



The Prince's
Responsible
Business Network



Employment Toolkit

ENSURING EVERYONE BENEFITS

November 2019

Improving financial wellbeing
through employee benefits
that work for everyone



In partnership with:

**SALARY
FINANCE**



ENSURING EVERYONE BENEFITS

Improving financial wellbeing through employee benefits that work for everyone

ABOUT THIS TOOLKIT

36% of UK workers are experiencing financial concerns on an ongoing basis and 1 in 8 UK workers is living in poverty. This impacts the engagement, productivity and retention of employees who are more likely to have sleepless nights, be distracted during working hours, have increased absenteeism and be looking for other jobs.

With financial concerns affecting so much of the UK workforce, employers need to address financial wellbeing by offering good work for all. Employee benefits, though often overlooked, are an important part of good work.

Through a series of roundtables conducted with Salary Finance in June 2019, Business in the Community engaged with 25 employers to test the extent to which employee benefits were being used to address financial wellbeing. These roundtables revealed that employers need more guidance to create benefits schemes that meet the needs of their workforce, and particularly the needs of those that may be struggling financially.

This toolkit, produced in partnership with Salary Finance, draws on insights from the roundtables as well as Business in the Community's Good Work for All campaign. It sets out the case for improving financial wellbeing through employee benefits, and provides practical guidance for HR teams.

ACKNOWLEDGEMENTS

Thank you to the Work Foundation and Joseph Rowntree Foundation for the *Improving Fringe Benefits Schemes for Low Earners* report which has helped to pave the way for this toolkit. Thank you also to the 25 businesses that participated in the roundtable discussions, and particularly to the following companies that have provided impact stories:

- John Lewis Partnership
- Joseph Rowntree Housing Trust
- Timpson
- The Co-operative
- Yorkshire Building Society



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FOREWORD BY BUSINESS IN THE COMMUNITY



Since 2001, Business in the Community has been supporting people who face barriers to work to enter employment. Employment should provide stability, security, improved wellbeing and, ultimately, a route out of poverty.

However in recent years we have seen an increase in the numbers of people in poverty, despite being in employment. Now households with at least one adult in work represent the majority of households living in poverty. Though poverty won't be solved by employment alone, there is a clear role for employers to ensure jobs offer the stability and security they should.

In January 2018 we launched Good Work for All, calling on employers to improve the working lives of their lowest paid employees. Thanks to our partnership with Salary Finance, in 2019 we have had the opportunity to focus in on one area of our Good Work for All model: employee benefits.

Through this project we have been able to engage with employers and test assumptions about the impact of employee benefit schemes. We have had confirmation that employee benefits could be used more effectively to boost engagement and improve the working lives of people who may be struggling. There is no quick fix, but employers can start by recognising the importance of ensuring everyone benefits.

**Nicola Inge, Campaign Director,
Business in the Community**

FOREWORD BY SALARY FINANCE



Salary Finance is one of the fastest growing UK fintech companies focussed on financial wellbeing in the workplace. Founded in 2015, our mission - and personal motivation - is to give people the freedom to lead long-term healthier and happier lives. We feel privileged to have won Business in the Community's 2018 'Responsible Small Business of the Year Award' and will always continue to put social purpose at the heart of our business strategy.

Over the last two years we have surveyed over 13,000 UK employees and had conversations with hundreds of senior leaders around the country. It's shocking that in the UK today, people are more stressed about money than their health, career and relationships.

Our feelings, habits and behaviours towards money are linked to integral aspects of our personality, background and life events, so providing a support system to help employees navigate their money journey can appear overwhelming. But it doesn't need to be.

People who have low financial wellbeing don't need to be told what they need to do. They need practical support that will enable them to get out of the situation they are in. We believe there is a critical and unique role that every employer can play. Employers that put wellbeing at the heart of their business objectives and work collaboratively with their employees will see a happier, healthier and more productive workforce. This issue will not go away on its own and the time for employers to act is now.

**Dhiren Master, Global Insights Director,
Salary Finance**

THE PROBLEM

UK WORKERS ARE WORRIED ABOUT MONEY

UK workers are worried about money, with 36% experiencing financial worries on an ongoing basis.¹ This is a problem for workers across the pay grades, with even those in secure, well-paid jobs having hidden money worries. For some workers this is felt even more acutely.

Of the 14.3 million people living in poverty in the UK, the majority (60%) are now within households where at least one person works.² This means 1 in 8 UK workers are living in poverty, unable to afford a fair and decent standard of living.³

Others may face difficult decisions and daily stresses whenever their income doesn't cover their living costs. Research, by the University of Bradford, amongst people working multiple jobs to make ends meet uncovered some of the difficult decisions workers are having to make. For example, Bridie who works four jobs (three part-time cleaning and one part-time kitchen assistant), still struggles to meet her family's basic needs:

“My boiler has gone. We haven't had a boiler for over a year, but I've got a power shower. We don't have heating either, but my son has got a little heater in his bedroom, and he puts that on a bit and then turns it off.”⁴



¹ Salary Finance, The Employer's Guide to Financial Wellbeing, 2019-2020

² Joseph Rowntree Foundation, 2018

³ Joseph Rowntree Foundation, 2018

⁴ Quote taken from University of Durham, Forgotten Workers, 2019)

WHY ARE MORE PEOPLE IN WORK STRUGGLING?

The reason for higher rates of poverty amongst UK workers are complex, but experts point to three important factors:

- **Wages have risen but not in line with inflation.** Between 1998 and 2018 real annual pay growth was highest for the lowest earners, with this accelerating after the introduction of the National Living Wage in April 2018.⁵ However, when adjusted for the impact of rising prices, pay is still below levels seen before the 2008 financial crisis. In 2019, average pay was £468 a week when adjusted for inflation - still £5 less than the pre-recession peak.⁶
- **Inflation has a greater impact on living costs for those on the lowest incomes.** People living in poverty spend a much higher proportion of their income on goods that have seen a high level of inflation – such as food, energy and housing.⁷
- **Welfare benefits have been frozen since 2016.** This means the amount claimants receive has not risen in line with inflation. If the freeze continues until 2020 as planned, families in poverty – the majority of which are in work - will be £560 a year worse off.⁸

In addition, there can be a range of factors that can cause financial concerns for people across all income groups such as debt, high living costs, costs relating to caring responsibilities, family breakdown, and unstable housing. Salary Finance has found that people earning £40-60,000 have the lowest levels of financial concerns. However 29% of employees in this income bracket still experience them.⁹

⁵ 2.1 per cent compared to the average rate of 0.9 per cent between 1998-2008, accelerating to 3.6% after April 2018. Office for National Statistics, Labour Market Overview, July 2019

⁶ Ibid.

⁷ ONS, 2014

⁸ Joseph Rowntree Foundation, 2019

⁹ Salary Finance, Employer's Guide to Financial Wellbeing, 2019-2020

THE IMPACT FOR BUSINESSES

This is a crucial issue for businesses. The stress caused by financial hardship can lead to poor mental health, increased absence rates, lower productivity and higher attrition across the workforce. Employment conditions can contribute positively or negatively to an employee's financial wellbeing, meaning businesses have a responsibility to ensure employment conditions allow workers to thrive, rather than struggle to survive.

THIS TOOLKIT

There are a range of ways for your business to address the financial wellbeing of your workforce. This toolkit focuses on how your business can use employee benefits more effectively.

Though many employers have benefits packages on offer to their workforce, low take-up can result in a poor return on investment.

Sage People's report *Understanding your People to Enhance Productivity* found a disconnect between employers and employees. This demonstrates businesses are not maximising the value of their employee package.¹⁰

This finding was reflected in our engagement with 25 employers in June 2019. Delegates at four roundtables were given a case study setting out employees' situations and living costs, then asked to identify the benefits that would have the greatest impact. Through this exercise, delegates experienced how decisions about employee benefits can often be based on assumptions rather than the needs of employees. Insights from this exercise also helped to highlight an approach for addressing financial wellbeing through employee benefits, starting with the most acute needs.

Drawing on these insights, this toolkit contains practical guidance on offering the right package for your workforce.

¹⁰ Sage People, *Understanding your people to enhance productivity*, 2017



The Trussell Trust – the charity coordinating foodbanks in the UK – says one in six people referred to their food banks is in work.¹

¹ (OHCHR, United Nations Special Rapporteur on extreme poverty and human rights, 2018):



THE CASE FOR CHANGE

THE BUSINESS CASE

The importance of employee wellbeing and engagement are well documented.

Highly engaged teams show 21% greater profitability. Teams who score in the top 20% in engagement see a 41% reduction in absenteeism, and 59% less turnover.¹¹

Research by Salary Finance, *The Employer's Guide to Financial Wellbeing 2019-2020* shows the impact of financial concerns on employee engagement, productivity, interpersonal relationships and retention:

Employees with financial concerns are 14.6 times more likely to have sleepless nights, 12.4 times more likely not to finish daily tasks, 7.7 times more likely to have troubled relationships with work colleagues and 1.5 times more likely to be looking for a job.¹²

This has a negative impact on business performance through absenteeism and presenteeism.

Salary Finance estimates that the cost of this is equal to 30 lost productive days per month per 1000 employees and greater staff turnover equating to 9-13% of total salary cost for the employer.¹³

Helping employees manage the stress associated with financial concerns and providing solutions to alleviate the causes of financial difficulty, will improve employee engagement, productivity and retention.

A HOLISTIC APPROACH: GOOD WORK FOR ALL

Our 2019 Mental Health at Work report *Time to Take Ownership* reveals that financial difficulties have affected **1 in 4** UK workers with mental health problem symptoms.¹⁴ The relationship between financial difficulties and employment is intrinsically related: the nature of employment can exacerbate or improve financial wellbeing. When considering what your business can do, we recommend starting with a review of whether your business provides good work for all.

Business in the Community's definition of a 'good job' is one that offers security, rights and a fair income. A good job also offers the opportunity for personal development, progression and a supportive and inclusive environment in which all employees can thrive.

Our Good Work for All model breaks this down into three areas for action, underpinned by critical enabling factors.



¹¹ Gallup 2019, State of the American Workplace

¹² Salary Finance, *The Employer's Guide to Financial Wellbeing, 2019-2020*

¹³ Salary Finance, *The Employer's Guide to Financial Wellbeing 2019-2020*

¹⁴ Mental Health at Work report 2019: Time to take ownership, BITC, 2019



FAIR PAY AND BENEFITS

28%

employees with work-related mental health problems reported feeling underpaid.¹

¹ Mental Health at Work report 2019: Time to take ownership, BITC, 2019

We recommend paying the real living wage, as set by the Living Wage Foundation.

Employers can also boost take-home pay by ensuring benefits packages are relevant and accessible for all workers, as set out in this toolkit.

69%

of staff say they would be more likely to stay with an employer that offered good benefits.¹

¹ Capita Employee Insight Report 2016-17

In recent years there has been a rapid expansion in the employee benefits market. Employee benefits may include working terms like flexible working or paid breaks, benefits which off-set cost of living such as childcare vouchers, performance-related rewards such as shopping vouchers, or saving schemes.

As shown in the rest of this toolkit, despite the increase in popularity of employee benefits, many employers are failing to maximise their value both for their business and for low earners.¹ People on low incomes are more likely to value benefits that can help to mitigate living costs, but these will vary.

¹ Improving Fringe Benefits Schemes for Low Earners, The Work Foundation for the Joseph Rowntree Foundation, 2018

JOB SECURITY AND STRUCTURE

1 IN 5

UK workers face precarious employment conditions which mean they could suddenly lose their work.¹

¹ The Jobs Economist, 2016

If employees are unsure of what they will earn week to week or find themselves having to rearrange childcare for a last-minute shift, this will impact on their financial wellbeing and their performance at work. Moving workers to more secure contracts, making flexibility mutual, reviewing job design and shift patterns can all have a significant impact on earning potential and wellbeing.

SKILLS AND DEVELOPMENT

1 IN 4

workers remains permanently stuck in low-paid work¹. Low-paid workers who receive training are almost twice as likely to progress.²

¹ 'The Great Escape?', The Social Mobility Commission, 2017

² Making Progress, Social Market Foundation, 2014

Clear progression pathways with incremental steps, increased functional flexibility, and accessible learning and development opportunities will all help to engage your employees and increase their options.



ENABLING FACTORS

Enabling good work for all requires the right approach within your business.

Strong leadership is required to create a business environment that incentivises action, along with workforce insights gathered through HR data and listening to employees. Effective communications and line management also enable employees to take up opportunities that improve their quality of life.

Business in the Community's [Good Work for All Action Plan](#) provides practical steps to improve the situations of your lowest paid employees.





IMPACT STORY

THINKING DIFFERENTLY AT JOHN LEWIS

The John Lewis Partnership offers a broad range of benefits to its 'partners' (employees) but is continually seeking to improve and ensure it is 'fit for the future'. The partnership recently completed a review of its portfolio of employee benefits, which looked in detail at the benefits offered, gathered internal feedback, engaged in external benchmarking and overlaid these findings with its vision for the future.

John Lewis used various approaches, including:

- **Data analysis:** exploring management information on the take-up of different types of benefits, data from the annual employee survey to understand employee preferences, and historical and contextual data
- **Focus groups:** with partners from across the business and with its network of 'leisure co-ordinators' whose primary role is to foster good social activities in local areas and build communities
- **Consultation with the organisation's democratic bodies including its employee forum** which is a sounding board for issues that John Lewis wants to discuss with staff; and its partnership council made up of partners elected by their colleagues, which considers how the organisation should use its profit
- **Competitor benchmarking:** assessing performance not only against traditional competitors but also against those in other industries in the supply chain, to get a really broad picture of what is on offer and where the opportunities are.

The benefits review highlighted a need to think differently about the way benefits are designed and delivered, including targeting the benefits proposition according to need and interest. This has led to a renewed focus on improving the proposition for partners in the low-earner bracket.

For example:

Holidays

John Lewis uncovered research that showed how an inability to take a week's holiday is a symptom of poverty. As a result, John Lewis provides a benefit that allows employees to book holidays outside term-time without being subject to peak pricing.

Financial services

John Lewis has partnered with external organisations to provide financial education or advice to their employees, as well as opportunities for better interest rates for investments, and nudging good saving behaviours through financial education.

Days out

Every year John Lewis runs an exclusive day at Legoland which costs £15 for the day when it would usually cost £60 – meaning families can have a day out together.

“Engagement is really important, because if you ignore that, you are highly likely to introduce something that staff will not engage with. It is about having the opportunity to have a discussion that is well informed and is based on information that people can relate to. That really helps in the decision-making.”

Alan Antunes, Development Manager Benefits,
John Lewis Partnership

SWABRA'S STORY

Debt first became a reality for Swabra when she headed off to university. Her parents had worked hard to provide a great life for Swabra and her siblings, but they hadn't been able to save to support them through further education. Swabra received a loan and bursary and worked two jobs alongside studying for her law degree, and finished university with around £10,000 debt. She began working as a paralegal on just £800 a month, which she supplemented with a second job.

“I was living in London on a low wage,” recalls Swabra, “and so I went deeper into my overdraft and began maxing out my credit card. I was just juggling my debt and it grew larger each month. I sought ways to control the debt but with bad credit. Traditional routes, such as bank loans, were not an option.”

Life continued for Swabra, and her debt continued to grow. After a few years, Swabra began working at Hackney Council, and things seemed like they were looking up.

“I moved in with my partner (now husband), and he was very successful. I thought I would have the chance to pay off all my debt, and I at least started to get some control over it.

Unfortunately, after a short time my partner was unable to work for a period of around four months. His savings were depleted during this period and I was once again getting further into debt as I tried to support us both.”

“I was unable to control my debt and it became more and more of a problem for me. I would think about it every day, worrying and trying to

find a solution. The main issue for me was the interest and the fees I was incurring on the occasions I was unable to make a payment to my credit card company. I was still struggling to manage it after all this time.



Thankfully, Swabra discovered that her employer, Hackney Council, offered financial help through Salary Finance. Though her motivation to pay off her debt was not new, the option to pay it back through her salary made it much more manageable, and the process with Salary Finance helped her to feel more in control.

“It made everything so much better. Yes, my wage was lower each month, but I didn't have to worry about my finances, and I knew they were improving each month.

“I had been very embarrassed about the situation which had held me back. As soon as it was being looked after I could think about progressing at work and moving on with my life. Now I feel like I have financial freedom.”

Since taking control of her debt, Swabra has been awarded two promotions at work. Her personal life has also changed, she is now married and in the process of buying her first property.

TAKE ACTION

CHAMPION CULTURE CHANGE

ENGAGE SENIOR LEADERS

The first step to improving financial wellbeing through employee benefits is to make the case for change in your business. It is important for senior leaders to understand the lived experiences of people who may be struggling within your workforce, as well as the potential impact of poor financial wellbeing on business performance.

- **Use stories and case studies to engage senior leaders to understand the issue.** The case studies and statistics in this toolkit can help make the business case for change. You can also use national data on the prevalence of financial worries and in-work poverty. Perhaps most powerfully, you can collect anecdotal stories from managers about the challenges employees may be facing.
- **Analyse data on the take-up of existing benefits.** This will help identify opportunities for a greater return on investment.

IDENTIFY THE NEEDS OF LOW EARNERS

While an employer knows who within their business is on low pay, they are unlikely to know their total household income, whether they're in debt or struggling with childcare, or whether they are working one or two other roles (high paid or otherwise). Our Mental Health at Work survey also found that just 36% of employees would feel comfortable talking about financial difficulties at work, and this is likely to be even lower amongst people who are struggling financially.¹

¹ Mental Health at Work report 2019: Time to take ownership, BITC, 2019; and The Employer's Guide to Financial Wellbeing, Salary Finance, 2019-2020



Despite this, it is still possible to support employees who may be struggling.

- **Use the Minimum Income Standard as a guide.** The Work Foundation suggests using the Joseph Rowntree Foundation's Minimum Income Standard (MIS) - the income required for a socially acceptable standard of living in the UK – as a guide to the major living costs, and therefore financial pressures, for low earners. The MIS identifies several categories of living costs including food, clothing, rent, water rates, council tax, household goods and services, personal goods and services, childcare, travel costs (including fuel and motoring), and social and cultural participation.²
- A good starting point is to review the benefits offered, to understand how they help to manage these living costs.
- **Use surveys, focus groups and interviews to understand how employees may be struggling.** This way you can explore whether your benefits package offers the right support. Work with employees to identify any changes you could make or new benefits that could be introduced as well as any barriers to take-up. Make sure you include representation from across the business, not neglecting to include remote and part-time workers.
 - **Promote culture change to make it ok to talk about money.** As with mental health, we need to foster environments where it is ok to not be ok financially

² JRF, Padley and Hirsch, 2017



Our Mental Health at Work survey suggests that significantly more employees are comfortable talking about mental health problems (51%) or sexual orientation (50%) at work than they are talking about money (36%).³

³ Mental Health at Work report 2019: Time to take ownership, BITC, 2019

Making changes to the culture of your business will enable other changes around financial wellbeing to be more effective. Invest in internal communications which raise the importance of talking about money, encouraging business leaders and management to share their own experiences and lead by example.





IMPACT STORY

TALKING ABOUT MONEY AT YORKSHIRE BUILDING SOCIETY

At Yorkshire Building Society (YBS), supporting colleagues to maintain or improve their financial wellbeing aligns with its core purpose, while employing colleagues who are 'financially fit' makes sound business sense. YBS' customers, members and regulatory body expect its colleagues to be in control of their own personal finances.

That's why in late 2017, YBS undertook research to understand the financial health of its workforce, which was completed by 1,000 colleagues.

This revealed that a significant proportion of the workforce needed support to improve their financial health:

- 37% have less than £500 in savings and 14% had no savings at all
- 1 in 10 regularly lose sleep over money worries
- 98% said they would not talk about financial difficulties in work (compared to half that would discuss mental health concerns)

In response YBS developed a financial wellbeing programme, split into three key areas; education, ease of access to resources and products, and support for colleagues to help themselves when they get into difficulty.

The programme launched in early 2018 with a campaign to get colleagues talking about their money worries, and how they can take greater control of their finances.

This campaign had four key components:

- Real life stories from colleagues sharing their experience
- Support for managers to encourage healthy conversation about finances
- A new online hub to help employees manage their own finances
- Promotional materials in all branches encouraging a change in culture

Since then, YBS have introduced new measures including a savings calculator, salary-linked savings, information on retail discounts, and promotion of relevant tools through a mental health support app.

“Our approach to financial health is part of our overall wellbeing strategy, which has three elements: increasing awareness of mental health, physical wellbeing and financial resilience; helping our colleagues to stay well and to support them when they're not; and building an inclusive culture where they feel able to bring their whole self to work. In turn this will increase engagement, motivation and productivity, and therefore contribute to our success as an organisation.”

**Tracey Newton, Director of People Performance,
Yorkshire Building Society.**

OFFER THE RIGHT BENEFITS

Every workforce is different, and therefore every benefits package should reflect the make-up and needs of the workforce.

Once you have listened to and engaged with your workforce, how do you offer a package that is relevant, helpful, and does not exclude the needs of employees that may be most in need of support?

Through our engagement with employers, we have identified four steps you can take to improve the financial wellbeing of your lowest paid employees.

1. START WITH THE FUNDAMENTALS

Start by reviewing the core benefits integral to your employee package and common to every worker. This includes but is not limited to pay, pay-related benefits, like paid sick leave or carer's leave, paying for uniform, equipment and training that employees need to do their jobs and pensions and insurance.

The Work Foundation argues that these benefits should be considered fundamental rather than fringe.¹ Responsible businesses should be looking to provide above and beyond the statutory minimum in these areas.

2. HELP THOSE IN CRISIS

A third of UK workers have less than £500 in savings and 41% have less than £1,000².

A lack of savings can create serious problems for employees that may face unexpected costs, from repairing a broken boiler, to finding a rental deposit, to paying for the funeral of a loved one.

While some employees may be able to lean on family members or friends to borrow from, others may be unsure where to find the help they need. In addition to the stress these situations can cause, employees may resort to high-interest payday loans which exacerbate debt and often only delay the problems employees are facing.

Your business can help employees that find themselves at crisis point. This help could include:

- Signposting to services that help employees to consolidate debt
- Providing employees with confidential help and advice in times of crisis through Employee Assistance Programmes (though this should not be a replacement for conversations with line managers)
- Offering employees salary-linked benefits, like the ability to draw down money from their salary at any point in the month
- Finding a provider that can offer low-interest loans for unexpected costs
- Offering rental deposit loans which can be repaid through an employee's salary
- Offering hardship grants for employees in exceptional circumstances



¹ Improving Fringe Benefits Schemes for Low Earners, The Work Foundation for the Joseph Rowntree Foundation, 2018

² The RSA, Thriving, striving or just about surviving, 2019

3. BRING DOWN LIVING COSTS

Many employers offer a range of 'fringe' benefits to employees. The benefits that are most likely to be valued by those on low incomes are benefits that help to make money go further by reducing living costs. These can include:

- Discounts or cashback on the weekly shop or utilities
- Free or discounted public transport
- Childcare vouchers or subsidies for childcare providers ³
- Discounted meals during working hours, for example at a workplace canteen or with local retailers and cafes
- Discounts on leisure activities, such as cinema tickets or holidays
- Free healthcare treatments, eye tests, glasses and dental care
- The ability to buy and sell holiday

4. OFFER LONG-TERM SOLUTIONS

Helping employees to manage their finances is an effective way of preventing financial difficulty and promoting financial freedom in the long-term.

- Create resources promoting the importance of saving and tools to help with budgeting
- Provide basic money management courses during work time
- Partner with external providers to give employees the option to save directly from their salaries
- Offer financial education through your Employee Assistance Programme.



³ The Government's Childcare Voucher scheme is no longer open to new applicants. You can signpost employees to the new Tax-free childcare scheme, or consider providing vouchers to your employees through an external provider.

IMPACT STORY

KNOWING YOUR PEOPLE AT THE CO-OP

In 2017, the Co-op embarked on a programme of activity to improve employee engagement and reduce staff turnover, including improving financial wellbeing.

To understand how it could best provide support, the Co-op compared the demographic of colleagues to wider UK demographics, which gave a good picture of the kind of financial concerns colleagues might be facing. This was supported by a detailed review of the current colleague benefit offer, including listening to colleagues to understand where the gaps in Co-op's existing wellbeing benefits package might be.

This revealed that Co-op colleagues would value more support to manage day-to-day finances and be prepared for unexpected costs. Some support was already offered but not widely taken-up, therefore the Co-op began by repackaging the existing key benefits and information in a helpful way, to increase take-up.

A good case in point is the Co-op's rental deposit scheme introduced in 2015, which provides staff with an interest-free loan to help colleagues split the cost of a rental deposit across a number of months rather than having to find all the money up front. Take-up for the scheme has been relatively low, and so the Co-op has repackaged the loan as part of a

factsheet on Renting a Home, which also points to support for other areas such as saving, budgeting, covering travel expenses, insurance and eating well.

In addition, the Co-op has introduced new benefits to its colleagues such as affordable loans with repayments deducted from their salary, which compliments the existing offer. In 2020, the Co-op will start to increase the breadth of its offer focussing on building financial capability, supporting colleagues to manage their finances in a way that works for them and helping to build a culture of saving.

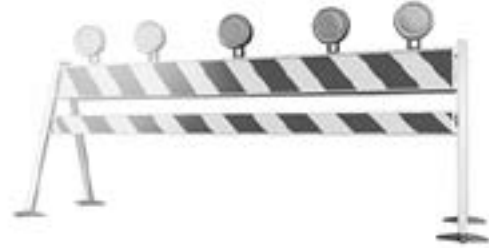
“You’ve got to know enough about who your colleagues are, especially those on the frontline who represent your business every day. It’s very easy to lose sight of that from the HR team. You might start off by thinking that financial wellbeing is about pension planning but you need to really understand some of the challenges your colleagues are facing to identify where you can make a tangible difference”

**Gary Dewin, People Director,
The Co-operative**



REMOVE BARRIERS

Once you have a package that better meets the needs of your workforce, it is important to ensure take-up from the full spectrum of your employees.



COMMUNICATE YOUR OFFER

You will need to use variety of communication styles and methods to communicate effectively with your whole workforce.

- **Provide training to line managers** that equips them to discuss financial wellbeing and employee benefits packages
- **Use a range of communications channels and formats to reach all staff** by ensuring that digital communication does not exclude low paid employees
- **Use employee stories and champions** to explain how the benefits on offer can make a difference
- **Target communications** based on employee preferences, time of year or life stage.

MAKE BENEFITS ACCESSIBLE

Consider the make-up of your workforce and identify any barriers that need to be removed. Barriers could include low English language competency, access to technology and the internet, or complex processes to make use of the benefits on offer.

- **Consider providing English language training.** This could be done on site for free, at discounted rates or through external providers.
- **Address digital exclusion.** If benefits are offered online or via an app, you must also ensure all employees have access to the

internet and basic digital skills. Where possible, provide employees with the technology. Alternatively, offer technology loans to help employees purchase smart phones or tablets. Ensure stores and sites have a communal computer that can be used for employees to access benefits.

- **Make it simple.** Feedback from employers we engaged with suggested the most popular benefits are those that are simple to access. Where possible, provide benefits in one place and avoid implementing complicated processes for employees to use benefits.
- **Eliminate up-front costs.** Ensure the benefits on offer don't require upfront payments, using salary sacrifice where possible.
- **Provide clear instructions.** Help employees access benefits, making sure these are accessible to all employees.

SUPERMARKET DISCOUNTS

Be careful when offering supermarket discounts. Make sure that there is no pre-payment, minimum spend or restrictions, and try to offer discounts at a variety of stores.



IMPACT STORY

DIGITAL INCLUSION AT JOSEPH ROWNTREE HOUSING TRUST

The **Joseph Rowntree Foundation (JRF)** and the **Joseph Rowntree Housing Trust** (a registered housing association and care provider) work together for a prosperous and poverty-free UK. JRF's employee benefits team is charged with demonstrating how this can work in practice.

A big challenge for the organisation was a lack of digital skills among the workforce, leading JRF to include digital as one of the four themes running through its strategic plan. The organisation has a digital inclusion policy to ensure that individuals have equal and affordable access to digital technology as well as the skills, motivation and trust to engage in the digital aspects of modern society.

These aims led JRF to explore how it could support employees who lacked access to a smartphone, tablet or computer, or the digital skills to use them. JRF was one of the first employers to offer a benefit that enables staff to

buy a range of computers, laptops and tablets from Currys-PC World and spread the cost over 6, 12 or 24 months, paying direct from their salary.

Once employees choose their technology, JRF connects them with digital training opportunities either delivered by their digital champions or by other on or offline resources. Not only did the scheme enable employees to access information that delivers financial, social and health benefits and supports better life choices, but these benefits were also passed on to their families and those they provided care for.

“This scheme helps us to provide affordable access to technology and we use our digital champions scheme to give staff digital skills and confidence. In this way, the staff benefits scheme supports our digital inclusion initiatives, as well our broader organisational aims.”

**Julie Morris, Employee Benefits Advisor,
Joseph Rowntree Foundation**





IMPACT STORY

REACHING EVERYONE AT TIMPSON

Highstreet retailer Timpson offers a wide range of benefits to its workforce. Timpson's colleagues get the day off on their birthday, £100 bonus when they get married, Mothercare vouchers for new parents, a day off when a child starts nursery or primary school, and access to 16 holiday homes around the country that colleagues can use for holidays with their families.

To communicate the benefits on offer, Timpson has taken a very inclusive approach:

- Branch managers are trained to promote the benefits to their colleagues
- A colourful and clear booklet given to every employee lists the range of benefits on offer
- Employees that have made use of benefits are profiled in a regular newsletter that is placed in branches

IMPACT STORY

BOOSTING INCLUSION AT WAITROSE

At a Waitrose branch in Scotland, managers consulted with colleagues to understand how they could improve the staff Christmas party and improve attendance. The feedback from colleagues highlighted that the cost required to attend the party was a significant barrier for some colleagues.

Traditionally the Christmas event would be hosted at an upmarket venue and black tie dress expected, colleagues felt they needed to find money for an outfit in addition to transport to get there and this prevented them from attending.

As a team they decided to use the Christmas event budget differently to encourage better participation. Free transport from the branch to the venue, a free ticket to the event and the event was held in an environment that was less formal which enabled everyone who wanted to attend could without the need of purchasing a new outfit. This slight change meant that 80% of the branch attended the Christmas event. This boosted morale at an important time of year.



The Prince's
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Business Network

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