

**employee
benefits**

September 2020

Healthcare Research 2020



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Editor's comment

Debbie Lovewell-Tuck | editor
Employee Benefits

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When this research was conducted, the UK was slowly beginning to ease out of lockdown. The unprecedented nature of the Covid-19 (Coronavirus) pandemic and speed at which it progressed, resulted in organisations having to make fundamental, seismic changes to their business and ways of working in a very short space of time.


Unsurprisingly, employee health and wellbeing has remained a key concern for organisations throughout this period. Just under half (46%) of this year's respondents said the pandemic has increased their focus on employees' health and wellbeing, while a further 46% said that they already offered a comprehensive package of health and wellbeing benefits.

In many cases, the rapid move to remote working meant employers had to rethink some of the health and wellbeing benefits offered to staff, with many moving to offer online fitness classes, virtual GP services and telephone or online counselling services, for example.

As well as the physical threat from Covid-19 itself, employees had to suddenly contend with issues such as reduced opportunities for exercise, a potentially more sedentary way of working, and changes to their working environment, all of which had the potential to impact their physical health. In response, many employers took steps to ensure staff were aware of the support available to them, with approximately two-thirds (65%) actively signposting employees to available guidance and support, and 62% increasing communications around the health and wellbeing benefits that they offer.

Inevitably, the pandemic also impacted individuals' mental wellbeing, be it as a result of isolation, bereavement and grief, concerns over job security or financial issues, or stress associated with the pandemic itself, to name but a few possible causes. As a result, just under half (48%) of respondents have taken a more proactive approach to employees' mental health and wellbeing.

The pandemic looks set to leave a lasting impact on health and wellbeing strategies, with 26% of respondents reviewing their organisation's long-term approach to mental wellbeing, and 18% doing the same for their approach to physical wellbeing.

With predictions of a second wave of the virus due to hit the UK this winter and, at the time of writing, no sign of an imminent roll out of a vaccine, employers could well be dealing with the impact of Covid-19 for some time to come. It will be interesting to see what legacy it leaves 



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Editor Debbie Lovewell-Tuck debbie.lovewell-tuck@employeebenefits.co.uk
Interim deputy editor Julie Gilbert julie.gilbert@employeebenefits.co.uk
Features editor Tynan Barton tynan.barton@employeebenefits.co.uk
Reporter Louron Pratt Louron.pratt@employeebenefits.co.uk
Contributors Sam Barrett, Homa Wilson
Director of commercial and events Helen Curl helen.curl@employeebenefits.co.uk
Digital business development manager Ian Mehrer ian.mehrer@employeebenefits.co.uk
Divisional director Richard Andrews

Employee Benefits, DVV Media HR Group
 E: eb.editorial@employeebenefits.co.uk
 W: www.employeebenefits.co.uk
 Twitter: @EmployeeBenefit

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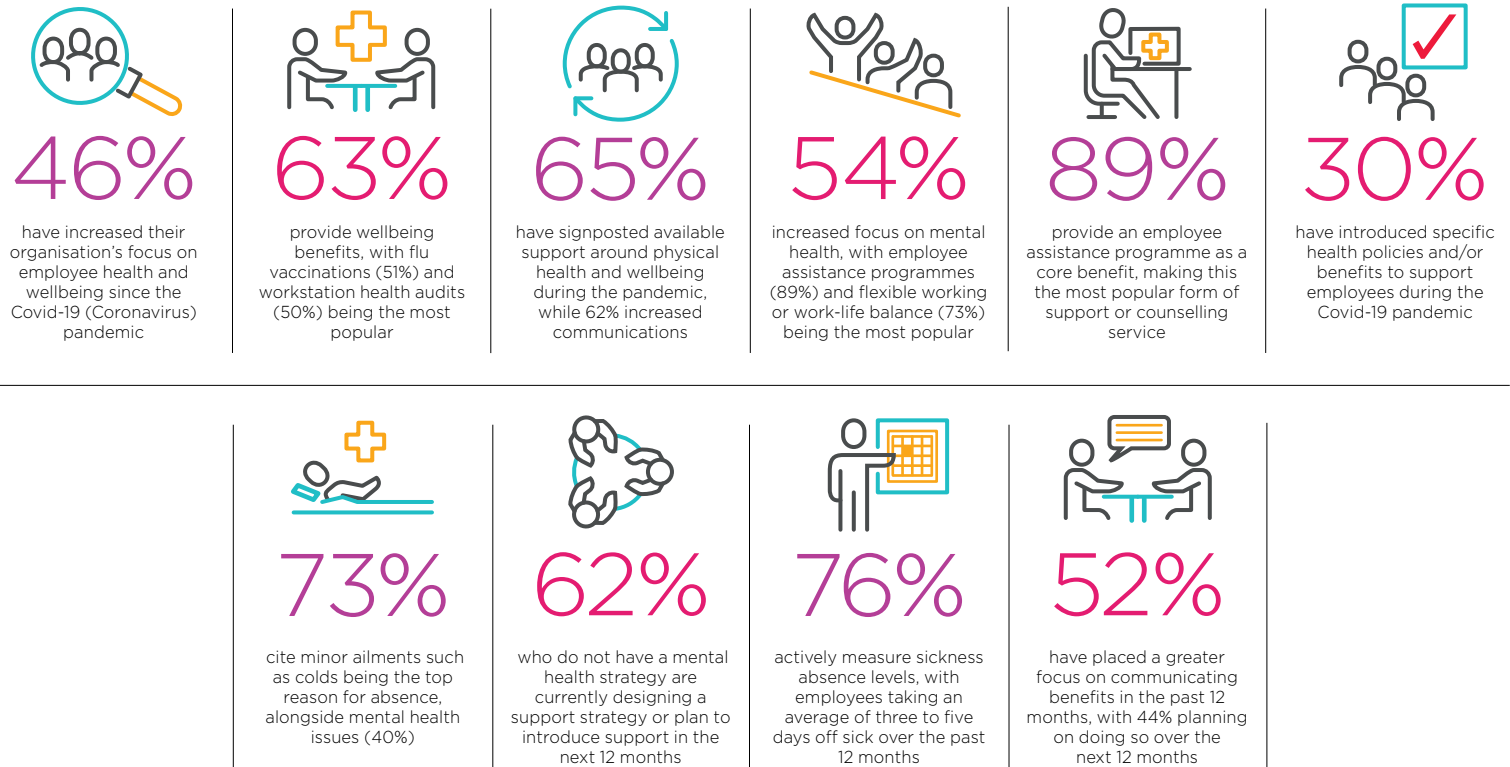
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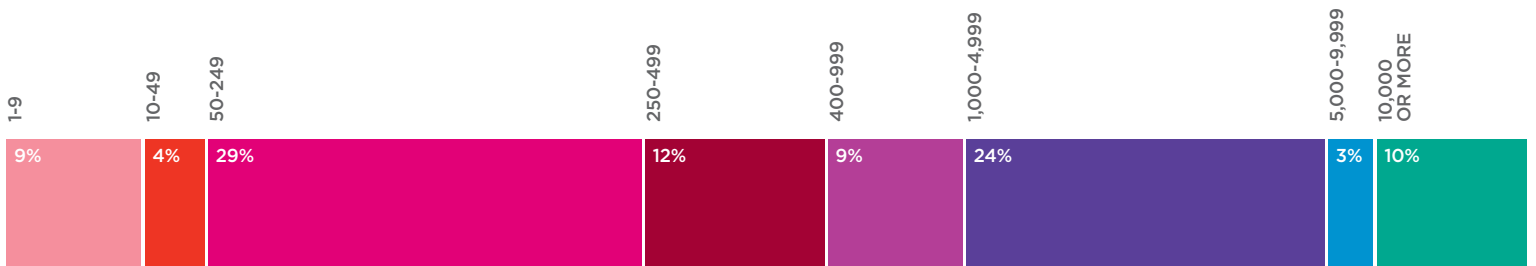


Key findings

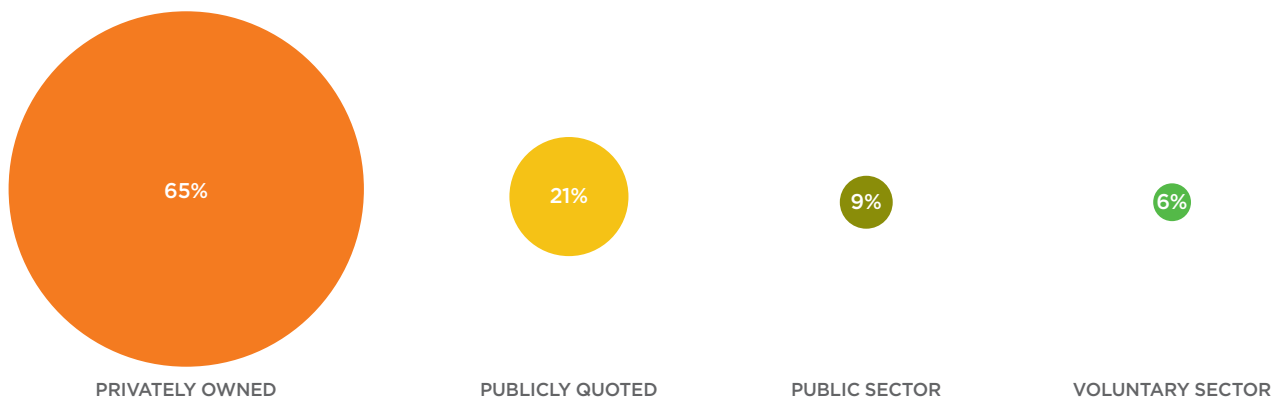
The survey, which was conducted in July 2020 among readers of www.employeebenefits.co.uk, received 200 responses. Respondents are involved in the purchase of healthcare benefits at their organisation, either as a primary decision maker or a decision influencer.



Number of employees in respondents' organisations



Organisation type



Sample: All respondents

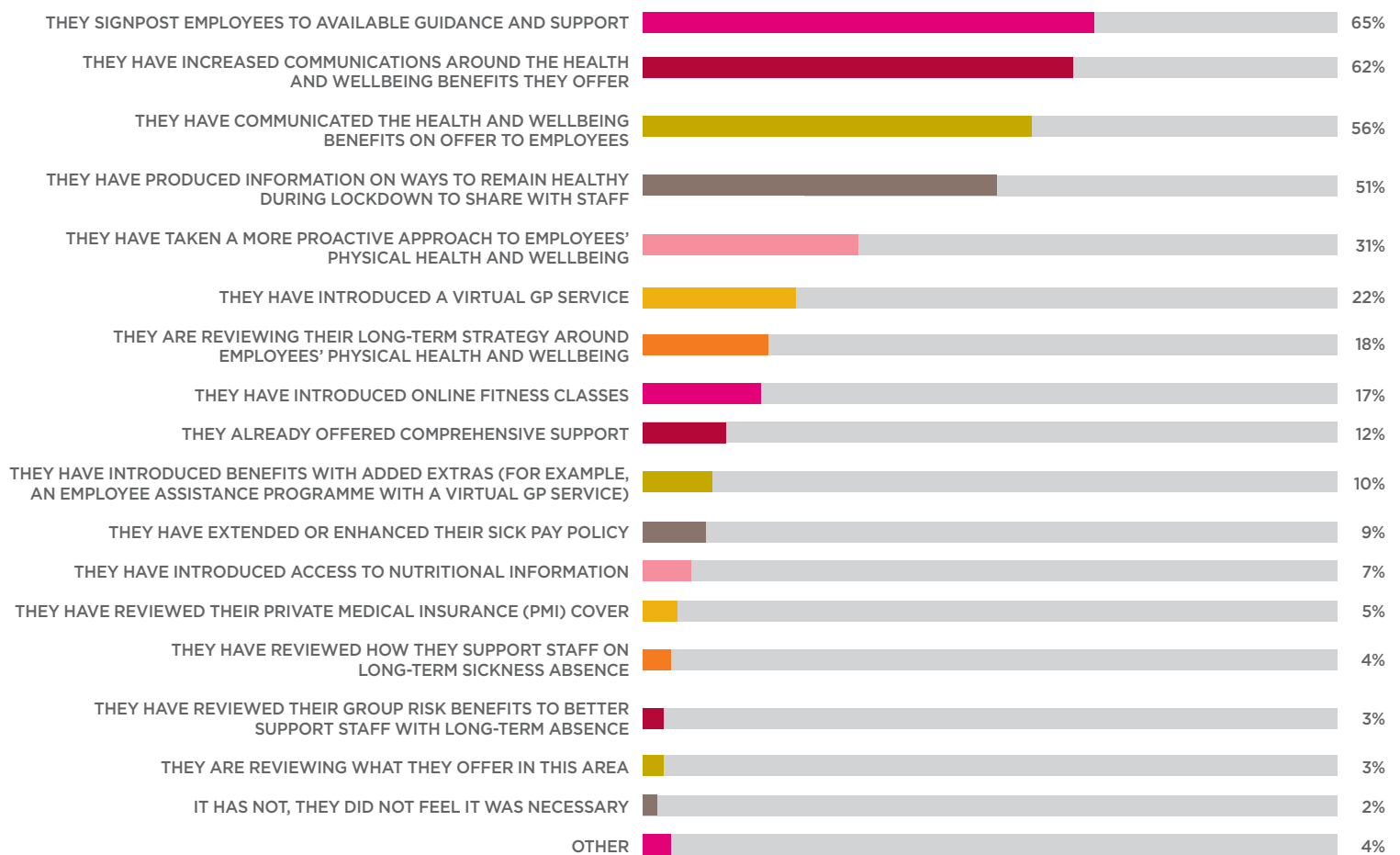
Covid-19

The pandemic has prompted employers to focus on the support offered and communications with staff



Tynan Barton | features editor
Employee Benefits

How the Covid-19 pandemic has prompted respondents to make changes to their healthcare strategy to support employees' physical health and wellbeing



Sample: All respondents (94)

The Covid-19 (Coronavirus) pandemic has caused seismic shifts in all areas of business and people management; the health and wellbeing of employees is no exception. In our survey, which was conducted in June 2020 at the height of the UK lockdown, almost half (46%) of respondents had increased their organisation's focus on employee health and wellbeing. Additionally, 46% were confident that they already had a comprehensive health and wellbeing package that would support their employees through these difficult times.

With the majority of organisations supporting a largely dispersed, home-working employee base, looking after their physical health has presented a huge challenge. It is unsurprising then that the most common changes made to support employees' physical health have been to signpost staff to available guidance and support (65%), increased communications around the health and wellbeing benefits on offer at the organisation (62%), and communicated the health and wellbeing benefits on offer to staff (56%).

Another route employers have taken is to produce information on how employees can remain healthy during lockdown (51%). Despite the challenging circumstances, employers have also introduced new schemes to support the physical health of employees: these include the introduction of a virtual GP service (22%), online fitness classes (17%), benefits with added extras, such as an employee assistance programme with a virtual GP service (10%), and access to nutritional information (7%).

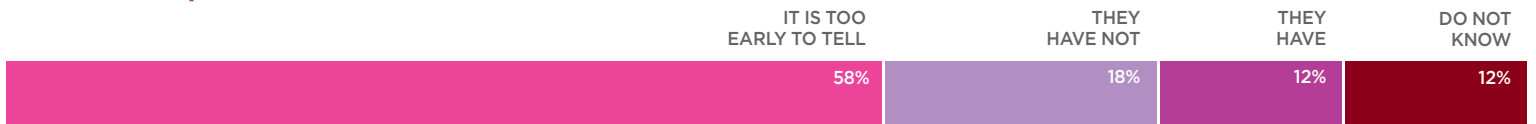
Employees working from home for an

Has the Covid-19 (Coronavirus) pandemic increased respondents' focus on employee health and wellbeing?



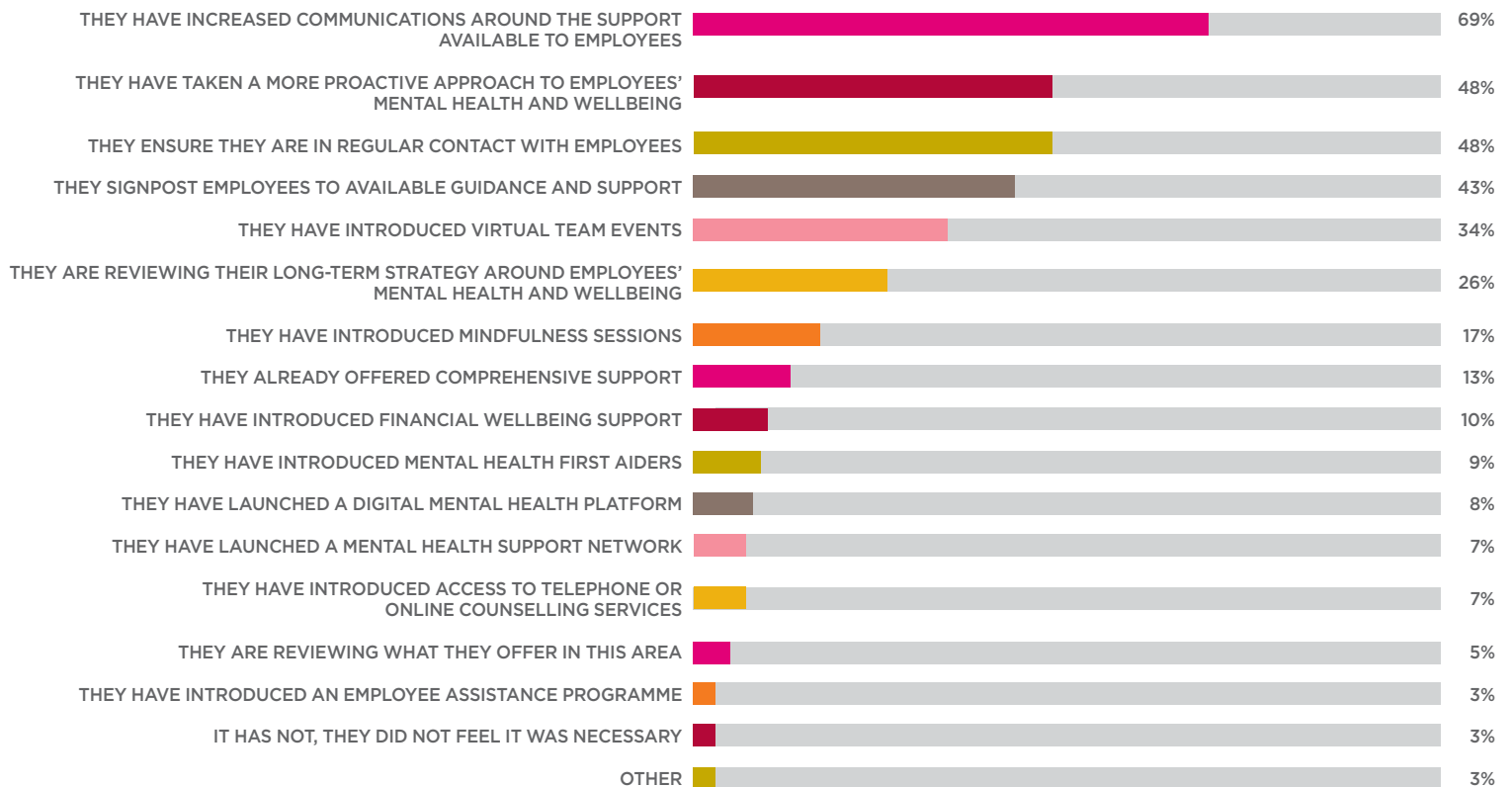
Sample: All respondents (101)

Whether respondents have seen an increase in take up of health and wellbeing benefits during the Covid-19 pandemic



Sample: All respondents (91)

How the Covid-19 pandemic has prompted respondents to make any changes to their healthcare strategy to support employees' mental health and wellbeing



Sample: All respondents (88)

extended period have been faced with new pressures; many have had to juggle work with caring responsibilities for children or elderly relatives, while video calls have replaced face-to-face meetings. The lockdown rules meant that many employees were faced with periods of isolation with little contact with other people. To help combat this, respondents put in measures to support the mental health and wellbeing of staff. The most common actions taken, as with physical health support, were focused around ensuring employees were fully aware of the help that is available to them: respondents increased communications around the support available to employees (69%), ensured they kept up regular contact with employees (48%), took a proactive approach to mental health and wellbeing (48%), and signposted employees to available guidance and support (43%).

The pandemic has also prompted employers to introduce new mental health and wellbeing support that can be accessed remotely to help employees during this time. This included making use of video call technology and the introduction of virtual team events (34%), the introduction of

mindfulness sessions (17%), financial wellbeing support (10%), mental health first aiders (9%), a digital mental health platform (8%), access to telephone or online counselling services (8%) and a mental health support network (7%).

Despite employers having sufficient provisions in place, the majority of respondents (58%) believe that at this time it is too early to tell whether there has been an increase in take up of health and wellbeing benefits during the pandemic ^{eb}

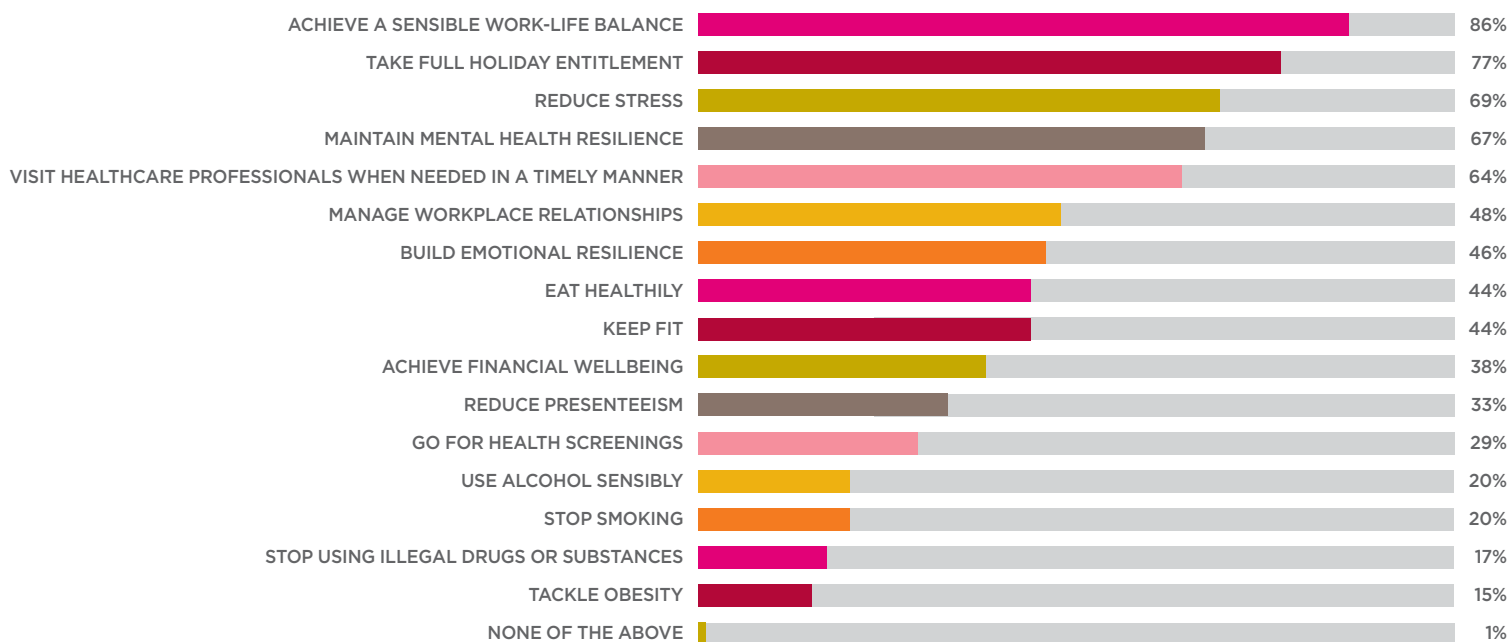
Strategy

Helping staff achieve a good work-life balance and maintain mental resilience remain key aims



Julie Gilbert | interim deputy editor
Employee Benefits

What respondents believe their organisation has a duty of care to encourage employees to do



Sample: All respondents (87)

Even though the Covid-19 (Coronavirus) pandemic has had a significant impact on our lives, not much has changed when it comes to the top obligations and focus for employers towards their employees in 2020.

For the 15th consecutive year, the majority (86%) of respondents believe they have a duty of care to encourage employees to achieve a sensible work-life balance. Ensuring employees take

their full holiday entitlement (77%), helping employees to reduce stress (69%), and maintaining mental resilience (67%) have also consistently remained important among respondents over the years.

Do respondents offer an integrated wellness strategy incorporating physical, mental, emotional and financial wellbeing?



Sample: All respondents (71)

The proportion of respondents that offer an integrated wellness strategy, incorporating physical, mental, emotional and financial wellbeing has remained relatively consistent since this question was first asked in 2017.

This year, however, there has been a slight movement that sees 39% take an integrated, holistic approach, compared to 32% in 2019 and 33% in 2018.

The proportion that are planning to move towards an integrated strategy has decreased significantly, with 25% planning to do so compared to 35% last year. All aspects of employee wellbeing have now proven to impact key business issues, which is even more pertinent with the

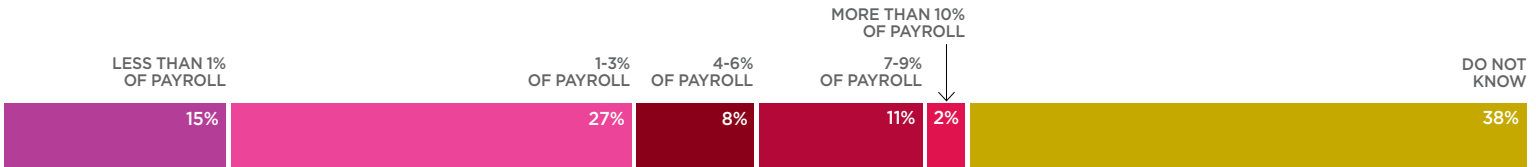
Covid-19 pandemic having caused an instant transient workforce. Furthermore, the impact of one area of wellbeing on another, for example the toll financial stress can take on mental and even physical wellness, particularly in the current climate, suggests that employers that take an inclusive approach are likely to reap the benefits.

Do respondents calculate a return on investment for their healthcare benefits spend?



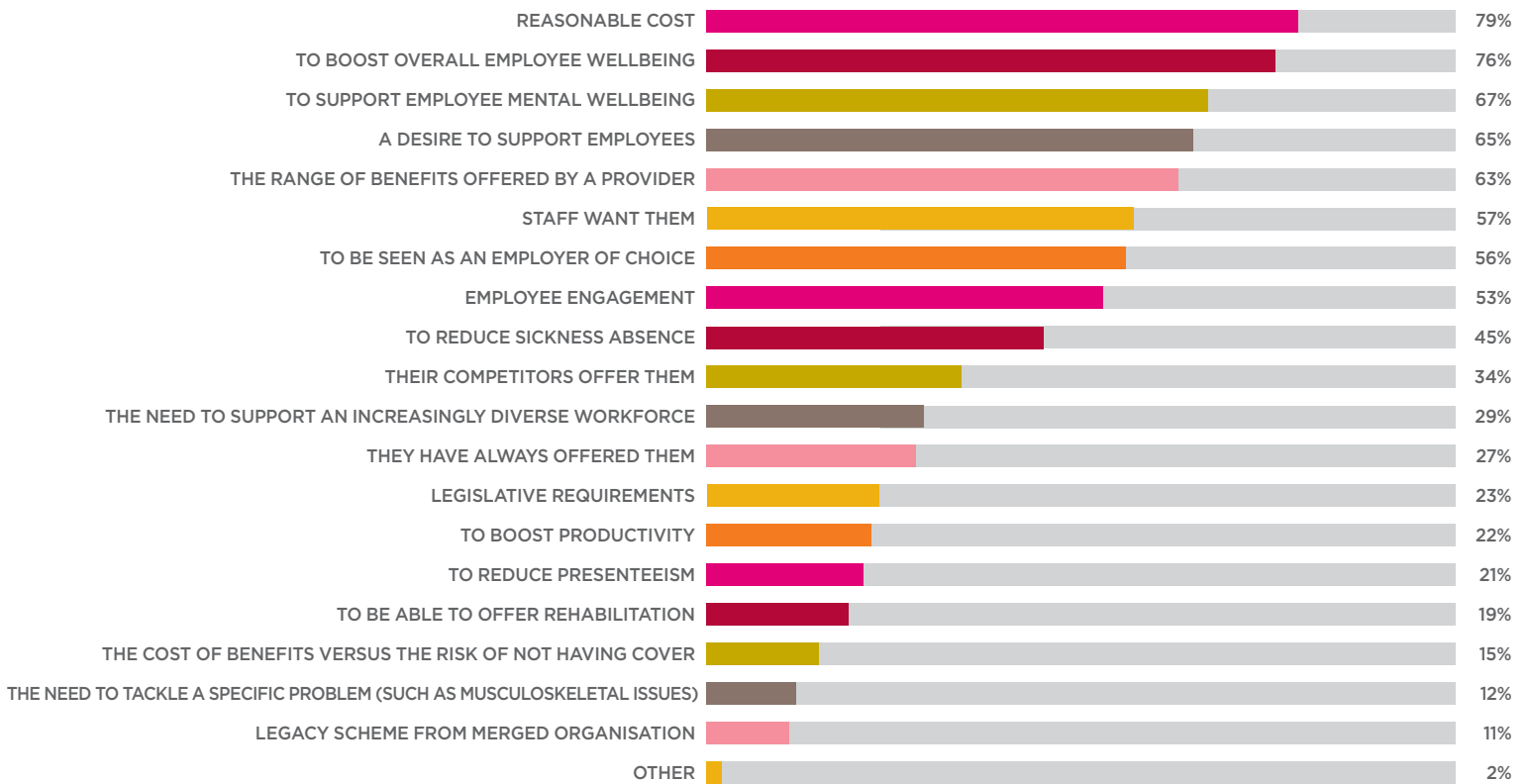
Sample: All respondents (91)

The estimated cost to respondents of providing healthcare benefits



Sample: All respondents (66)

The factors that influence respondents' decisions to buy, or continue to offer, healthcare benefits



Sample: all respondents (102)

More than a third (38%) of respondents do not know how much providing healthcare is estimated to cost their organisation; this proportion has decreased slightly since 2019, having stood at 41%.

Among those that are aware of costs, respondents' approximate healthcare spend has remained relatively consistent over the years. This year, 15% stated that they spend less than 1% of payroll, while 27% spend 1-3%. This compares with the 20% that spent less than 1% of payroll and 30% that spent 1-3% of payroll in 2013, for example.

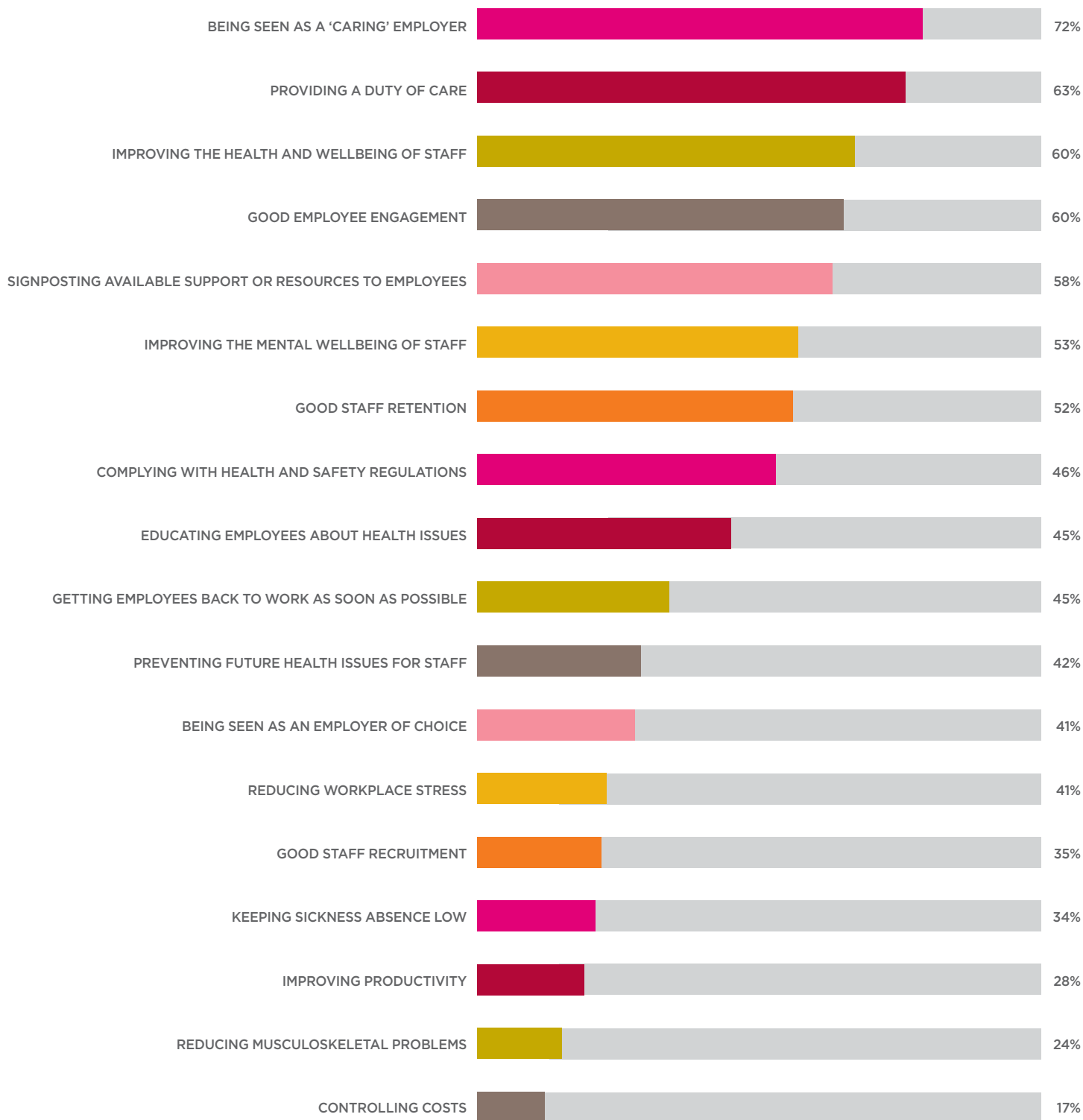
Reasonable cost continues to be the most important factor when it comes to respondents' decisions to buy, or continue to offer, benefits since this question was first asked back in 2006. Given the financial impact of the Covid-19 pandemic, and the mounting pressure on organisations to reduce expenditure during this time, this is hardly surprising.

This year, boosting the overall wellbeing of employees remains an important deciding factor with 75% of respondents citing this as key, as well as 67% that support mental wellbeing and

65% that have a general desire to support employees. There is a slow decline year-on-year in the proportion of respondents that base benefits decisions on a provider's range; this year 63% said they did so compared to 69% in 2019 and 75% in 2018.

Given employers' often considerable spend on healthcare benefits, the proportion that measure their return on investment (ROI) remains surprisingly low. However, it is inevitable that this will begin to change as a result of the financial constraints of the Covid-19 pandemic. >

What respondents feel their healthcare benefits have been successful in achieving?



Sample: all respondents (83)

This year, being seen as a caring employer remains firmly at the top of the list when respondents consider what their healthcare benefits programme has been successful in achieving. Almost 72% said this was the case this year, compared to 69% in 2019 and 60% in 2018.

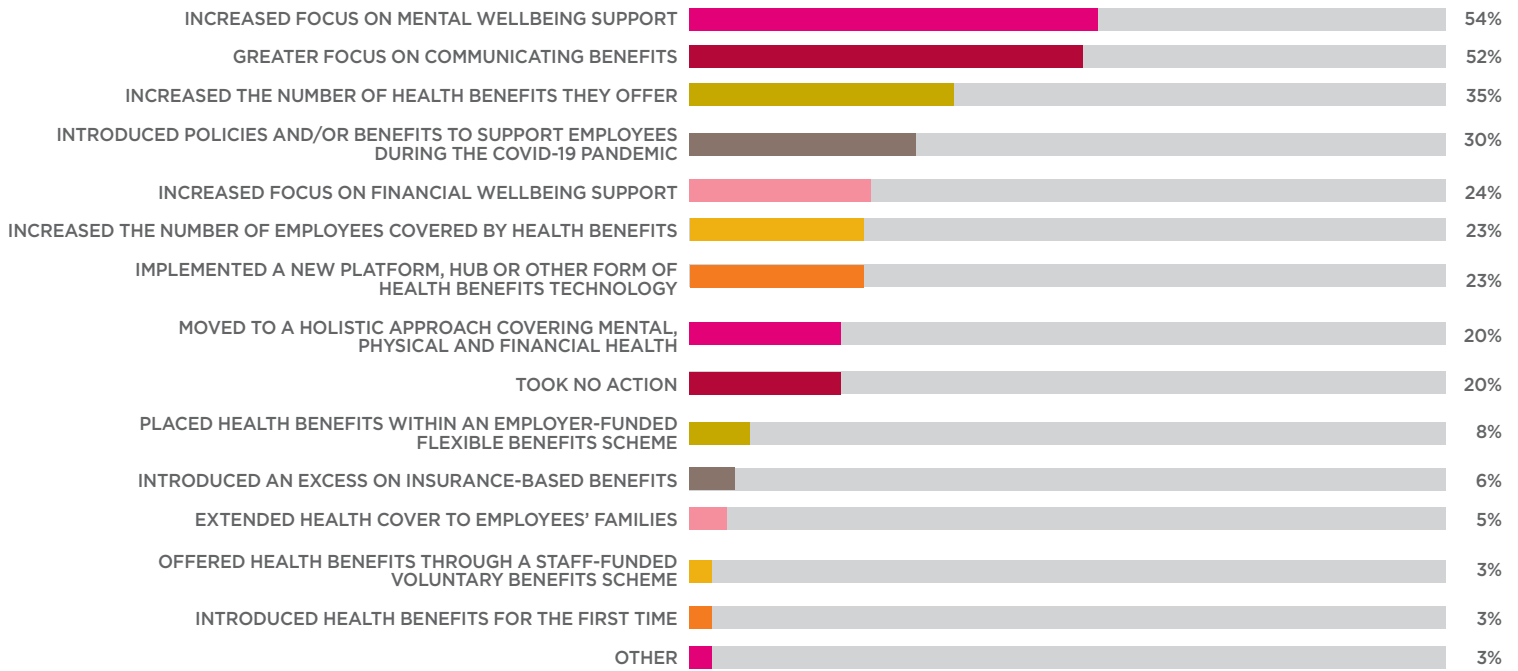
This focus on the employer's external image may well reflect the issues relating to the Covid-19 pandemic and the public's perception of an organisation. With an increasingly uncertain employment market, it has never been so important to retain and reassure employees.

Alongside duty of care (63%), good employee engagement now seems to have more of a

pivotal focus than ever before, according to 60% of this year's respondents compared to 49% in 2019.

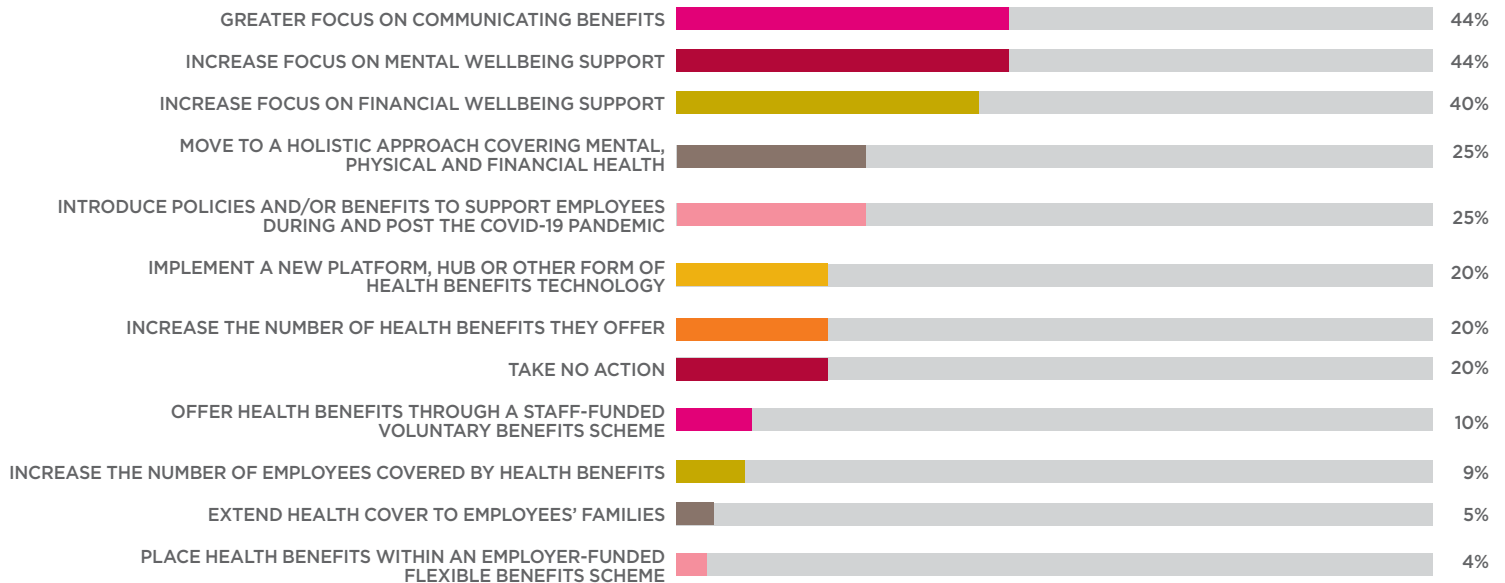
Improving the health and wellbeing of staff (52%) and signposting available support or resources to employees (58%) are also key areas of focus.

The actions respondents have taken in relation to health benefits in the past 12 months



Sample: all respondents (74)

The actions respondents are likely to take in relation to health benefits in the next 12 months



Sample: all respondents (77)

This year, the importance of mental health wellbeing was as prevalent as ever; although slightly down on 2019, 54% stated that it was a key focus compared to 60% last year. It will be interesting to see where it will be 12 months from now, with 44% of respondents likely to take action in the coming months.

Communication still seems to be consistently at the forefront of employers' minds according to 52% of respondents, similar to 51% in 2019. Ensuring that employees are aware of, and engage with, the healthcare initiatives and products that are available to them, can be key to ensuring employers see a return on the investment in providing these benefits.

Increasing the number of healthcare benefits offered appears to be on the decline this year with 35% currently planning to do so, compared to 44% in 2019. However, this might be due to the Coronavirus pandemic and a switch in priority for a number of organisations, with 30% of businesses having introduced policies and/or benefits to support employees during the pandemic. Furthermore, a quarter (25%) are prioritising this over the next 12 months during and post

pandemic. It is interesting to see that financial support has decreased by five percentage points year on year from 29% in 2019 to 24% in 2020, however, in the next 12 months, 40% of respondents say they will be looking at investing in this area.

The percentage of respondents that have taken no action around health benefits was at an all-time low in 2019 (12%) but this has crept up to 20% over the past 12 months and continues to look that way over the next 12 (20%); again quite possibly a knock-on effect of the pandemic [eb](#)

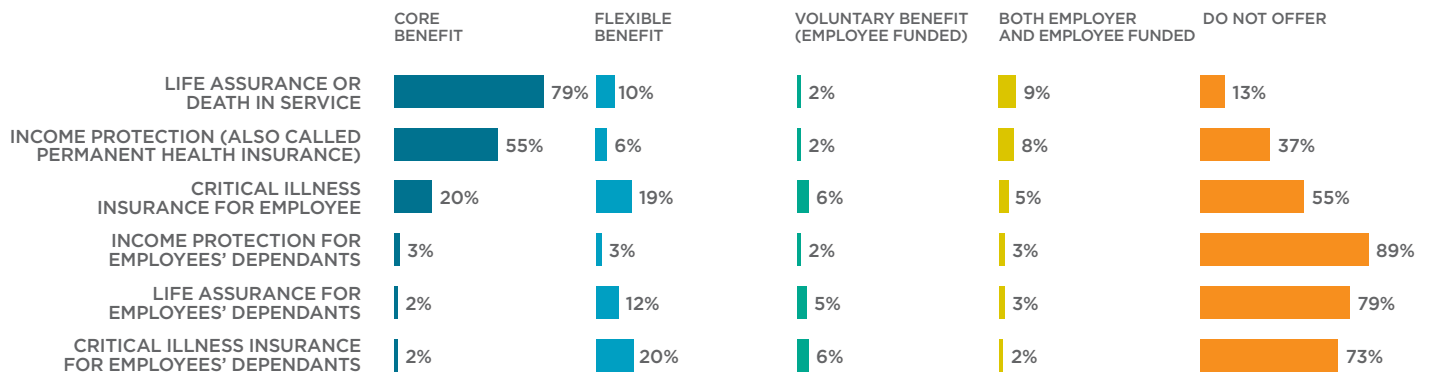
Benefits offered

Life assurance and private medical insurance remain popular core benefits



Louron Pratt | reporter
Employee Benefits

The group risk benefits that respondents' organisations provide and how these are funded



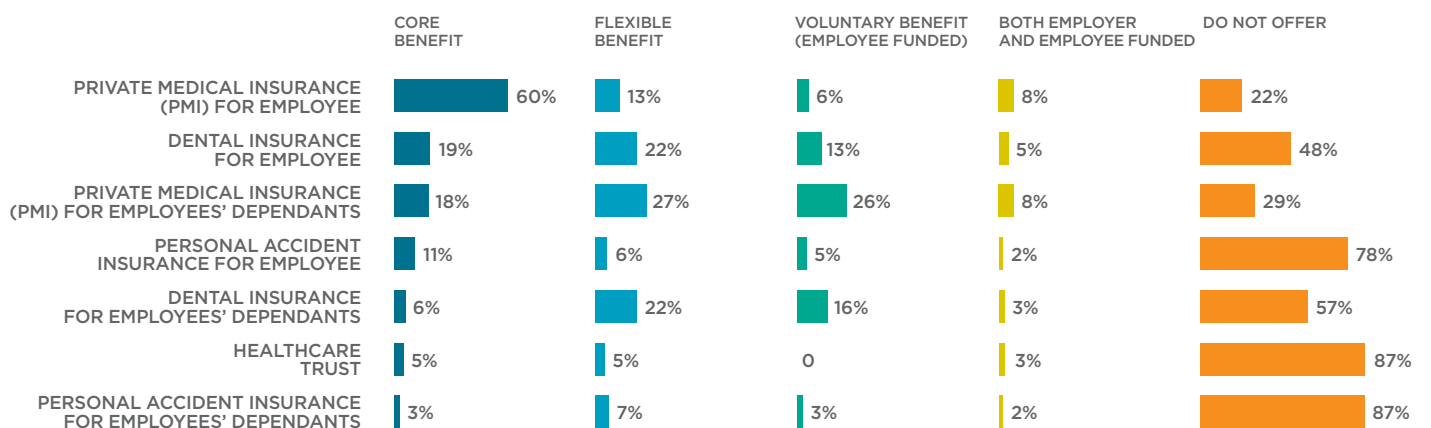
Source: all respondents (68)

Among group risk benefits, life assurance or death in service has remained a popular benefit since 2017, when 95% of employers offered it as a core benefit. This year, 79% offer this benefit on that basis, a slight decrease from 80% in 2019.

Following this benefit in terms of popularity is income protection, which is offered as a core benefit by 55% of respondents. In 2019, this was offered by 58% of employers, a sharp decrease from the 73% that offered it in 2018.

The number of employers that offer critical illness insurance for employees as a core benefit has increased to 20% in 2020, compared to 17% of organisations which offered this in 2019. However in 2018, this was offered by 25%.

The insurance benefits that respondents organisations provide and how these are funded



Source: all respondents (67)

Private medical insurance (PMI) has always been a popular employer-funded benefit, as offered by more than half (60%) of this year's respondents. This is similar to previous years' results, but the numbers have been decreasing: 58% offered it in 2019, 64% in 2018 and 77% in 2017, perhaps signifying that the cost of providing the benefit is putting pressure on employers' benefits budgets.

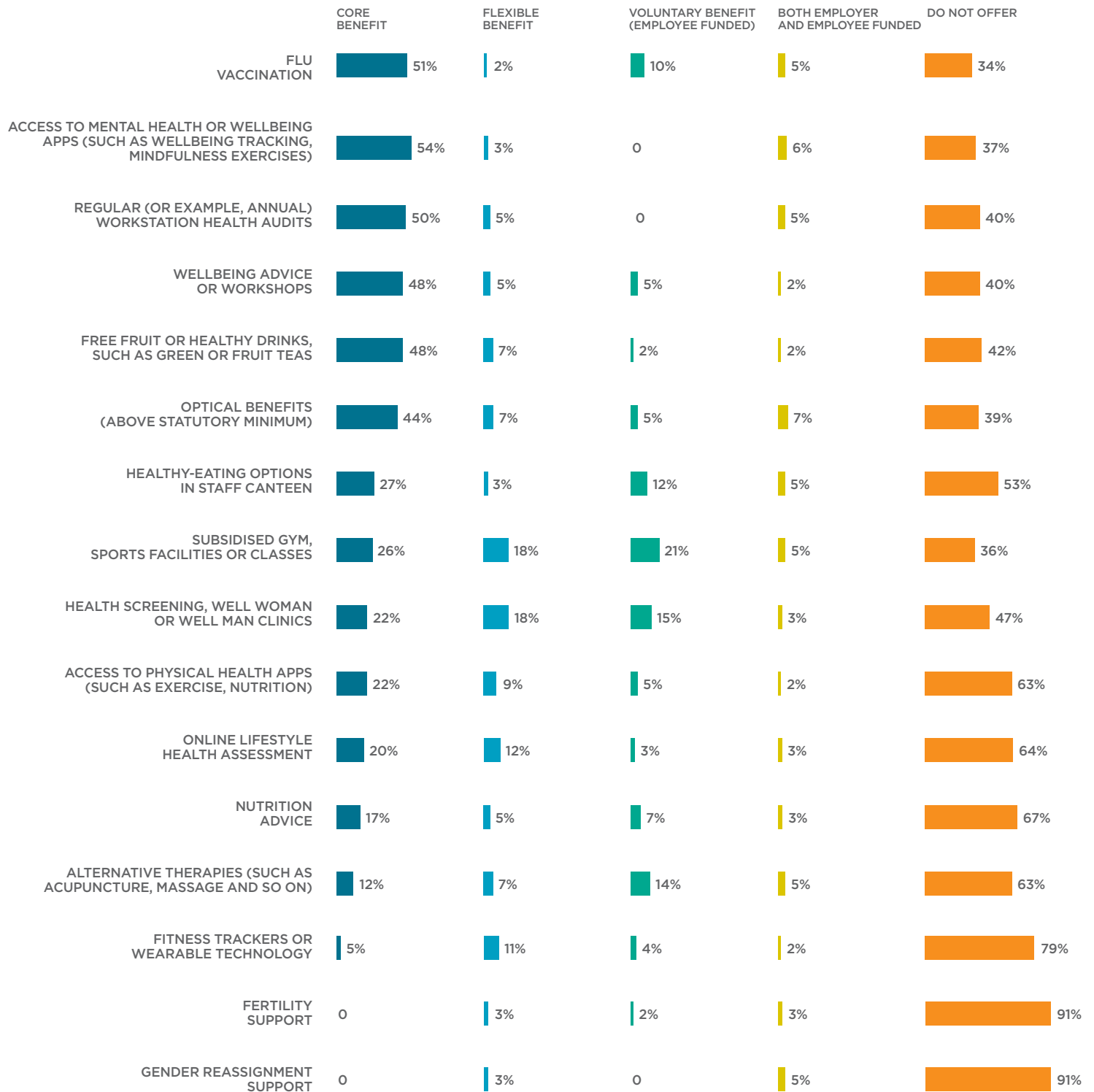
A higher proportion of respondents extend PMI to employees' dependants as a flexible benefit (27%) or as a voluntary benefit (26%), as opposed to a core benefit (18%).

In 2016, 40% of respondents offered dental insurance as a core benefit, however, this has seen

a sharp decline over recent years: 19% of this year's respondents offered this as an employer-funded benefit.

Dental insurance is more commonly offered as a flexible benefit, as cited by 22% that offer it to employees, and 22% that extend it to employees' dependants.

The wellbeing benefits that respondents' organisations provide and how these are funded



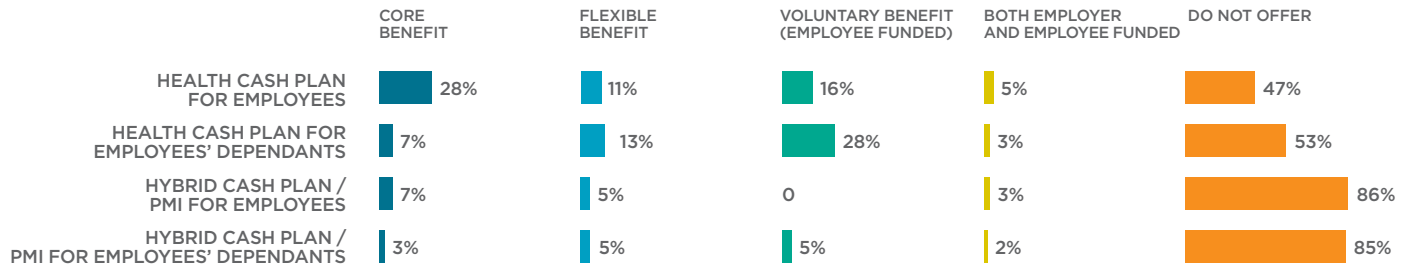
Source: all respondents (63)

More than half (54%) of respondents offer funded access to wellbeing apps, a 17 percentage point increase from the 37% of businesses that offered this benefit in 2019. This benefit has been steadily increasing in popularity, as only three in 10 (30%) of businesses offered this benefit in 2018, and 31% offered similar benefits in 2017.

Flu vaccinations remain a popular benefit, offered by 51% of respondents, a slight increase from the 43% that offered this benefit in 2019. In 2017, regular workstation health audits were a popular benefit for employers, offered by just under half (49%). This has remained a commonly-offered benefit and 50% offer regular health audits this year.

Giving employees access to wellbeing advice and workshops has always been a popular benefit; in 2017 40% of respondents offered this, and this year 48% do so. Additionally, 48% also offer free fruit or healthy drinks, such as green or fruit teas, a similar percentage to those in 2019 (50%) and an increase from the 43% in 2018, and 40% in 2017 that did so. ▶

The health cash plan benefits that respondents' organisations provide and how these are funded

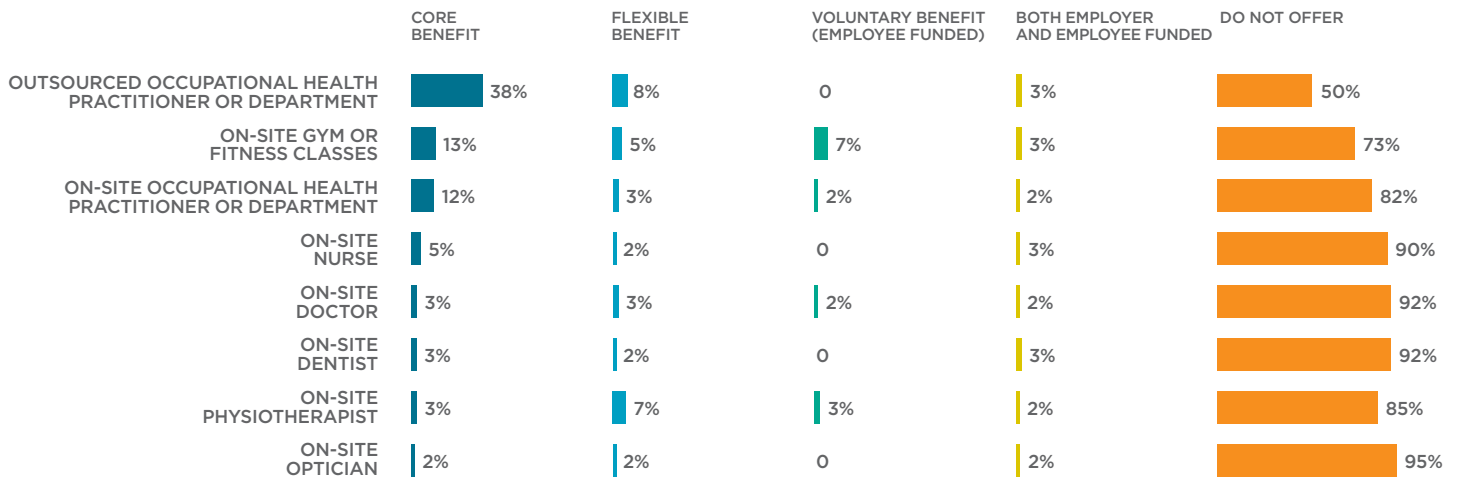


Source: all respondents (62)

More than a quarter of employers (28%) offer a health cash plan for employees as a core benefit; a similar proportion to 2019 (24%). Additionally, a further 6% offer this benefit to employees' dependants, a decrease from the 9% of businesses that did so in 2019. For dependants, health cash

plans are more commonly offered as a voluntary benefit, but are equally as popular, offered by 28% of respondents.

The occupational health benefits that respondents' organisations provide and how these are funded



Source: all respondents (62)

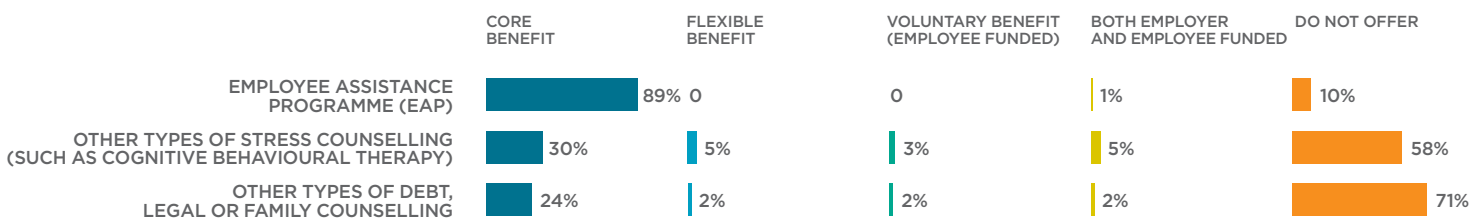
When offering occupational health benefits, the most common option for employers is to outsource to an occupational health practitioner or department, as cited by 38% of respondents this year. In 2017, 62% of employers offered this to employees.

12% since 2017 when it was offered by 27%.

This year, 12% of respondents offer access to on-site gym or fitness classes, a decrease from the 21% that offered this benefit in 2017.

The proportion of employers that offer on-site occupational health support has decreased to

The support/counselling health benefits that respondents' organisations provide and how these are funded




Source: all respondents (101)

Employee assistance programmes remain the most popular support or counselling benefits that organisations provide, as offered by 89% of respondents as a core benefit. Despite this large proportion, this has decreased slightly from the 93% that offered this benefit in 2019, and even further decreased from the 96% of employers that offered this scheme in both 2018 and 2017.

from the 31% that offered this benefit in 2019 and the 37% that did so in 2018.

A further 30% offer other types of stress counselling; this has been a popular benefit for employers to offer for many years, 42% offered this in 2018 and just under half (47%) offered it in 2017. Just under one-quarter (24%) offer other types of debt, legal or family counselling, down

While the numbers this year show a slight decrease in the number of employers that offer counselling and support benefits, it will be interesting to see how this trend develops following the Covid-19 (Coronavirus) pandemic 

Mental health

Supporting mental health remains a top priority for employers



Tynan Barton | features editor
Employee Benefits

Do respondents have specific strategies in place to support employees' mental health in the workplace?



Sample: all respondents that have strategies in place (73)

The benefits and strategies offered by respondents to support employees' mental health



Sample: all respondents that have strategies in place (52)

Why respondents do not currently offer benefits and strategies to support employees' mental health



Sample: All respondents answering that have no strategies in place (16)

Supporting the mental health of employees has long been a top priority for employers when setting out their healthcare strategy. This year, 73% of respondents stated that they have specific benefits and strategies in place to support employees' mental health in the workplace. This continues the positive trend that has been improving since it stood at 52% in 2012.

Perhaps unsurprisingly, given the ever-changing situations that the country is faced with due to the Covid-19 (Coronavirus) pandemic, respondents which do not currently offer initiatives to support mental health in the workplace may have put plans on hold: there has been a drop in the percentage of respondents that are either in the process of designing a mental health support strategy, 31% compared to 41% in 2019, or are planning to introduce support in the next 12 months, but do not yet know what form this will take: 31% compared to 50% last year.

The benefits offered by employers to support the mental health of their employees has not seen much change in terms of the popularity of each initiative: 89% of employers still recognise the value of providing an employee assistance programme (EAP). This has been the most favoured benefit to support mental health in recent years.

Additionally, offering flexible working or policies that support a work-life balance has always

been a commonly offered benefit; this year 73% of respondents offer it, compared to 71% in 2019 and 56% in 2018. With the government-mandated rules for employees to work from home where they could during the pandemic, it will be interesting to see in what ways employers adapt their flexible-working rules in the future.

The percentage of employers that offer trained mental health first aiders has increased from 38% in 2019, which was the first year we included this option in the survey, to 48% this year, demonstrating the importance that employers place on this valuable avenue of support [eb](#)

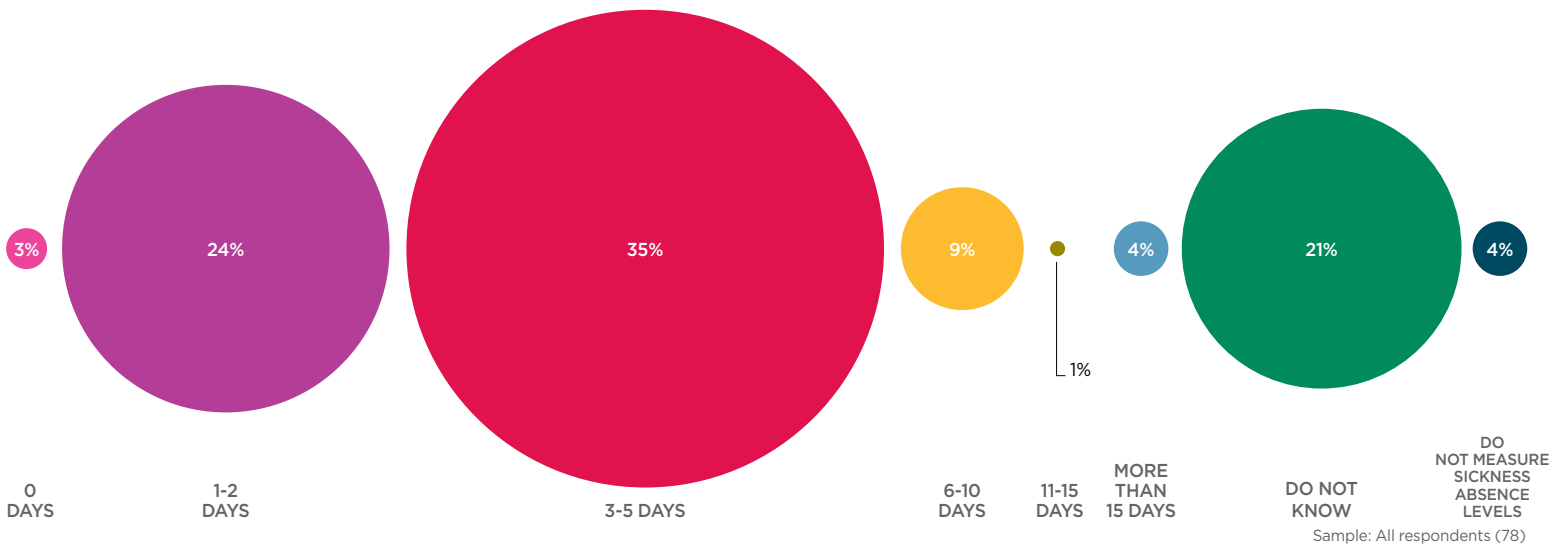
Sickness absence

Mental health and minor ailments remain major causes of sickness absence

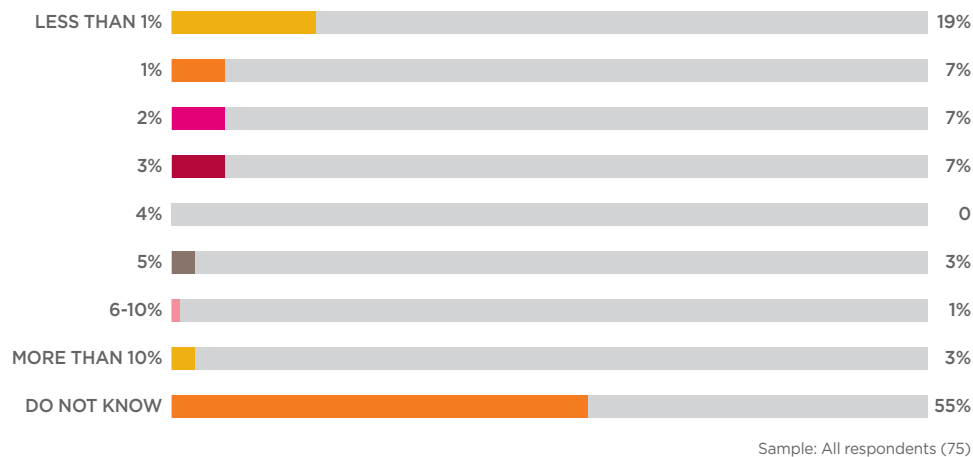


Debbie Lovewell-Tuck | editor
Employee Benefits

The number of days sickness absence employees in respondents' organisations take, on average, each year



The percentage of payroll that absence costs respondents' organisations per annum (including cost of temporary staff, loss of production time, and so on)



Overall, three-quarters of respondents (76%) actively measure their organisation's sickness absence levels. Considering these results over time, this figure has remained relatively consistent, despite some small fluctuations. In 2013, for example, 68% did so, while 70% in 2017 and 68% in 2019 did the same. These represented a slight drop on previous surveys in 2010 and 2012, when closer to 80% actively measured sickness absence levels.

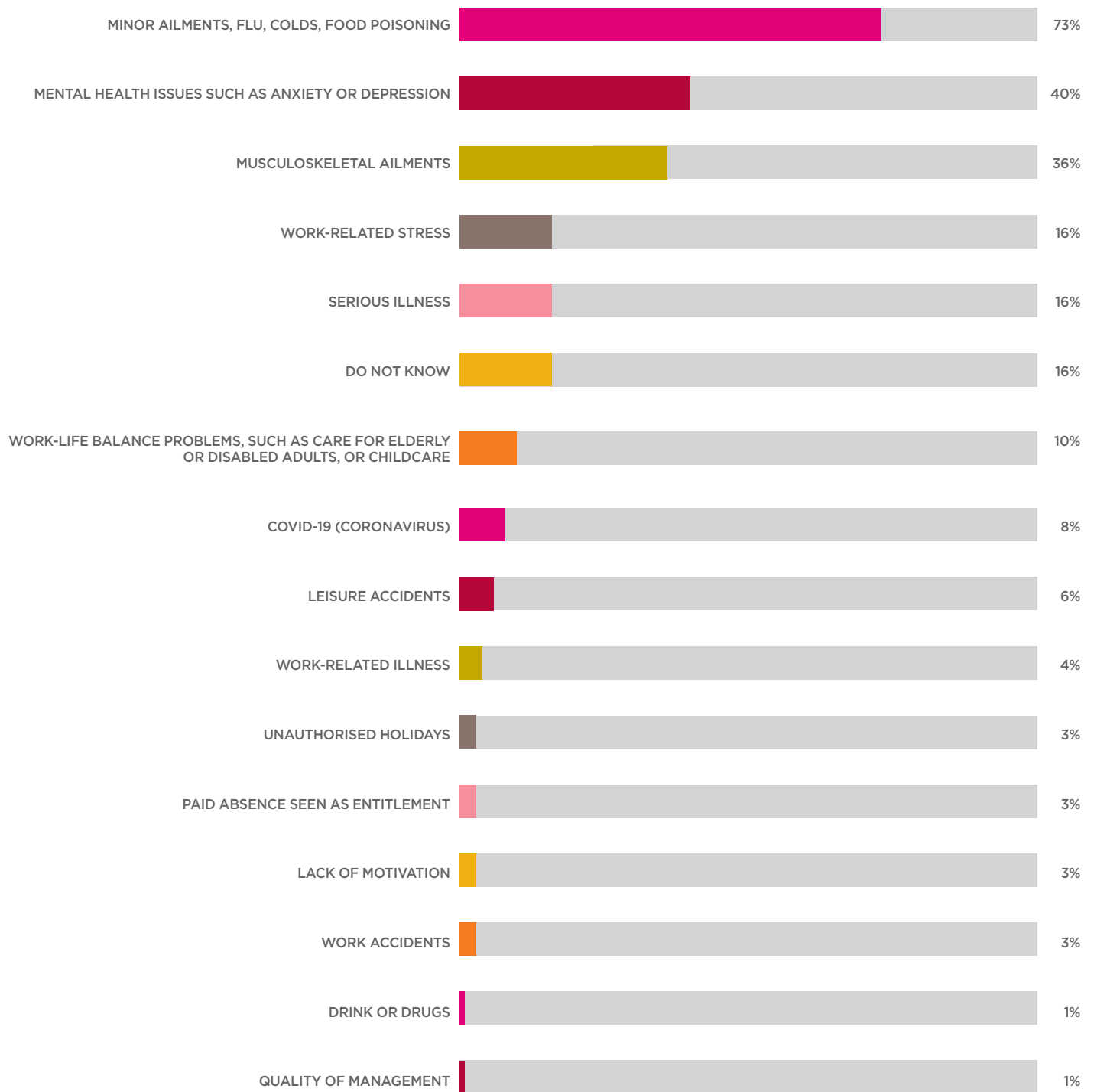
Among organisations that do track sickness absence levels, an average of between three to five days per employee per year remains the most common occurrence. This is broadly in line with trends we have tracked over the years.

This year, the proportion of respondents that do not know the cost of sickness absence to their

organisation remains high, with more than half (55%) saying this is the case. This is comparable to previous years' results, with the same percentage having said the same in 2018, for example.

Where respondents do measure the cost of sickness absence to their organisation, the majority continue to report that this costs 3% or less of payroll per annum.

The major causes of sickness absence in respondents' organisations



Sample: All respondents (73)

Minor ailments, colds, flu and food poisoning continue to be the most common causes of sickness absence in respondents' organisations, cited this year by 73%. This has consistently been the case over the years that we have been conducting this research, despite fluctuations in the proportion of respondents reporting this.

Once again, mental health issues, such as anxiety and depression, are the second most common cause of sickness absence among respondents to this year's survey.

Although positioned further down the list of causes of absence, the proportion of respondents that cite work-related stress as a cause of absence in their organisation has continued to increase.

This year, 16% of respondents cited work-related stress as a cause of absence in their organisation, up from 13% in 2019 and just 3% in 2018.

Although this might suggest rising incidence of work-related stress, it may also be indicative of a growing culture of openness in which employees feel more able to report absences as relating to mental health issues.

Reflecting the times we are currently living through, one in 10 respondents to this year's research cited Covid-19 (Coronavirus) as one of the top three causes of absence among employees in their organisation. >

The proportion of respondents that have a strategy in place to manage sickness absence



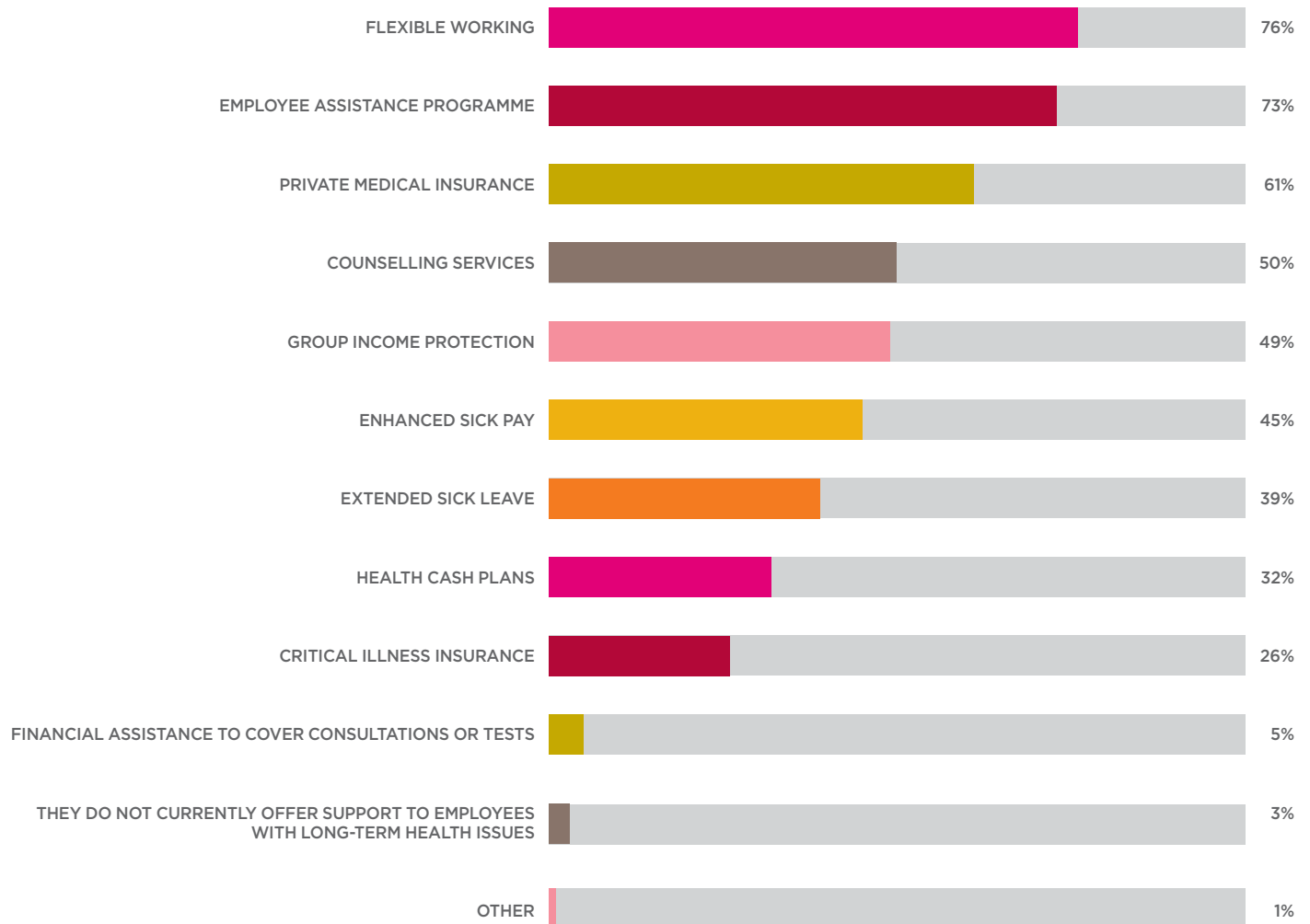
Sample: All respondents (75)

Despite the cost of sickness absence to organisations, just 41% of respondents have a strategy in place to manage this. This has changed little over the past three years with this percentage fluctuating between 39% and 42%.

A further fifth of respondents say that they are planning to introduce an absence management strategy, however, this represents a fall on the proportion that were planning to do so in previous years. Although the numbers this year are relatively small, where respondents do have a strategy in place to manage sickness absence, work-life balance or flexible-working

policies, the provision of access to care, return-to-work interviews, health promotion or education, and early intervention by line managers are the key tools employed by respondents to manage absence. This is in line with those used by respondents to 2019's survey.

How respondents cater for employees with long-term health issues



Sample: All respondents (74)

The most popular methods of supporting employees with long-term health issues have not changed since this question was introduced in 2018.

The order in which the top two appear in the chart this year, however, has shifted with flexible working leapfrogging employee assistance programmes (EAPs). This year, however, is the first time we have separated out EAPs and other counselling services, offered by 50% of respondents,

which may partially account for this move. Private medical insurance and group income protection also remain key benefits through which respondents support employees with long-term health issues [eb](#)



Health at
work

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Looking ahead

What long-term health and wellbeing lessons can employers learn from the pandemic?



Sam Barrett | freelance journalist

From key workers who remained on the front-line to office staff with makeshift desks in the spare room, the Covid-19 (Coronavirus) pandemic has affected everyone. And, while it forced organisations to take a different approach to employee health and wellbeing, there are a number of lessons that will shape their strategies for years to come.

Importantly, the pandemic has ensured that employee health and wellbeing is now firmly on the agenda. Charles Alberts, head of health management at Aon, says: “It’s become a c-suite priority. Employers are recognising that they have a responsibility when it comes to employee health. We’ve seen an increase in organisations looking to take on chief medical officers or directors of wellbeing, or to outsource this role to occupational health experts.”

As well as taking employee health more seriously, the pandemic has also influenced the type of support organisations need to offer their workforces. While some employers have had to make real adjustments to safety to enable their businesses to stay open, others have had to adapt to support employees working from home, says Brett Hill, distribution director at Towergate Health and Protection.

“Once there’s a vaccine, employers may be able to remove measures such as social distancing and one-way systems in the workplace but remote working is here to stay,”



NEED TO KNOW

- **Greater awareness of mental health problems associated with Covid-19 (Coronavirus) will make employers and employees more comfortable to discuss this area of health.**
- **The pandemic could drive health and wellbeing benefit redesign, with greater focus on prevention, digital services and personalisation.**
- **Organisations are seeking more frequent feedback from employees to better understand any arising health issues and demonstrate their care.**

he explains. “Employees like the flexibility it brings but employers also need to be aware that it has its own health risks including more musculoskeletal and mental health problems.”

Mental health

Whether employees are in the workplace or at home, the virus has also resulted in a significant increase in mental health problems.

Eugene Farrell, mental health lead at Axa PPP Healthcare, says: “Many people are anxious about the virus. Some will be experiencing grief and, especially among those working from home, there can be problems relating to isolation and burnout.”

Given this increase, Kevin Thomson, corporate healthcare director at Nuffield Health, believes the oft-quoted statistic that one in four people will experience a mental health condition in any year is set to shift to one in two. “Employers will need to have a strong culture of help and support to ensure that employees feel valued and able to ask for help,” he adds.

While supporting these employees may pose a challenge to employers, many see the increased awareness of mental health problems as a positive for longer-term strategies. “It’s amplified the mental health conversation,” explains Farrell. “It will make employers and employees more comfortable about talking about mental health. That is hugely positive.”

Virtual reality

Another major shift driven by the pandemic is the rise of virtual services. With social distancing making face-to-face interactions undesirable, and in some cases impossible, digital and phone-based health and wellbeing services became the norm.

“[Employee assistance programmes] EAPs went remote overnight and demand for virtual GP services increased significantly,” explains Farrell. “We also set up a clinical support centre to offer



digital triage to medical insurance customers.”

This demand for virtual services is expected to continue long after the pandemic. “The convenience means it’s popular with employees,” he says. “Face-to-face will return but most services can be delivered remotely.”

As well as looking after employees with health issues, the pandemic has also put more focus on prevention. From the 20-second hand wash to losing weight and getting fitter to reduce health risks, people are taking their immune systems much more seriously now, says Alberts. “It used to be standard practice to go into work with a cold,” he says. “The virus will change this and make people think about boosting their immunity through healthy lifestyles.”

Finding ways to support employees wanting to make changes will be key and employers are in a good position to do this, says Thomson. “Employees will be looking for trusted sources of health information,” he says.

“This can be delivered through workplace health education programmes, giving employees access to a wide variety of health resources such as webinars, on-demand fitness classes and support.”

Greater diversity

The pandemic has also taught employers that health and wellbeing strategies need to be tailored.

“Covid-19 has highlighted the fact that employers can’t treat everyone the same,” explains Alberts. “Different groups, whether by race, age, health status or gender, have been affected differently by the virus. This recognition will lead to much more personalised approaches to health and wellbeing, allowing employees to pick a package of support and benefits that suits their needs.”

As well as providing employees with more personalisation, health-related benefits could see an overhaul, according to James Spencer, director, health and benefits at Willis Towers Watson. “We surveyed the group life insurers back in June to find out how the virus had affected claims and, at that point, they had already received 300 more claims in 2020 than they had expected. This will lead to increases in premiums for group risk products over the next few years, forcing employers to look at benefit design.”

He adds that while employers will continue to offer group risk, especially as the virus has made protection so important, the level of cover may reduce. Instead, employers may look to products such as health cash plans, medical insurance, and wellbeing and mental health support to help employees address health issues.

The fast pace at which the pandemic unfolded



Case study | Quilter

Quilter focuses on employees’ physical and mental health during pandemic



Quilter is a financial services organisation providing advice, investments and wealth management in the UK and internationally. It employs around 4,500 people across its hubs in London, Newcastle and Southampton, but also in smaller offices throughout the UK and overseas.

When lockdown was announced, employees’ health and wellbeing was a priority. Paul Hucknall, human resources director at Quilter, says: “We’d always focused on employee wellbeing, launching our Thrive programme to support mental, physical, emotional and financial wellbeing back in 2018,” he explains. “With everyone working from home during the pandemic, we had to consider how this would affect their wellbeing needs.”

Physical health was a primary consideration, with employees able to take home office equipment, such as a chair or screen, to ensure they could work comfortably. This was supplemented by an internal ordering system to enable employees to arrange delivery for any further kit they needed.

Hucknall also arranged a series of webinars to promote all aspects of wellbeing in lockdown. “As well as external experts, we got some of the

senior and line managers involved in these, talking about how they were coping in lockdown,” he says.

“This also helped with the social element. For instance, our [chief finance officer] CFO, Mark Satchel (pictured), led a virtual cycle challenge, encouraging staff to work together to pedal over 11,000 miles to New Zealand.”

Lockdown also highlighted the importance of mental health, with Quilter partnering with mental health organisation, Spill, to provide additional support to employees. “This enables them to ask a qualified therapist about anything that might be worrying them and get personalised feedback,” explains Hucknall. “It can also flow into counselling or other support where necessary.” As employees gradually return to the office over the next year or so, the changes in the way people work will affect wellbeing.

“There will be benefits such as no commute and more time with their families but also challenges such as loneliness and isolation,” says Hucknall. “We’re exploring the future of work and how we can ensure employees benefit as much as possible from this cultural shift.”

also meant that many organisations shifted to a much more real-time approach to checking in with employees.

This is a trend that will remain, with more and more employers introducing initiatives such as weekly engagement surveys and employee resource groups, says Spencer. “Employers must listen to their staff,” he adds. “By proactively engaging with employees, they feel more valued and the organisation is better able to respond quickly to what’s going on in the workplace.” [eb](#)

Mental resilience

Employers need to be aware of the many pressures that the pandemic has put on mental wellbeing



Homa Wilson | partner
Hodge Jones and Allen

There is little doubt that the global Covid-19 (Coronavirus) pandemic will have ongoing mental health implications for the population. Research undertaken by the Institute for Fiscal Studies (IFS), *The mental health effects of the first two months of lockdown and social distancing during the Covid-19 pandemic in the UK*, published in June 2020, found that mental health is substantially worse, by 8.1% on average, as a result of the pandemic.

The burden on some is proving overwhelming; many are having to contend with multiple stressors. As well as dealing with the fear of catching the virus, people are suffering from bereavement and grief, increased social isolation and loneliness, as well as the burden of homeschooling.

Work-related stressors add to these anxieties. Some of the main factors are unhealthy home-working practices, fear of returning to work, being furloughed and job uncertainty.

Employers have a legal duty to protect the health and welfare of their workforce and will have additional duties concerning staff who have mental health conditions which fall within the definition of 'disability' as defined in the Equality Act 2010. Employers need to take stock and consider what steps to take to help and protect their workforce.



Addressing unhealthy working practices

To address concerns, it is important to understand the impact of Covid-19 on staff. Employers should use questionnaires to get a picture of the difficulties faced by their workforce and invite suggestions for how these can be addressed. Employers should carry out a risk assessment for each member of staff, which, as well as focusing on the equipment they use, should also seek to identify and address any mental health concerns.

Working from home can result in employees struggling to work within designated working hours and not taking breaks. Employers should encourage staff to set designated working hours and schedule regular breaks. This can be done by sending regular communications reminding staff to switch off, take time to exercise and for relaxation.

Employees may need time off to look after dependants and might be unable to work during their normal working hours. Employers need to be understanding. Many employers have encouraged staff to work flexibly and arrange their working time around childcare commitments. It is important to communicate this to staff.

Employers need to inform and remind staff of available support: this could include help from HR or signposting a confidential counselling helpline paid for by the employer.

Employers should be alert to early signs of any mental health problems and should consider arranging mental health training for managers, as well as appointing mental health champions for staff to talk to; people must not feel alone when they are experiencing mental health issues.

The impact of furlough on wellbeing

Many furloughed employees reported feeling a loss of self-esteem and self-worth; this was exacerbated by lack of structure or purpose in their day and left them feeling isolated.

Some employees may have welcomed being furloughed in order to focus on other

responsibilities, such as childcare and caring for dependants. The impact on others may have been significantly worse. For those living alone, it might have compounded their feelings of isolation.

Employers should have communicated why the decision was made and why the employee was selected. For furloughed employees who did not undertake any work, employers should have ensured they continued to feel part of the team, so, for example, were updated on any changes to the team.

Unfortunately, redundancies may be unavoidable. Nevertheless, being made redundant can feel very personal and impact self-esteem. Employers can minimise this by following a few simple steps.

Employers must consult with those who are at risk of redundancy. If face-to-face consultations are not possible, arrange a video call. Explain why redundancies are necessary, explore alternative roles and listen to what the employee has to say; consultation should be a two-way process. It is important for the employee to feel heard, and that the process is not personal. Explain how the process will work, including how long it will take to conclude.

Employers can play an important role in safeguarding the health of the nation. Unless we act now to address the mental health needs arising from the pandemic, there will be enormous long-term consequences for families and communities, which will inevitably have an impact on the workforce and the economy [eb](#)

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