

Employee Benefits Connect – 27th February 2019

Employee Benefits

A key of Driver Business
Performance?





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The poor relation within Reward or a key driver supporting business performance?

Viewpoint:

- Within Reward, compensation is king!
- Reward teams are resourced heavily in favour of compensation specialists in comparison to pension and benefit specialists.
- With the huge variety and complexity of benefits, should HR be re-aligning resource to focus more on the area that can best support key HR challenges?

Key HR challenges

-  Return of Investment
-  Employee Engagement
-  Attraction and retention
-  Equality, diversity, inclusion, wellbeing
-  Technology
-  Legislation

Employee Benefits | Evolution

How it was...

Benefit Provision / Strategy	Resource Assigned	Reporting / Measures / ROI
<ul style="list-style-type: none">• Provision for Pensions• Life Cover within Pension Scheme• Ill Health Retirement through Pension• Private Medical based on seniority• Company Car Scheme	<ul style="list-style-type: none">• Part of a Reward / Personnel team members responsibilities	<ul style="list-style-type: none">• Obligatory reporting

Employee Benefits | Evolution

How it is and how it's emerging...

Benefit Provision / Strategy	Resource Assigned	Reporting / Measures / ROI
<ul style="list-style-type: none">• DB's Gone, DC is the future• More Regulation• Risk benefits separate• Seniority still important (PMI)• Car schemes more 'tool for job' rather than 'status'• Segmented and relevant communication• Technology enabling• Employee Well-being coming to the fore	<ul style="list-style-type: none">• Comp 4:1 Benefits• Greater governance and regulation leading to more specialist input:<ul style="list-style-type: none">– Tax– Trustee boards– External providers– Payroll– Employee Relations	<ul style="list-style-type: none">• Regulation• Greater focus on cost:• Take up statistics• Some employee demographic analysis undertaken to:<ul style="list-style-type: none">– understand benefit relevance for certain groups for scheme design– allow to segment communication• People Survey results• Limited Benchmarking

Aspiration...

Benefit Provision / Strategy

- Well-being over-arching everything we do:
 - **Financial**
 - Flexible benefits and discounts fully integrated
 - Financial well-being support, advice and product available to all
 - Flexible pension contribution options
 - **Mental and Physical** – peace of mind for employees and their families:
 - Fully integrated health strategy / solution
 - Focused on pro-active not reactive and geared to mitigate the organisations key health risks
- Technology that supports the above
- Full alignment with organisations ED&I agenda

Reporting Assigned

- Specific Benefit roles / responsibilities
- Integrated Health and Well-being forum sponsored at an Executive level run by the Benefits / ED&I / Well-being leads
- Continued specialist input:
 - Tax
 - Trustee boards
 - External providers
 - Payroll
 - Employee Relations

Aspiration...

Reporting / Measures / ROI

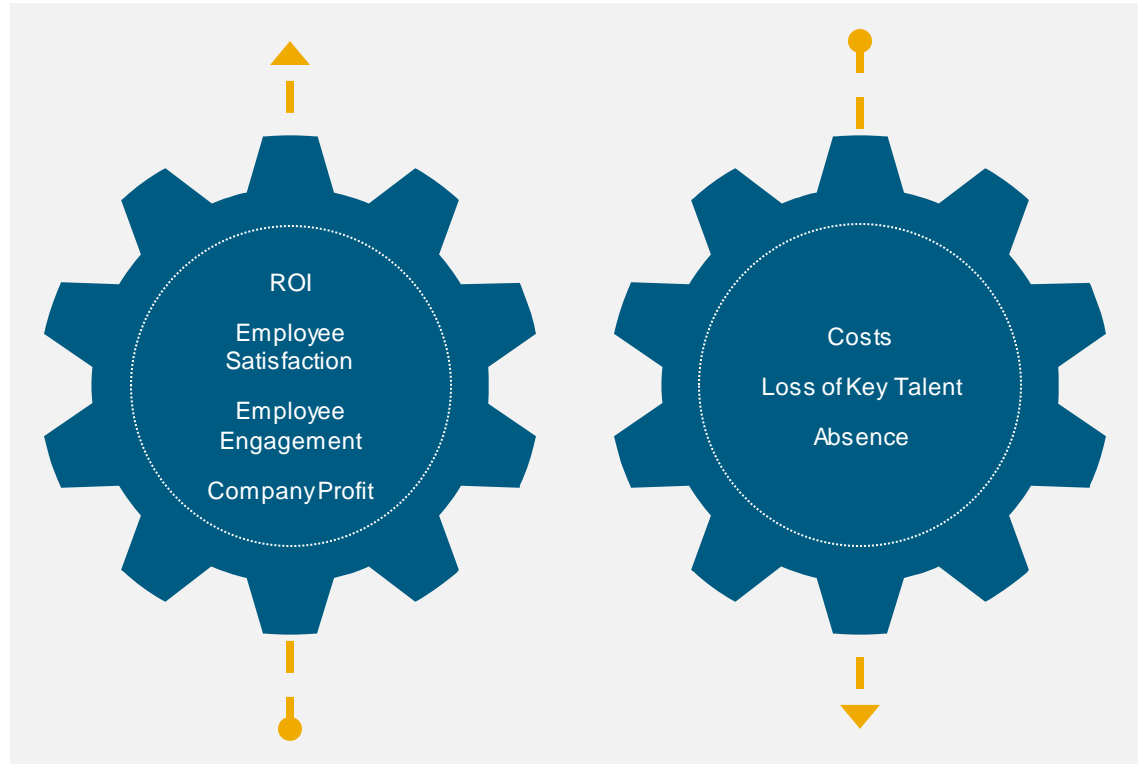
- Regulatory reporting ✓
- Employer NI Savings where applicable ✓
- Health Dashboard – taking account of all spend / costs by clinical reason, such as:
 - Sickness Absence ✓
 - PMI treatment spend, premium costs, stop-loss, admin fees ✓
 - GIP claims and premiums conditions ✓
 - EAP ✓
 - Lost productivity ★
- Segmented take up statistics ★
- People Survey results and engagement ✓
- Attrition ★
- Recruitment ★
- Real time benchmarking ★



Our 'Golden Ticket – the 'Intangible Measures'

Being able to put a value against these along with the existing data available, enabling us to measure the true impact of all benefit interventions will lead to Employee Benefits being

**A key driver of
Business Performance**



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- The information provided is based on our understanding of current law and taxation as at 12 November 2018.
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