruitment and retention.

Plans such as sharesave are an excellent way for employees to save direct from salary, in doing so supporting a savings culture and overall financial education across the board. This is evidenced through the increase in employee participation. Some 1.4 million employees now save into sharesave schemes, an increase from 1.25 million in 2013, according to IFS Proshare's 2014 *Sharesave (SAYE) and share incentive plan (Sip) survey* published in July 2015.

Looking forward, it is important that, as an

## INDUSTRY HIGHLIGHTS

- 1.4 million employees participate in sharesave schemes, in 2014 up from 1.25 million in the previous year.
- The most popular discount for sharesave schemes is 20%.
- Average savings for new sharesave grants are up to £107.46, an increase from £86 on the previous year.
- 526,605 employees participate in share incentive plans (Sips) offering free shares.
- The most popular matching ratio for Sips is one-for-one, offering one matching share for every partnership share purchased.

Source: IFS Proshare, Sharesave (SAYE) and share incentive plan (Sip) survey, July 2015

industry, we continue to understand what drives an employee to join an employee share plan (or not), and ensure that we continue to improve the way we bring the benefits alive across all company sectors and engage participants for the longer term.



Ashley Price is head of YBS Share Plans, part of Yorkshire Building Society

PRODUCT FILE

# SHARE INCENTIVE PLANS

With their attractive tax breaks, Sips are effective staff retention and motivational tools, says **Alison Coleman**

**S**hare incentive plans (Sips) are a popular way for employees to invest in the company they work for. Introduced by the government in 2000, Sips give employers the chance to give or sell shares to their employees, usually as part of a monthly payment scheme, but with attractive tax breaks.

There are four main different types of Sip: free shares, partnership shares, matching shares, and dividend shares.

Free shares given to employees are exempt from income tax and national insurance (NI), while partnership shares are paid for from an employee's pre-tax salary.

Employers can also give up to two matching shares to members of staff for every partnership share they buy, while dividend shares enable employees to buy more shares with the dividends they gain from free, partnership or matching shares. Employers can offer all, or a combination of, the four share options, according to their business requirements.

## Changes to Sip limits

The Finance Act 2014 brought a number of changes to Sips. One of the most significant was a rise in the annual investment limit for



partnership shares under a Sip, which was increased from £1,500 to £1,800.

In addition, the maximum free share award under a Sip rose from £3,000 to £3,600.

In another major change, Sips no longer require prior approval by HM Revenue and Customs. Instead, employers need to self-certify any new plans. They must also register any new and existing share scheme members online.

One of the main benefits of a Sip, from an employer's perspective, is the positive impact these can have on staff retention and motivation.

For the employee, Sips provide the opportunity to invest pre-tax

salary in the organisation and become a shareholder, which means sharing in the future success of the company.

The longer an employee stays with their employer, the more they can benefit from the tax advantages of a Sip and they will probably be more likely to take an interest in the organisation's performance.

This, in turn, can have a positive impact on levels of job satisfaction and employee engagement, both of which are seen as key drivers of productivity.

## Tax-free status

The income tax treatment of Sips depends on the length of time the shares remain in the plan. In broad terms, those held between one and three years are liable to income tax and NI contributions on the date they are removed from the Sip.

Between three and five years, the removal of shares results in income tax and NI being payable on the award (purchase) price or the price at the time of withdrawal, whichever is lower.

If employees keep their free shares in the plan for five years

## The facts

### What are Sips and how do they work?

Share incentive plans (Sips) are a tax-efficient savings vehicle for employees. They are entitled to £3,600 worth of free shares a year, free from income tax and national insurance. The shares retain their tax-free status as long as they remain in the plan for a minimum of five years.

### Where can employers get more information?

HM Revenue and Customs' Share incentive plans: guidance for employers and advisers is available at [www.hmrc.gov.uk](http://www.hmrc.gov.uk).

HMRC's share schemes team helpline is: 0300 123 1079. IFS Proshare's employee share ownership helpline is: 020 7444 7104.

### Who are some of the main providers?

The main providers include: Capita Asset Services, Computershare Investor Services, Barclays Wealth, Equiniti, RM2 Partnership and Yorkshire Building Society.

or more, they will retain their tax-free status.

An employee who leaves for what is considered a 'good' reason, such as retirement or redundancy, will have no tax liability when removing their shares, regardless of how long they have held them. If the shares are held for a minimum of three years, no income tax or NI is payable on the investment **EB**

## STATISTICS

**20.7%** The number of employees increasing their sharesave or Sip contributions in 2014 compared with 2013.

**78%** The proportion of organisations offering partnership shares, the most widely offered shares in Sips in 2014.

**307,014** The number of employees known to have reached the five year tax-free period.

Source: IFS Proshare

@ Read more buyer's guides at: [bit.ly/1irTZcZ](http://bit.ly/1irTZcZ)



## A new way to offer retirement choices



Picture this: a workplace where pension scheme members can get expert help with their retirement decisions. A workplace offering 24/7 online access to market leading educational content and guidance tools they can trust, giving genuine peace of mind to those looking for the best retirement outcomes. A workplace where scheme members wanting professional advice on their retirement options have access to revolutionary online advice services and expert financial advisers. LV= Corporate Solutions – making regulated retirement advice more accessible to workplace scheme members.

**Let's talk. Find us at EB Live, Stand 532**  
**email [Corporate.Solutions@lv.com](mailto:Corporate.Solutions@lv.com) or call 08000 850 260**

**Picture  
 this**   
**LV=**  
**Corporate  
 Solutions**

PRODUCT FILE

# GPPs

New freedoms mean members of group personal pension plans have much greater flexibility around how to take their retirement savings, says **Ceri Jones**

The new pension freedoms that came into effect in April, together with an array of other regulations, have enormous consequences for the operation of workplace pension plans. Group personal pension (GPP) plans are arranged by employers which then make contributions into each participating employee's pot, but the contract is between the employee and the pension provider. The benefits in these plans are based on the contributions paid in and the investment returns made, rather than any link to the employee's salary, so they are referred to as defined contribution (DC) schemes.

Under the new regime, scheme members aged 55 or over can now take their retirement savings from their GPP however they choose, with 25% of the fund available tax-free and the rest taxed as an income in the year of withdrawal.

Employees can use the government's free Pension Wise service to help them assess which option is right for them. However, the government has been alarmed at how access to choice has been restricted by 'excessive' exit charges and a lack of independent financial advice for smaller savers. Therefore, following its Summer Budget, it announced a 'radical'

review of the advice market.

The Budget also introduced additional restrictions to contribution limits, and put in motion a consultation that could result in the disbandment of the entire pension edifice. The consultation document suggests replacing the system of tax and national insurance relief on contributions and instead offering a saving out of after-tax income, which would, for example, end salary sacrifice arrangements.

For employees, the amount that can be saved in a pension free of tax over the course of a lifetime is to be reduced from £1.25m to £1m from April 2016, and the £40,000 annual allowance that can be saved tax free in to a pension each year will be cut for those whose total income is above £150,000.

## Investment funds

A challenge for personal pensions of any kind is that outcomes depend completely on the funds chosen and their performance, and many individuals underestimate

the amount they need to save for a comfortable retirement.

## Lifestyle funds

Employees are also often so baffled at the range of investment funds available that they fall back on the scheme's default fund. In the last decade, almost all GPPs adopted lifestyle funds as one of the default options. These funds invest in more active and equity-oriented funds in the early years of a member's career and progressively switch to bond and cash funds five years before an employee retires. This was fine when people were forced to buy an annuity with their pension pots, because it consolidated the fund in the period leading up to retirement.

However, now that people can choose both to work beyond retirement age and/or keep their pension pot invested in an income drawdown plan post-retirement, switching to cash at age 55 will deny them all-important

## The facts

### What is a group personal pension (GPP)?

A GPP is a contract-based pension scheme that is arranged by an employer, but each scheme member holds a contract directly with the pension provider.

### What are the origins of GPPs?

GPPs were launched in 1988, after personal pensions replaced retirement annuity contracts.

### What are the costs involved?

A good workplace scheme with thousands of members will charge around 0.25% for passive funds, rising to 1.5% for actively invested funds. The 1.5% charge may seem modest but it is applied to the whole fund each year, rather than the amount invested. As an example, if an employee invested £1,000 a year and there is no growth, then after 20 years, they would be paying £253 a year in charges, almost 25% of their annual contribution.

### What are the legal implications?

A GPP must satisfy the government's eligibility criteria if it is to be used for auto-enrolment. An estimated 1,500 employers have so far received non-compliance notices, with penalties ranging from £500 to £5,000 a day.

### What are the tax issues?

Employee contributions paid into a pension scheme are currently eligible for tax relief, while employer contributions are free from tax and national insurance.

### Where can employers get more information and advice?

The National Association of Pension Funds on 020 7601 1700 or at [www.napf.co.uk](http://www.napf.co.uk).  
The Society of Pension Professionals on 020 7353 1688 or at <http://the-spp.co.uk>.



## PRODUCT FILE



**The charges cap has hindered the development of investment funds that use derivative-style techniques”**

investment growth at a time when their pension pot is at its largest. Schemes that have not addressed this issue will now need to.

DC pensions governance was also overhauled in April 2015, including the introduction of independent governance committees (IGCs), which the government hopes will ensure that members receive better value for money. One of the issues IGCs must look at is whether the default funds are suitable for most members,

as well as whether the provider is financially secure, and the standards of administration and the service level agreements are appropriate. Whether a scheme's investment strategy is suitable for a workforce will depend on its employee demographic, and the government clearly expects employers to work closely with the committees.

Regulators are certainly extending their reach. For example, if an employee moves to a new employer, the contract reverts back to an individual basis, which has been taken to mean that the

previous employer was free of any obligations to former staff.

However, another important development is the end of a dual charging structure known as 'active member discounts'. From next April, employers will no longer be allowed to set up a scheme with a dual charging structure with fees that are cheaper when the employee is working with the firm, but reverts to a higher charging structure when an employee leaves service and is 'on their own'.

### Pension fund charges

In April, the government also introduced a 0.75% cap on all pension fund charges following publicity about exorbitant charges in some legacy GPPs. While the cap remedies such iniquities, it has also hindered the development of state-of-the-art investment funds that use various derivative-style techniques to both take advantage of stock market growth while limiting the potential for losses.

The introduction of auto-enrolment legislation in October 2012 requires certain employees to be automatically enrolled into a workplace pension scheme. The minimum contribution is 2% of the member's pay, of which employers have to pay at least 1%, with the rest coming from the member's pay and tax relief. The minimum contribution will rise in stages to

### The facts

#### Which GPP providers have the biggest market share?

The largest providers of GPP plans include Aviva, Aegon, Fidelity Worldwide Investment, Legal and General, Prudential, Scottish Life, Scottish Widows and Standard Life.

#### What have the main GPP providers been up to over the past year?

Providers have been upgrading older schemes to render them compliant for auto-enrolment. They are much more interested in providing large schemes than in servicing small employers and pundits have predicted that many small firms may not be offered terms and will therefore be forced to use the quasi-government scheme, the National Employment Savings Trust (Nest).

8% by 2018, of which employers will have to stump up 3%.

Automatic-enrolment has led to the number of active DC memberships exceeding final salary scheme memberships for the first time, according to figures from The Pensions Regulator [EB](#)

[@ Read more buyer's guides at: bit.ly/1irTZcZ](#)

### STATISTICS

**£3m** The amount to which active membership of defined contribution (DC) pension schemes in the UK increased in 2014 (140%), while assets in non-micro DC schemes have increased by £3bn (11%).

**300** The number of schemes being used for auto-enrolment by the end of 2014.

**87%** The percentage of members in schemes being used for auto-enrolment purposes.

(Source: The Pensions Regulator)

**EMPLOYEE WELLBEING: THE HEART OF HEALTHY BUSINESS**

Products and services are offered by MetLife Europe Limited which is an affiliate of MetLife, Inc. and operates under the "MetLife" brand. MetLife Europe Limited is authorised by the Central Bank of Ireland and subject to limited regulation by the Financial Conduct Authority. Details about the extent of our regulation by the Financial Conduct Authority are available from us on request. Registered address: 20 on Hatch, Lower Hatch Street, Dublin 2, Ireland. Registration number 415123. UK branch address: One Canada Square, Canary Wharf, London E14 5AA. Branch registration number BR008866. www.metlife.co.uk ©2015PNTS COMP 1846.1.AUG15

**MetLife's Group Life and ProActive Protection solutions can help businesses protect the health and wellbeing of their employees.**

For leading Employee Benefits solutions, visit [metlife.co.uk/atwork](http://metlife.co.uk/atwork) or call 0845 603 8899\*

**ENTER A MORE CERTAIN WORLD**

Follow us @UK\_MetLife

**MetLife**

\*0845 numbers will be charged at 5p per minute, plus your network provider's access charge.

# SETTING THE STANDARD FOR EXCELLENCE IN SHARE PLAN, BONUS DEFERRAL, RETIREMENT AND PENSION PLAN ADMINISTRATION

Following the management buyout of Ogier Fiduciary Services, there's a new name in employee benefit plan administration. Our approach is simple: raise industry standards by challenging standard practice.

Of course, you can rely on our team to deliver the usual range of employee benefit plan administration services. What's not so usual is our relentless pursuit of excellence, always raising the bar in delivering value.

New name. New game.

[ELIAN.COM/CORPORATESERVICES](http://ELIAN.COM/CORPORATESERVICES)

Regulatory information is detailed on [elian.com/legalnotice](http://elian.com/legalnotice)

**ELIAN**  
CORPORATE  
SERVICES

## Just rewards

**Candid** comes up with a new motivational slogan: 'Praise means profit'. But who is getting the praise and who is making the profit?



**B**ig Bad Boss must think I am a magician; now he wants me to increase our reward offering without spending any actual money. Well, why don't I turn water into wine and create world peace while I'm at it? How exactly am I supposed to create something out of nothing?

Perhaps I can get employees to pay for their own rewards. I bring up the case for voluntary benefits. No, even Big Bad Boss remembers the headache we had over dental cover. Setting it up was far too much work and in the end we had a miserable take-up. I guess our employees don't smile enough to be worried about their teeth.

He says I need to be more innovative. Thanks. What he really wants is something like intangible benefits. Intangible? Well really, you can't spend an intangible benefit, can you? Perhaps we can get the managers to pay for stuff, I suggest. Absolutely. Big Bad Boss likes that way of thinking. That's good, but how to go about it?

We already have a recognition programme. It is not the best plan ever, but it works. All the rewards, mostly in the form of vouchers, get charged directly to a manager's cost centre and not to us. So all I need to do is to get the managers to make more use of the plan and we have increased our reward offering without spending any money. Job done.

If only it were that easy. I hate training, and more than that, our managers hate being trained. They

will invent client meetings, family breakdowns, financial disasters, anything rather than sit in a conference room listening to me. I am tempted to dump any new roll-out on to the workforce development team – after all, you don't keep dogs and do your own barking – but our managers like sitting in a conference room listening to them even less. No, I need bums on seats for this project. Big, senior bums.

I have an idea. There is a big kick-off conference for the Higher Beings coming soon. Every year, the senior executives get whisked away to a fancy hotel in the shires and told how to be better leaders. They don't actually become better leaders, of course, but at least they go, because there is a great deal of free drink on offer. When I first joined, this event included all managers above a certain level such that even I would have to go. However, in these austere times it is limited to the Highest Beings only. Thankfully. I just hate conferences.

I check with the top secretary who organises the events. There is still space on the agenda, and better still, the theme of the whole week is 'Productivity: get more done with less'. Why am I not surprised?

Looking at our recognition plan,

there is quite a bit I can do to tart up the presentation for this audience. I add notes on scientific research about how employees can be made to work harder by giving them praise and small rewards. At a previous event, they had a professor talk to them about research on diversity improving performance, and Big Bad Boss was talking about it for weeks. I have the impression that empirical evidence for profit has a lot more sway with our management team than mere good practice.

As well as the research to back up

why you might want to be nice to an employee, I'm pretty sure I need to spell out exactly how to be nice to an employee; decent behaviour isn't something that comes naturally to any of our senior management. I make a list of possible management actions, including saying

'thank you' and 'well done'. It might seem patronising, even ridiculous, to call these things out, but really, I've never even heard anyone do these basics around here. So that managers don't have to waste any time thinking for themselves, I also make a list of cheap (almost intangible) things that could be given as recognition, from a bunch of flowers to a meal out. Larger results could even 'self-fund' a day at a sporting event (our management

just love anything self-funding). I want to give the plan a funky new name to differentiate it from the current programme, but all I can think of is 'Praise means profit'. Dare I leave it at that? It might be rather blunt, but subtlety can be quite lost on our guys.

Big Bad Boss seems quite enthusiastic about the whole thing and I send him off to sell the idea to the head of HR. Big Bad Boss is so much better at schmoozing the Higher Beings than I am. I'm reminded of dogs and barking again. It seems the head HR honcho hasn't yet prepared his presentation so he is going to use 'Praise means profit' as his keynote speech. That lets me off presenting, and Big Bad Boss too. Relief.

Big Bad Boss comes back from the kick-off event with a bounce in his step. It seems head HR honcho's presentation went down so well, he has rewarded Big Bad Boss with a golf day at a swish course in the country. Well, that's nice, isn't it? I get creative, and do all the actual work, and I don't even get a lovely 'thank you' or 'well done'. That is just typical. Huff.

Then I notice BBB has left an envelope on my desk. Inside is a voucher for a day at my favourite spa. Bless him. I just hope this 'praise means profit' craze lasts.

*Next time... Candid researches a new benefits portal.*

“Decent behaviour isn't something that comes naturally to any of our senior management”



## Keep your people moving

Forward-thinking companies need advanced mobility solutions.

**Alphabet's innovative car sharing scheme, AlphaCity, gives your employees their own dedicated car club. It is a cost-effective and efficient way of keeping your people on the move.**

The benefits of AlphaCity include lower spend on staff mileage reimbursement, reduced spend on taxis and rental vehicles, as well as lower public transport costs.

AlphaCity uses keyless technology and can be booked by your employees directly via a user-friendly web portal. Providing you and your people with on demand access to vehicles, whenever you need them.

To find out more:

Call:  
**0370 50 50 100**

e-mail:  
**alphabet@alphabet.co.uk**

Visit:  
**www.alphabet.co.uk**



# CONTACT DIRECTORY

## GROUP RISK

### MetLife

MetLife employee benefits is building on its strong base among small and medium sized enterprises (SMEs), leveraging its global expertise to provide solutions for multi-nationals. We are committed to:

- ✓ Delivering on our insurance promise
- ✓ Providing excellent service
- ✓ Listening to our customers
- ✓ Making a positive difference in our communities

#### MetLife

Invicta House  
Trafalgar Place  
Brighton  
BN1 4FR

T: 0845 603 8899\*

E: [ebnewbusiness@metlife.co.uk](mailto:ebnewbusiness@metlife.co.uk)

W: [www.metlife.co.uk/atwork](http://www.metlife.co.uk/atwork)

\*Calls cost 5p per minute plus your provider's access charge

Partnering with advisers and employee benefits consultants, we provide solutions to companies that help them manage the risks of illness, injury and death during the working lives of their employees.

Our parent company MetLife, Inc. is the number one employee benefits provider in America covering nearly 40 million employees and their dependants.

## HEALTHCARE AND WELLBEING

### David Lloyd CLUBS

Whether you'd like to encourage your employees to get healthier or decrease stress, at David Lloyd Leisure our team of experts are here to help. We offer cutting-edge gym equipment, match-quality tennis courts and hundreds of classes. We've got enough family activities to keep children occupied and our DLicious cafes are the perfect place for informal meetings, to relax or spend time with family.

We offer a range of corporate gym membership packages to fit what you would like to offer your employees - plus:

- Health & wellbeing workshops
- Multi-activity team-building events
- The friendly rivalry of inter-company tennis tournaments
- Back care courses – lunch times, postural checks and BMI testing within the workplace
- Family fun days

To enquire e-mail: [corporate.membership@davidlloyd.co.uk](mailto:corporate.membership@davidlloyd.co.uk)

## VOLUNTARY BENEFITS

### nextjump

Next Jump Ltd.  
99 Waterloo Road  
London  
SE1 8UL

Tel: 0800 690 6265

E-mail: [ukinfo@nextjump.com](mailto:ukinfo@nextjump.com)

Web: [www.nextjump.co.uk](http://www.nextjump.co.uk)

Contact: Chris or Miranda

World's leading provider, working with 90,000 clients and 100 million employees globally, including the likes of British Airways, BT, Carillion, CSC, Experian, GE, GSK, HSBC, Morrison's, Starbucks, and many more leading UK companies.

#### Employee Engagement Programmes

- Take care of your employees with perks that matter to them
- Market-leading discounts at over 4,000 high street retailers including 75+ reloadable, multi-store and instant shopping cards
- Three ways to save: (1) up-front discounts; (2) WOWPoints currency; and (3) reloadable & instant shopping cards
- Integrated Reward and Recognition platform
- Built in management information and content tools

Visit us at EB Live this year at stand 322. Attend our Speaker Session with Hilton Worldwide, Perks with Purpose: *Engaging Employees with Care* on Monday 21 Sept 2:30pm.



### BLUECREST WELLNESS

#### Bluecrest Wellness

T: 0800 652 2107

Email: [Katie.Bright@bluecrestwellness.com](mailto:Katie.Bright@bluecrestwellness.com)

[kbright@bluecrestwellness.com](mailto:kbright@bluecrestwellness.com)

[www.bluecrestwellness.com](http://www.bluecrestwellness.com)

### Reward staff, increase engagement and save money with Bluecrest Wellness:

- ✓ **Convenient** for employees – onsite and 1,762 locations in UK & Ireland
- ✓ **Best value** for exceptional quality health services (from low cost checks to full executive screenings with GP coaching)
- ✓ **FREE GUIDE** – call 0800 652 2107 for your free guide to employee wellness

Get your pack today and ask for our Danone case study.

### Xexec

Building Loyalty

#### Xexec

T: 0208 201 6483

Email: [Jacqueline.benjamin@xexec.com](mailto:Jacqueline.benjamin@xexec.com)

Web: [www.xexec.com](http://www.xexec.com)

### Enjoy a fresh perspective with our free Employee Engagement Appraisal

Xexec is a leading supplier of Discounts, Reward and Recognition, Retail Vouchers, Concierge, Travel and Ticketing benefits into the corporate market.

We'll review your strategy, benchmark you against the competition and provide personalised recommendations to improve employee engagement.

Our appraisals are informed by 15 years of experience delivering voluntary benefits for large, recognisable UK organisations.

Book your Employee Engagement Appraisal today.

Do you have an issue worthy of TV Debate?

## employee benefits WIRED

Employee Benefits Wired is a interactive platform to debate the latest trends and issues impacting the benefits community.

# CONTACT DIRECTORY

## FINANCIAL EDUCATION



**switch on to financial wellbeing.**

We deliver financial wellbeing programmes to many top companies through financial education, aiming to create a deep and lasting understanding.

We have a complete service offering and can help your employees get switched on to their financial wellbeing by:

- Developing programmes tailored to each company and employee segment
- Offering a range of topics from retirement and flex windows through to debt management and share scheme launches and maturity
- Providing multiple delivery mechanisms from seminars and webinars to animation and interactive games

**WEALTH at work**  
5 Temple Square  
Temple Street  
Liverpool L2 5RH  
0800 234 6880  
info@wealthatwork.co.uk  
www.wealthatwork.co.uk

**WEALTH at work**  
KNOWLEDGE | EXPERIENCE | OPPORTUNITY

WEALTH at work and my wealth are trading names of Wealth at Work Limited which is authorised and regulated by the Financial Conduct Authority

## EMPLOYEE BENEFITS



**Looking for a platform that's built just for you, with all your employee benefits in one place?**

Say "hi" to Salary Extras from Computershare!

Salary Extras is the way we think an employee benefits platform should be: flexible, easy to customise, yours to do exactly what you want with.

As you'd expect, with Salary Extras you can chose from a complete range of salary sacrifice, voluntary and health & wellbeing benefits. But it's our nifty employee engagement and employer admin tools that we think make the difference between a solution that's simply good and a solution that's easy for you, attractive to your staff, and valuable all round.

So why not get in touch for a friendly chat, we'd love to say "hi"!

**Computershare**  
The Pavilions  
Bridgwater Road  
Bristol  
BS13 8AE

W: [www.computershare-salaryextras.com](http://www.computershare-salaryextras.com)  
T: 0345 002 1111  
E: [salary-extras@computershare.co.uk](mailto:salary-extras@computershare.co.uk)

NEW ENTRY

## BENEFITS SOLUTIONS



**Choose one or choose them all!**

<b>Discount Benefits</b>	<b>Salary Sacrifice Benefits</b>
Allsave Myspree	Bikesave
Gymsave	Childcaresave
Shoppesave	Computersave
Travelsave	Greencarsave
<b>Employer Provided Benefits</b>	Healthscreensave
Employee Support	Leavesave
Health Support	Mobilesave
Digital Support	Parkingsave

Allsave  
Brackenwood House  
Kimbell Road  
Basingstoke  
Hampshire  
RG22 4AT

f /Allsaveuk  
t @Allsaveuk  
in /allsave-benefits

Tel: 01256 339100 Email: [info@allsaveuk.com](mailto:info@allsaveuk.com) Web: [www.allsaveuk.com](http://www.allsaveuk.com)



**employee benefits CONNECT**

**9th March 2016**  
Lancaster London

MEET SHARE LEARN CONNECT

[www.employeebenefitsconnect.co.uk](http://www.employeebenefitsconnect.co.uk)



**Are your employee benefits right?**

Do they offer **choice, flexibility and relevance** for all employees?

Do they have your employees **wellbeing** at heart?

Is administration of your scheme **simple**?

If you answered **no** to any of the above questions, contact us today for a **free audit**.

**Mattioli Woods plc**  
Tel: 0116 240 8700  
Email: [info@mattioliwoods.com](mailto:info@mattioliwoods.com)  
[www.mattioliwoods.com](http://www.mattioliwoods.com)

Follow us for our latest updates:  
t @mattioliwoods  
in Mattioli Woods plc



To find over 160 benefits suppliers and consultants go to [www.employeebenefits.co.uk](http://www.employeebenefits.co.uk) and go to the 'find a supplier' section

To advertise your products and services, please contact **David D'Souza** on **020 7970 4929** or email [david.dsouza@centaur.co.uk](mailto:david.dsouza@centaur.co.uk)

Tel: 020 7970 4929  
Contact: **David D'Souza**  
Email: [david.dsouza@centaur.co.uk](mailto:david.dsouza@centaur.co.uk)  
Web: [www.employeebenefits.co.uk](http://www.employeebenefits.co.uk)





**theMasters**

**The Masters of Marketing Awards**

Tobacco Dock, London **11-12 Nov 15**

# Introducing The Masters of Marketing Awards

Bringing the **FOCUS** back to  
what's most important – the work!

Celebrating visionary work over two days at the Festival of Marketing,  
The Masters of Marketing are a fusion of the best and the brightest  
from The Digitals and the Marketing Week Engage Awards.

So forget the chicken dinner, these awards will be unlike anything you've experienced before.

 **Festival  
of Marketing**

Tobacco Dock, London 11-12 November 2015

**Find out more today**

[themastersofmarketingawards.com](http://themastersofmarketingawards.com)

**#TMOM15**