The Reward & Employee Benefits Association (REBA) comments in response

to the

HM Revenue & Customs Consultation of salary sacrifice for the provision of benefits in kind

19 October 2016

Introducing REBA

The Reward & Employee Benefits Association (REBA) welcomes the opportunity to respond to this consultation on behalf of its Members and Associate Members.

REBA is the community body for professionals working with employee benefits, reward or compensation (that is, pay and variable pay).

Our primary members are employers. That is, professionals, usually based within the human resources department, who are responsible for the employee benefits and reward strategies and purchases for the staff at that organisation. It is a specialised area and their job titles are usually: reward and/or benefits director or manager.

Nearly **1,000 individuals have joined REBA** since REBA launched in the summer of 2015.

They represent **709 organisations** (listed in Appendix VI).

REBA is supported by **44 Associate Members**. These are consultant, advisers and providers within this market, which sell services and products to employers referred to above.

REBA's Associate Member companies are listed in Appendix V)

REBA's stance on salary sacrifice

REBA welcomes the review of salary sacrifice. We believe there has been a creep in the number of benefits with dubious credibility which have been included in salary sacrifice schemes. A number of our members have been uncomfortable with these, and we had an initial meeting to discuss how to tackle this in early 2016. As one stated: "I fully understand the argument to remove things like wine. It's extraordinary that these have been able to exist."

However, REBA believes we need to guard against losing a few valuable benefits which have not been ring-fenced by the consultation. We note these in our submission and ask that they be relooked at carefully. REBA is happy to assist if needed.

REBA takes no specific political line, nor does it make money from the sale of salary sacrifice benefits. Therefore this submission is as independent as possible and attempts to reflect the views of Members in a neutral manner, with bias towards employer responses over adviser/provider responses. The latter are more likely have the resources to make their own submissions, while commonly HR and benefits departments do not. So it is REBA's responsibility to give the HR/benefits department view more prominence.

In our submission, REBA has aimed to conclude a broad consensus of views submitted by its Members and Associate Members. This is to say, not every statement will represent the views of every single member, but they do present a majority view.

How REBA compiled its comments

- Our statements are based on surveyed responses collected during September 2016.
- 170 individuals took part in the survey from a pool of roughly 1,363. This is a 12.5% response rate.
- 123 respondents work on the employer side representing 121 organisations (see list in Appendix I). We call these people ‘employers’ in this report.
- These 121 employers **collectively employ nearly 1 million employees** (see ‘Employer size’ breakdown in Appendix II).
- The majority of respondents from employers have a job title that falls into the reward/benefits director/manager or similar category (see ‘Job title’ breakdown in Appendix III)
- 47 respondents work for providers or advisers in the employee benefits market. They represent 33 organisations (See Appendix IV). We call these people ‘providers’ in this report.

Executive summary of REBA's key comments

REBA, on behalf of its members, agrees that it is correct to remove salary sacrifice benefits which do not support government policies or encourage behaviours that are good for workplaces and society in the long term.

But the increasing use of salary sacrifice benefits has brought many essential products and services within reach for low earners and to the vast majority of employees who do not work for benefits-rich paternalistic employers. So we ask that we protect all salary sacrifice benefits which support government policies or 'good' behaviours, not just the ones currently ring fenced.

There could be a bigger impact on employees, rather than employers

Reducing the overall number salary sacrifice benefits will lead to employers potentially scaling back of both the number of employee benefits on offer, and/or to which cohorts of staff these are offered. This could affect both salary sacrifice and non-salary sacrifice employee benefits.

The current arrangement makes benefits more affordable for lower-paid employees. Higher-paid employees will probably continue to select the benefits they want, or receive them as an employer-paid benefit.

The NI saving is 12% for people earning between £8k and £43k pa, but only 2% for people earning above £43k pa. Removal of these benefits could be seen by middle earners as regressive and result in negative publicity. Their loss will be greater than their employer's.

Please bear in mind that simplifying tax codes is one element of a bigger picture

There is a fear among HR and reward professionals that the changes to salary sacrifice are driven by the desire by payroll professionals to 'tidy up' tax codes. There are important HR and reward strategies behind each type of benefit offering. These strategies are there to support businesses. So there is a potential damage to the work HR departments do for British workforces if changes are made simply for technical tax reasons.

There is some concern that these proposed changes could undermine policies from other government departments

Other than the benefits already ring-fenced by the consultation, there are several others which align with government policies designed to encourage particular behaviours through the use of tax or NI incentives. We would ask HMRC to reconsider these in order to avoid an inadvertent retrograde step. They include:

1. Work-related training and professional development
2. Home technology
3. Company car salary sacrifice
4. Employee wellbeing-related benefits
5. Share Incentive Plans

These changes should be successful if employers are given reasonable time to implement

REBA strongly recommends that any changes should to be implemented from April 2018 (not April 2017). Not only will this allow employers sufficient time to make the necessary system changes, but if employers are forced to rush the process they will simply remove benefits, because there is no time to consider other options.

88% of respondents to REBA's survey said the proposed timeline would present them with difficulties.

A key issue is also that annual flexible benefits cycles run at different times of the year for different employers.

We would also like to highlight that using salary sacrifice involves a change of employment contract. Employers need adequate time to draw up new contracts and get them agreed by staff. This can take many months, especially if trade unions are involved as everyone tries to reach an agreement.

Could we highlight the importance of grandfathering some benefits

It is very important to grandfather some benefits, especially those which employees contract into for more than a year. It is often the lower paid employees which use these contracts to spread repayments, so are most at risk if there is a sudden change of just a few months.

Our members have taken this consultation very seriously, and we appreciate the time they have put in to provide a detailed and insightful response to the consultation.

On the following pages we provide a more in-depth view of what they said.

At the end of this report we have included several Appendixes listing which companies responded and of which workforce size, plus what job types our members fall into. We also name the companies which support REBA.

As you will see we have a rich vein of employers we can turn to should you need further information on this topic. So please do not hesitate to contact us should you have any questions or comments.

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RESPONSES TO QUESTIONS FROM THE CONSULTATION DOCUMENT

QUESTION 1: Alongside annual leave, are there any other salary sacrifice arrangements that the government should be made aware of that do not strictly involve receipt of a benefit?

The key benefits falling into this category raised by REBA members are:

- Work-related training (mentioned by several employers)
- Professional subscriptions or memberships
- Sabbatical bank (banking holidays for later drawdown during a sabbatical break)
- Carbon offsetting

QUESTION 2: What are the likely impacts on employers and employees of limiting the scope of BiKs that can obtain tax advantages when offered through salary sacrifice arrangements?

It is correct to tighten up on salary sacrifice benefits which do not support government policies or encourage behaviours that are good for society in the long term. But limiting the scope of BiKs that can obtain tax advantages when offered through salary sacrifice arrangements (henceforth referred to as 'salary sacrifice benefits') will have broader negative impacts that need to be weighed and assessed before decisions are made.

Scaling back benefits

There is wholesale agreement by employers responding to our survey that reducing the overall number salary sacrifice benefits will lead to organisations potentially scaling back both the number of employee benefits on offer, and/or to which cohorts of staff these are offered. This could affect both salary sacrifice and non-salary sacrifice employee benefits.

Although the NIC savings on salary sacrifice savings outside pension contributions are relatively small, they do just tip the balance in making a benefit worth offering (be it a saving for the employer or the employee).

Many employers use the Employers' National Insurance Contribution (NIC) savings to cover the cost of administering benefits or to subsidise other employer-paid benefits. Without the NIC saving many employers may need to tighten up either or both of these.

Over the past roughly 20 years, benefits provision in the UK has grown to reach more and more employees of all pay levels. What once used to be the preserve of larger, paternalistic companies or senior staff, has been become available to larger portions of the workforce owing, largely but not exclusively, to the use of salary sacrifice. This could now be reversed.

Employer NIC savings have been used to cover the cost of flexible benefits and voluntary benefits platforms and administration. If some employers, particularly smaller ones, cannot afford the cost of administration then discounted employee perks (regardless of whether they are salary sacrifice) could be withdrawn. If this were to happen, the lowest paid would be most affected because their pay would not stretch as far (these voluntary benefits schemes often also offer discounted grocery shopping vouchers, cheap holidays, insurances and so on).

Many employers use voluntary benefits (both salary sacrifice and non-salary sacrifice) to offer more to staff without inflating pay. We need to be careful not to upset this balance.

Demise of choice for diverse workforces

Increased diversity in the workplace means that the needs of different demographics of employees vary more greatly than they did a few decades ago.

Employers have responded to these changes in the workforce make up to offer a far greater range of choice to employees. Instead of the employer deciding what benefits to buy on behalf of employees, they give staff access to a range of choices through voluntary benefits and flexible benefits. These are usually underpinned by the use of salary sacrifice benefits, to make these schemes sustainable and attractive.

Reacting to the withdrawal of so many salary sacrifice benefits, one employer stated “It takes benefits back 20 years when employees 'took what they were given' whether they wanted it or not.”

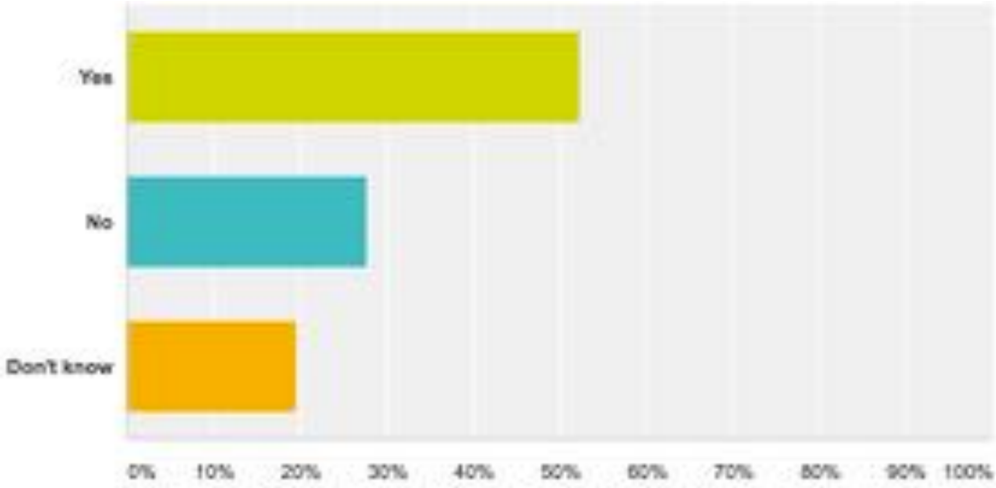
- Reverting to benefits packages which employers pay for will mean:
    - Many companies will only offer benefits to higher paid staff.
    - Choice of benefits will be limited (employers cannot to afford to offer the wide range now available).
    - Creating a workplace culture aided by benefits will be harder.
    - Less opportunity for employers to be creative and offer a range of benefits that meet with an employee's lifestyle.
    - Impact the ability of employers to offer flexible reward packages to suit different generations in the workplace.

Low earners will be disproportionately disadvantaged

The current arrangement makes benefits more affordable for lower-paid employees. Higher-paid employees will probably continue to select the benefits they want anyway, or receive them as an employer-paid benefit.

Over half, 52% of our respondents believe that low earners will be disproportionately disadvantaged by the removal of salary sacrifice BiK on all benefits (excluding the exceptions detailed in the consultation). Just 28% did not believe low earners would be disadvantaged.

Graph: Will low earners will be disproportionately disadvantaged by the removal of salary sacrifice BiK on all benefits (excluding the exceptions detailed in the consultation)?



Employers cannot afford to give all employees access to 'management perks' such as a company-paid mobile phone, car parking and wellbeing benefits. The current system allows lower earners to have access to these benefits via the salary sacrifice amount contributing to the cost of provision. Under the new proposals, most employers will withdraw these benefits from lower earners.

Employers point out:

- “Take up of salary sacrifice benefits is disproportionately higher among by our lower paid employees (for example, receptionists, production staff and supply chain officers). The highest paid are generally not interested in salary sacrifice benefits.”
- “Our car salary sacrifice scheme is more attractive for lower earners due to NI savings at 12% rather than 2%.”
- “If costs rise or benefits are ceased because of the additional cost to the employer, the lower paid employees are less financially able to replace the product with a higher cost personal product (for example, life assurance and health assessments).”
- “The proposed legislation will exclude the lower paid from a range of products to which they and their families currently have access.”
- “The reduction in salary sacrifice benefits directly contradicts the government’s commitment to look after everyone, especially the lower paid, for whom the benefit (savings gain) is proportionally greater.”
- “We offer a voluntary car leasing scheme via salary sacrifice. The main reasons for offering this was:
  - o the public transport provided is poor to our workplace
  - o living costs in the South East are high so offering a fixed monthly payment (with no initial lump sum outlay) allows our lower paid members of staff, e.g. graduates to be able to get to work.”

- “Our greatest take up of salary sacrifice benefits is in those earning less than £25,000. With benefits such as technology, it is often brought for the employees’ children to enable them to complete online homework. I think particularly with lower earners it dangerous to assume that these are simply luxury items. If parents are under pressure from schools to provide access to online homework at home and it's not available via salary sacrifice, employees are likely to turn to credit and loan options.”
- “The impact for all employees (but especially lower paid workers) will be significant. Car parking for example: an employee saving 32 or 42% tax and NI will see a huge rise in cost.”

QUESTION 3: Are these impacts different, or are there different considerations, for large/small businesses or particular business sectors?

Size of employer

Overall, REBA members felt the size of a company is of minor significance with regards to the removal of salary sacrifice benefits.

Larger employers are more likely to offer salary sacrifice and flexible benefits, but may also be able to stand the costs of the change or use buying power to negotiate bigger product discounts.

Small employers which offer salary sacrifice benefit tend to find the NIC savings is more vital to allowing them administer these benefits.

Several respondents disagreed with the premise in the consultation document that salary sacrifice schemes are outside the reach of small employers. Although they may not be able to afford expensive technology solutions to deliver flexible benefit plans, generally speaking they would be able to provide very similar schemes if they wished to.

On balance, if there were to be a bigger loser it would be smaller employers.

Sectors:

- **Public sector (quotes from public sector respondents):**
  - “There will be a bigger impact on the public sector because they are subject to reduction in central government grants and funding year-on-year. This, means that there is a greater drive to be creative. Budget cuts make it necessary to think of new ways to give something back to employees who are also suffering pay squeezes. The culture of pay freezes, reduced incremental pay progression coupled with no PRP, means the proposed changes to salary sacrifice benefits makes a much less attractive proposition as a future employer of talent.”
  - “The public sector can justify schemes which are at nil cost. But spending tax payers’ money on employee benefits becomes more difficult to justify.”

- “Clearly any future procurements would need to factor in potential government changes as this could be costly if either party decided to withdraw.”
- “Currently most employers offer salary sacrifice schemes but this may now become a lot more competitive as employers seek to offer the best packages because they can afford it. This might widen the public/private sector divide.”

- **Retail (and other low paid, large workforce sectors)**
  - “Retail tends to employ people on lower contracts with lower rates of pay. Retail is not seen as a profession like financial services, hence to make it more attractive the benefits offered are a significant factor in prospective candidate’s decision making.”
  - “Benefits are used to avoid wage wars between retailers, and instead create different workplace cultures and employee value propositions to attract staff.”

- **Charity sector**
  - “There is a particular impact on the charity sector. We cannot pay at the same level as many in the private sector and these benefit options are one of the few areas where we are able to make good benefits available to staff. Limiting the scope of this will mean that staff lose out on benefits that as a charity we cannot afford to pay.”

- **Employee benefits providers**
  - We shouldn't underestimate the impact that this will have on the providers of the services, as their businesses will be negatively impacted by the reduction in demand.

QUESTION 4: Are the impacts different for particular BiKs?

Yes, because other than the benefits already ring-fenced by the consultation, there are several which align with government policies coming out of other departments in order to encourage particular behaviours through the use of tax or NI incentives.

We appeal to HMRC to reconsider these in order to avoid an inadvertent retrograde step.

Each is slightly different and are listed below:

1. **Work-related training and professional development**

Up-skilling a workforce by supporting salary sacrifice training and qualifications is line with Government policies. Although it is an under-used benefit, it is one that should be ring-fenced to encourage use.

While employees can currently claim for professional subscriptions via a tax return, salary sacrifice is a more convenient approach which also incentivises employers to invest in their staff.

If this salary sacrifice benefit were to be removed there would be less opportunity for career progression as work-related training will need to be funded upfront and in full by employees if employers aren't able to contribute.

One employer commented: “With [salary sacrifice om] work-related training [being scrapped] this will mean there are less opportunities for affordable training. This will potentially 'rule out' proportions of the workforce i.e. lower paid workers and young people entering jobs with student loans to pay off. This will also create a blockage to succession planning and development of employees as well as those wanting to potentially enter the workforce. Lack of new blood and innovation will have an impact on innovation and services.”

2. Home technology

The area of home technology is one of the more controversial with regards to salary sacrifice benefits. It needs to be tightened to avoid it being misused to provide access to luxury products. That clearly goes against the purpose of the ‘nudge’ element of salary sacrifice, which is to encourage particular behaviours.

But there is a strong argument for retaining salary sacrifice for those technologies (personal computers, laptops, tablets and smartphones) which allow low earners to get online. This would allow the Government’s Digital Skill’s strategy to achieve its goals (*Digital Skills Crisis*, House of Commons, Science & Technology Committee, June 2016.
www.publications.parliament.uk/pa/cm201617/cmselect/.../270/270.pdfare)

In the UK we have a digital divide with up to 12.6million UK adults lacking basic digital skills, while 5.8 million people have never used the internet at all. Of the 12.6 million adults, 4.5 million are employees. Therefore their employers could help them develop their skills needs, in an affordable manner for both employer and employee.
It is estimated that the digital skills gap is costing the UK economy an estimated £63 billion a year in lost additional GDP, a figure which dwarves any loss of income in tax to the exchequer as a result of the tax incentive.

3. Company car salary sacrifice

HM Treasury’s “Consultation on Company car tax for ultra-low emission cars” (https://www.gov.uk/government/consultations/company-car-tax-for-ultra-low-emission-cars) states that the government believes “the company car market is important for promoting the widespread use of Ultra Low Emission Vehicles”.

The company car consultation (on low emission vehicles) is now redundant in light of the salary sacrifice consultation.

Over the past 20 years, the number of company cars on offer by employers has reduced, which in itself is a good for the environment.

However, there are large portions of the workforce who do need a car for at least some business travel or to commute to and from work in areas where public transport is not adequate.

Company car salary sacrifice schemes have become highly effect in ensuring that:

- Staff (especially the lower paid) who need cars for work have access to affordable, well-maintained cars and are not obliged to use older, potentially less safe, higher-emission cars.
- Employers have a duty of care under Corporate Manslaughter laws, but when staff rely on 'grey fleet' (ie their own cars with no employer oversight) for occasional business trips the risk to employer and employee rises. The salary sacrifice car option mitigates this because it has the employer oversight of a traditional company car scheme. "We may be pushed towards a 'grey' fleet, which for us as a company has high risks for Health & Safety compliance and management and we don't want to go down this route," said one employer.
- Employers are able to support their green, environmentally-friendly policies by actively promoting a low CO_2-emission agenda for car drivers among their staff. One employer said to us: "The salary sacrifice car scheme has enabled us to reduce our car fleet to 109 g/km CO_2 on average. This [consultation] puts that under threat."
- Drivers switch to new, lower emission cars and in particular ULEVs.

Unlike other salary sacrifice products salary sacrifice cars are net tax positive for the Exchequer.

Owing to the strong arguments for keeping company car salary sacrifice exposed by our survey of members, we go into the responses in more detail on page 22.

4. Employee wellbeing-related benefits

We would ask that HMRC and HM Treasury pause to reconsider whether benefits which promote employee wellbeing should be excluded from salary sacrifice.
The desire to promote employee wellbeing by employers has seen a sea-change over the past 12-18 months, with many wanting to promote wellbeing in their workplaces.

Proportion of employers without a wellbeing strategy wanting to implement one (REBA/Punter Southall Health & Protection Research 2016, published March 2016)

Cost is an issue for most employers as HR departments struggle to find the budget. Being able to at least start with helping staff to get fitter and healthier through the carrot of salary sacrifice wellbeing-related benefits will do enormous long term good to UK society and NHS budgets. As well as allow employers to get on the front foot to prove return on investment to set aside bigger budgets.

Some of the many comments from our respondents included:

- "We should be doing all we can to support wellbeing initiatives in workplace and incentivising employees to take part. The cost of running these schemes and promoting wellbeing and healthy lifestyles is extensive for the employer. The savings made on employer NICs helps to support some of these schemes".
- "There are other strong considerations (such as employees' health and employees' financial security) that outweigh the need to impose an additional tax burden on health screens, life assurance and income protection."
- "Reduced take-up of health and wellbeing benefits, including health screening, life assurance and gym memberships and other benefits designed to help proactively improve health or provide for employees and their families in difficult times. These impacts are likely to be felt most by employees earning below the higher rate tax threshold (£43k) because their NIC saving is greater. Thus is many cases this will be a regressive tax step."
- "There will be a decrease in take up of wellbeing benefits effectively reducing productivity."
- "NHS budgets are under pressure so prevention is better than a cure financially."
- "Health and wellbeing related benefits should be exempt in a bigger picture perspective, much like Childcare."
- "Health screenings are relatively expensive for many employees but can play an important part in maintaining health. Issues which are picked up through salary sacrifice health screenings are likely to save the NHS money in due course."
- "A lot of the salary sacrifice benefits impact on health and / of lifestyle, and could impact not only the employees themselves but also their families, leading to poorer health and less disposable income, which itself could impact on the economy in

general. It just doesn't seem like it's the right area for the government to be focusing their financial restraints on."

5. **Share Incentive Plans**

It has been noted by one of REBA's Associate Members, Yorkshire Building Society, that:

"Although not strictly a salary sacrifice (the mandate for a deduction is through a Partnership Share Agreement, not through changing the terms of the employment contract), the effect of the SIP legislation creates a similar effect in terms of employer/employee "advantages" (tax and national insurance savings).

We would ask that the Government is careful when drafting the legislation so that the pre-tax deductions from salary contained in the SIP legislation (section 492, Income Tax, Earnings and Pensions Act) are not affected.

For the avoidance of doubt, we ask that SIP participants continue to benefit from tax and national insurance savings, and employers from national insurance savings."

REBA supports this request.

QUESTION 5: Do you think that the government needs to take any steps to mitigate any negative consequences of this change for employees and employers, such as those who may be locked into salary sacrifice arrangements? If responding, it would be helpful to understand specific examples and factors the government should take into consideration.

There are two aspects to consider with regards timing of the changes.

1. Most importantly, the cost impact on employees who are tied into 1-3 year contracts.
2. Secondly, allowing time for employers to make the system and employment contract changes needed to end salary sacrifice on any benefits which are removed.

Cost impact on employees

Although most salary sacrifice benefits tie employees into a one-year contract (e.g. dental or travel insurance), there are several which are contracted for two, three or possibly even longer periods.

Overwhelmingly, REBA urges the government to consider 'gandfathering' for these benefits. Employees should not be penalised with extra costs (whether NI, tax or early termination penalties) when they entered in the contracts in good faith. Lower paid staff are the most likely to have opted for longer periods (if that was an option) in order to spread the cost of repayments.

1. **Cars** – typically have three-year contract periods, but could be as long as four or five years in some cases. Early termination can costs thousands of pounds. And the employee would have to then fund a replacement car.
2. **Technology** – typically have one year contracts, but can also extend to two to three years. Lower paid staff are most likely to opt for longer contract periods (if on offer) in order to spread the cost. The sudden increase cost to families could cause serious financial problems.
3. **Work-related training** – employees receiving benefits through work related training e.g. professional qualifications, will not able to fund (and therefore not complete) their courses. One REBA member which offers this benefit pointed out that its employees only apply for one year's funding at a time, with the intention of applying in their second and then third year to complete their courses. If this salary sacrifice benefit is removed, then an alternate to grandfathering should be considered to avoid the disastrous consequences to employees striving to improve their skills.

Administrative and legal impact on employers

There is a lead time of several months for employers to be able to implement significant changes to salary sacrifice and flexible benefits.

A large proportion (but by no means the majority) of flexible benefit schemes have annual enrolment dates of April to tie in with the tax year. The 'enrolment period' for these (i.e. the period during which employees express their benefit choices) typically run mid-February to mid-March, while any changes required to systems are made over several months running up to this.

In other words, many employers are currently working on changes for April 2017, while their providers would have scheduled in the preparatory work earlier this year.

We would therefore strongly recommend that any changes announced to be implemented from April 2018. This will allow employers sufficient time to make the necessary system changes.

We would draw HMRC's attention to historical changes to childcare vouchers and home computing schemes that were announced with very little notice and caused huge strain for employers running these schemes.

Employers will be more likely replace benefits with alternatives if they have time. If they are forced to rush it is simpler to remove them, because there is no time to consider any other options.

QUESTION 6: Do you consider that the approach proposed for legislation would work as intended?

Broadly, REBA members feel that the proposed legislation could only work if employers were given enough time to implement it properly. In particular, have time to amend employment contracts and deal with the administrative changes.

The main reason it won't work is that there is high chance of benefits simply being withdrawn from the workplace because of lack of time to react in any other way.

Comments included:

- "It will work as HMRC intended but will end provision of some benefits because there will be no advantage to the employee or employer of providing them."
- "There is always a way around some of these things, in the fact that the "reference" salary concept is reviewed, and that new contracts are agreed where a benefit is given in addition to a new lower pay. i.e. no reduction. The issue for your parking example would be "what value would then be ascribed for tax purposes? i.e. as a new joiner I have a salary of £22k plus parking - I don't know that previously this would have been £22.6k, with £0.6k sacrificed. Policing may become difficult."
- "Sounds incredibly complex."
- "Difficult to say. New arrangements and employee contracts will need to be put in place prior to the changes proposed in April 2017 to ensure that employers comply with these changes and the correct level of tax is collected from employees. We will also need to ensure that the employer will lose the NIC benefit from that date."
- "It will help the government to recoup tax receipts and will be fairer for the lower paid."
- "For employers unable to offer higher wages a benefit-in-kind is seen as a helpful inducement which if removed might impact on recruitment and retention."
- "Yes, I think it will (it seems fairly clear how it will apply or not)."
- "Yes, provided it is not imposed "in year" to give employees the full facts before deciding to renew. Should be applicable to new arrangements only."
- "It would require a severe overhaul of payroll systems, HR databases (for the recording of benefits) and Flexible Benefit platforms in order to capture, process and transmit benefits correctly."
- "It would be more complex than current arrangements and would require a fair amount of redesign of payroll and flexible benefit software to apply the new rules."
- "It could be problematic to implement changes part way through an employee's agreement - it is not what they originally signed up for."
- "Additionally the change to some but not all benefits could also cause problems - it may require system changes from employers, and thus increased manual work. There will be a greater margin for error."
- "Not quite. There is still the issue of cost to employers for the administering of schemes, currently funded by employer savings from having the schemes at all. This cost would fall directly on employer providers - and would be viewed as either another cost pressure in very difficult times, or would probably lead to some employers not offering schemes at all, with the detrimental effect on staff morale."

- “The proposal as it stands would reduce take-up significantly for benefits and benefit providers. The economic impact would lead to many providers/services currently being used to be put into question of viability.”
- “Not without more time for employers, consultants, payroll and benefits providers to understand the implications and restructure benefits pricing / packages/ approaches accordingly. It will just end up in a mess.”
- “I think it will be complex for employers and payroll providers.”
- “No, I don’t. The ‘cash equivalent’ is a misnomer that causes confusion. An employee earning 25k p/a is unlikely to purchase a private medical insurance policy or a quality income protection (long term disability) plan, of his or her own accord, and indeed if offered a 'cash equivalent' would be more likely to take the cash. Employers provide these benefits for employees’ welfare and protection and it is therefore morally ambiguous as to whether HMRC should seek further compensation when it is unable to provide the security provided by these plans, on many occasions, such as in this case, I have seen large numbers of employees in an organisation opt out of the group private medical insurance plan, solely on the basis that they do not wish to be taxed on a benefit that they do not believe that they will need.”
- “I don't see that it would not work. However, while I disagree that this should be removed, it would be far easier to just remove all benefits other than those [ring fenced] from salary sacrifice and therefore making them net deductions.”
- “No. I think it will cause negativity, strife and an inordinate amount of extra work for employers and actually put them off introducing this kind of employee benefits in the future. The UK workplace will be a poorer place as a result - particularly for lower paid workers.”
- “No. There seems to be a fundamental flaw in the premise that salary sacrifice is bad - so for example an employee being provided with a regular company car is treated differently to an employee receiving it through salary sacrifice. This is NOT creating a level playing field - it's actually making it more uneven. HMRC should instead simply look at the tax treatment of individual benefits and apply it evenly rather than making exceptions for salary sacrifice schemes.”
- “There may be a challenge in educating employers to account for these benefits correctly.”

QUESTION 7: Are there any consequences the government has not considered in proposing to legislate in this way?

REBA members flagged up a variety of issues which HMRC may wish to consider (listed below).

The most commonly cited issues was how this change could inadvertently have a negative impact on policies being promoted by other government departments (as noted previously under question 4, page 10).

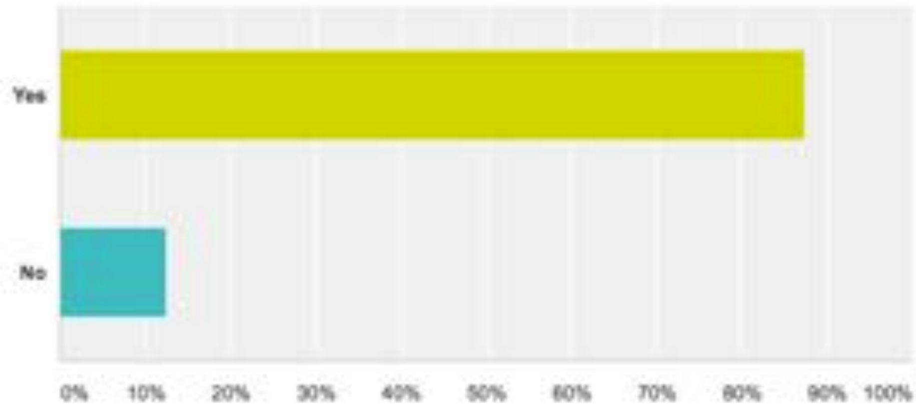
Other comments included:

- "We have major concerns that Real Time Information, after two years being live, still doesn't process well through HMRC systems. The legislation makes sense but HMRC is not resourced to turn such legislation into systems that flow well and work for the employers. There are vast numbers of errors, the HMRC internal systems still aren't talking to one another and the data still isn't being used in the way the Government said it would. Changing Salary Sacrifice legislation, soon after RTI and the Pension Reforms seems too much for the HMRC to adequately manage. The issues are then passed directly to employers who suffer the consequences."
- "How the value of benefits is taken into account in severance payments and real time payroll."
- "What happens for current open agreements? Could there be some legal challenges?"
- "What is a cash alternative? New employees may negotiate different packages, there is always a trade-off between cash and benefits, will these be caught? Same can happen for internal promotions/transfers etc."
- "The difficulty I see is what is a salary sacrifice arrangement and what is an individually negotiated package. For example, I am offered a job with a salary of £40k and a company car that has to have low emissions. Let's assume the taxable value of the car is £4,500. As an alternative I can take a cash allowance of £5,000. If I take the cash allowance I know I'll be paying more tax and NIC as an employee. However, if the cash allowance is offered initially and I opt for the car I will end up paying more tax and NIC than my colleague who is given the car option initially. This does not appear to be fair or coherent."

QUESTION 8: Would this timeline present employers with difficulty? For example, with updating payroll software?

88% of respondents to REBA's survey said the proposed timeline would present them with difficulties. Just 12% said it would not.

Graph: Would this timeline present employers with difficulty?



QUESTION 9: Are there any other changes that employers would need to make?

Other than payroll, the changes employers would need to make include:

- Flexible benefits platform/system changes (in some cases payroll is fed by another tool (e.g. HR management tool) or flex portal).
- Changes to employees' contracts who have signed up to an existing salary sacrifice arrangement.
- Implement employee communications exercise (in a very short a timeline for a complex message).
- Relevant policies and FAQ's will need updating in booklets and online, as well as policy documents.
- Agreement will need to be reached with benefit providers as to the way forward. A common and consistent approach is needed.
- Discussions with Trade Unions may be necessary if the benefit package changes.
- We would need to re look at our whole benefits package and reassess costs.

What difficulties would this present to employers?

Employers say:

- "The largest impact will be on employees. This is going to be a difficult message to manage and likely to impact on moral and productivity. As we are all aware, one of the most fundamental aspects of work is pay and for many employees we are about to significantly impact on that."

- "We may need to cut any other benefits that we would no longer be able to afford. For example, we are tied into contracts for things like health care cash plans which we fund through employers' NI savings. The business couldn't fund the cost of the plan should our employers' savings be cut from April 2017. Yet we cannot get out the contracts. This would have an adverse effect on profits etc. and moral."
- "Dependant on whether Grandfathering of current schemes is allowed or not, there will be a significant amount of communication required with employees in existing schemes. We will also need to discuss and agree with providers whether they will take items back early without penalising employees. As an example we could be faced with 11 cars being returned if salary sacrifice is removed. Employees have to pay three month's rental charge for returning their cars early and even more if it's within the first six months. They will then need to work out how they will replace that car. This is an example of just one salary sacrifice benefit ending."
- "Industrial Relations issues, in particular requests for greater pay rises, so staff are in the same position they were previously."
- "There may be more pressure to focus on salary, and in turn this could lead to some upward pressure on pay which might be unaffordable, particularly for smaller businesses."
- "Employers would be at the 'mercy' of the software providers to make changes."
- "Cost, time and resource at a time when other competitive challenges and issues such as Brexit need managing."
- "Time and cost, that is financial and resources to implement and communicate changes."

Several employers cited the difficulties related to when their annual flexible benefits cycle run:

- "We will be within a one year flexible benefits election period, from 1 May 2016 to 30 April 2017. Legislative changes effective 6 April 2017 will be extremely challenging as we offered employees flexible benefits on a one-year term in and many employees have entered into those arrangements in good faith."
- "For us benefits run from the 1st January for the calendar year and our employees select benefits for the coming year in the November. The employer has to build out benefits provision prior to November so employees can select benefits. If we are not notified of changes well ahead this will impact what selections employees would make and what we would offer as an employer."
- "Huge difficulties if implemented for 2017, even if the changes are announced in the Autumn Statement. Many flex plans renew in January so it will already be too late as employees will be making their choices from November. The next rump of renewals occurs in April, with employees usually making choices from mid-February. There simply isn't time to make system changes and communicate effectively with employees."

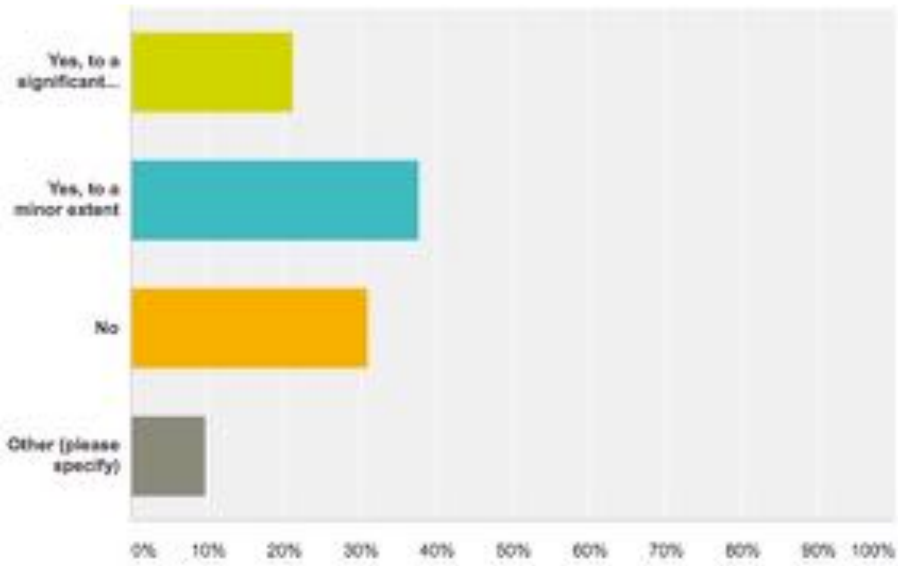
QUESTION 10: Are there any other compliance considerations which HMRC should be aware of?

Most respondents felt there were no further compliance issues to be aware of.

RESPONSES TO ADDITIONAL QUESTIONS POSED BY REBA

Over and above the questions posed by HMRC, REBA wanted to delve more specifically into key issues impacted by this proposed changed in order to flag up (or dispel) concerns.

REBA Question 1: Will the removal of salary sacrifice BiK on all benefits (except pensions contributions, childcare vouchers, payroll giving and bikes-for-work) put pressure on your pay budgets?



Answers to 'Other (please specify)' included:

- "Minor as only one benefit in our flex scheme would be affected. The bigger concern is the effect on fleet."
- "Will put us off considering other BIKs."
- "Not necessarily the pay budget but it will put pressure on our 'co-pay' set up with employees."
- "On the benefits budget rather than the pay budget."

REBA Question 2: If yes, what impact will this pressure on pay budgets have? For example, on your staff (all or particular groups), your business, other reward and HR strategies? Please explain in more detail.

- "It is likely that employees will overall get less. Given the pressures applied by government on NLW and apprentices it is getting harder to justify spend on benefits. The more control the government applies, the more likely that groups of employees will end up worse off."
- "Value of rewards packages will become even more skewed towards salary as the differentiation focus."

- "It will put pressure on salary increases as opposed to considering a wider total reward package."
- "Potential need to reimburse employees who are facing higher lease costs. We would normally not consider reimbursing for tax changes however many of those taking up the benefit are on relatively low earnings."

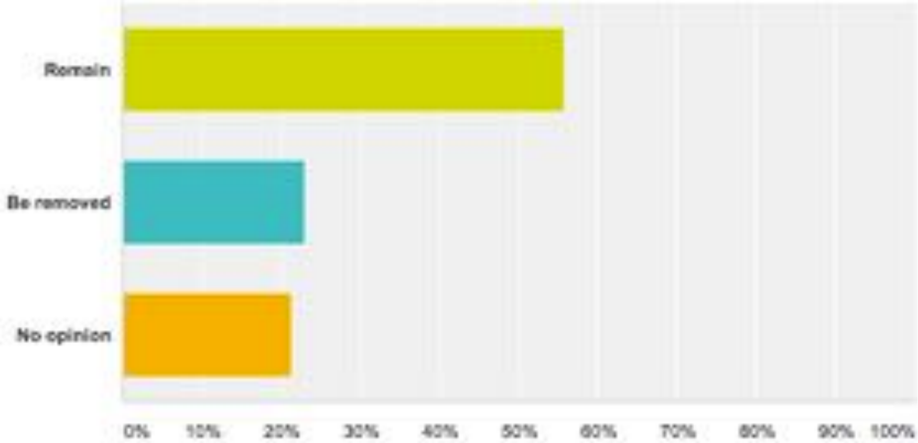
REBA Question 3: Do you believe the ability to salary sacrifice cars should remain or be removed?

Because REBA iss aware that the potential removal of company car salary sacrifice would cause particular disruption to employers, company car salary sacrifice providers as well as the car industry, it wanted delve into this benefit in more depth.

It found that 56% of respondents believed company car salary sacrifice schemes should remain, while 23% said they should be removed. 21% had no opinion. Looking exclusively at the answers from employers, we can see 49% want company car salary sacrifice to remain, 27% want it removed and 24% have no opinion.

But the issue is far more complex than individual opinions.

Graph: Do you believe the ability to salary sacrifice cars should remain or be removed?



REBA is aware that submissions from the BVRLA and providers in this market are being made for this consultation. These submissions will contain much deeper research and analysis than REBA's limited resources allow.

What REBA is able to bring to bear is the comments from employers (both for and against) that are helpful to this debate:

The case to keep company car salary sacrifice (supported by the majority of respondents):

- “They are often required for work purposes, they are not a luxury. They often particularly benefit people with disabilities, or those who live in areas without good transport.”
- “For specific groups to not be disadvantaged such as field-based workers.”
- “Our scheme includes maintenance and insurance, and is most attractive to younger, lower paid employees. Most employee benefits tend to be aimed towards more highly paid employees, so it's great to have something aimed towards the opposite end of the spectrum.”
- “Some organisations rely on a salary sacrifice car schemes to attract key employees e.g. Nurses to the NHS and this would be a negative step for them.”
- “Local Government & NHS Employers would lose a mechanism to save and subsequently re-invest in front line services.”
- It allows business growth as it improves mobility of workforce.”
- “There is a genuine desire for employers to support Corporate Social Responsibility (CSR) objectives through ‘green’ car schemes by helping and encouraging their employees to reduce CO2 emissions.”
- “Encouraging employees into salary sacrifice car schemes enables employers to implement CO2 limits and ensures that more people are driving newer, cleaner, more efficient cars.”
- “It supports the government's (HM Treasury) objective to reduce CO2 emissions.”
- “A reduction in company cars will lead to a rise in HMRC AMAP tax relief payments as employee business miles are completed in a larger number of private, grey fleet, vehicles.”
- “Around 5% of new ULEV sales in 2016 are salary sacrifice cars. The proposals make the option of a new, ULEV car, untenable. Under the proposals, the lower the vehicle’s emissions, the higher the tax increase it would attract. Therefore, the take up of ULEVs and low emissions vehicles would decline significantly as a result.
- “It works for the Exchequer. Unlike other salary sacrifice products (e.g. white goods) salary sacrifice cars are net tax positive.”
- “The government benefits from the BIK tax on cars, which is frequently higher than the Class 1A NIC savings.”
- “Car benefit schemes overwhelmingly favour the 20% tax payer. Over 70% of employees taking up salary sacrifice cars are basic rate tax payers, majority of whom would otherwise not have access to a company car.”
- “It also seems bizarre to apply different tax treatment depending on whether it's a salary sacrifice arrangement or not. HMRC says that it's trying to level the playing field and this would do the opposite.”
- “How do you differentiate between a salary sacrifice scheme and a regular company car scheme where employees generally have a choice between a car and a cash allowance? This is essentially exactly the same choice.”
- “Many employers are using the opportunity to salary sacrifice cars to remove company fleets which are a costly benefit.”
- “Employers will have difficulty complying with reporting requirements.”

The case against keeping company car salary sacrifice (supported by a quarter of respondents):

- "I don't believe large ticket items like cars should be provided through salary sacrifice. The concept of salary sacrifice should to provide smaller value benefits to employees which will enhance their wellbeing and financial security. Encouraging large debts on cars is not the purpose of salary sacrifice and should not attract tax relief."
- "We should be encouraging environmentally-friendly options such as car share and cycling to work. Not encouraging people to buy their own cars."
- "Salary sacrifice cars was an exploitation of a loop hole that was always destined to close. Removing it is not a loss."
- "Taxation of company cars is arbitrary and varies year to year. The Exchequer loses significantly for no obvious societal gain."
- "This is really just tax avoidance."
- "There are no advantages to the employer (aside from employer NICs) or the government in offering cars salary sacrifice."
- "I do not feel that this is a benefit that employers need, in any way, to offer. It is just a way to make them cheaper for the individual to buy. Nice to have, of course, but in no way essential."
- "Cars as a benefit (other than business need) shouldn't really be encouraged if we are following a green agenda."
- "I believe that the introduction of such schemes has led to this review of salary sacrifice elements. I feel such scheme benefit higher earners with the capacity to buy new vehicles."
- "Taxes are levied for a reason which is to provide services to the public, so too many exemptions especially for non-necessity driven items such as cars can be seen as defeating the purpose."

REBA Question 4: What other points do you believe REBA should raise with HMRC with regards salary sacrifice BiK benefits?

As stated as the beginning of this document, not all REBA respondents agreed on every point.

We have aimed, in as informative way as possible to reflect the broad consensus of our respondents, and give clear pointers to the areas that need serious consideration.

These final five comments show both the understanding of why this consultation has been necessary, but also the potential broader negative implications on the UK workforce, and in particular lower paid employees if the proposals are implemented as they currently stand.

1. In general, a reminder that simplicity is a good thing...!

2. Productivity is shown to improve when staff feel appropriately rewarded. Employers have increasingly been focussing on staff benefits, which contributes to the UK workforce being more productive. A withdrawal of the tax exemptions is unlikely to generate significant savings for HMRC (if any) and would be counter-productive.

3. I think generally the HMRC proposals are balanced and fair. A number of companies (and consultancies) have really pushed the limit of what is 'acceptable' salary sacrifice which is what has led to these limitations.

4. Employers should not be seen as a route to cheap finance for non-essential items. There are many discounted shopping providers out there that employers can set up arrangements with that would give employees access to cheap deals. Not everything needs to be done by sacrificing salary.

5. Make it clear that losing the employee NI saving on the non-tax-saving salary sacrificed benefits will hit lower earners the hardest – the NI saving is 12% for people earning between £8k and £43k but only 2% for people earning above £43k - so do HMRC really intend that sort of regressive impact and the negative publicity that would ensue?

Contact for further information:

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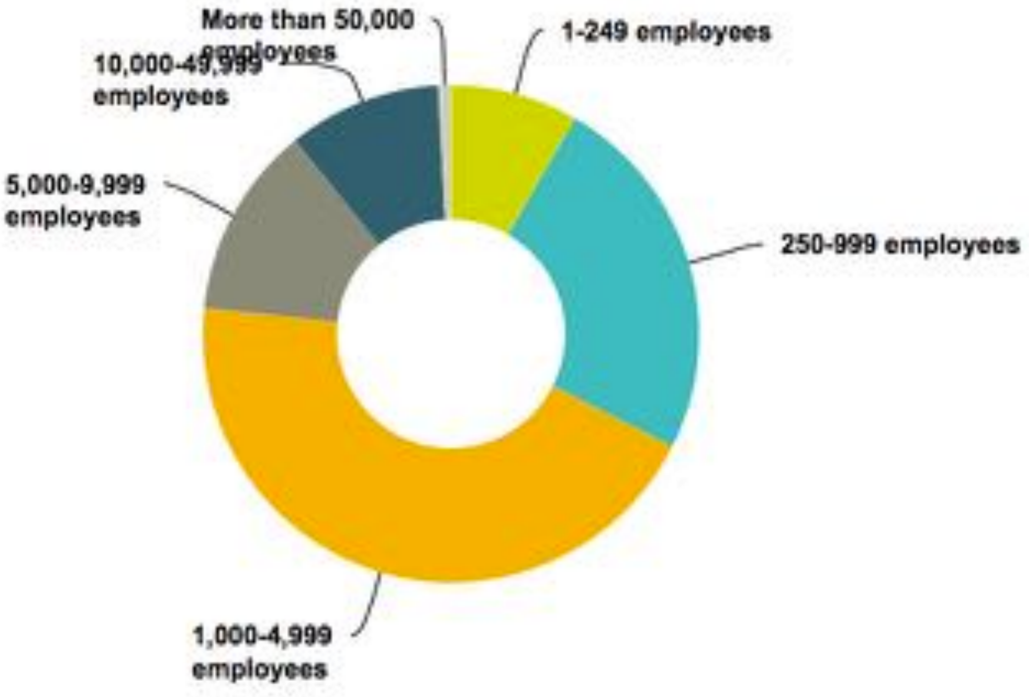
Appendix I: 123 respondents work for employers representing these 121 organisations:

1	Aberdeen International Airport
2	ACCA
3	Adecco Group UK & Ireland
4	Ageas
5	Allianz Global Corporate & Specialty
6	AOL
7	Arla Foods Ltd
8	AWE Plc
9	BAE Systems
10	Barclays
11	BBA
12	BGL Group
13	BlackRock
14	BLM
15	BNP Paribas
16	Bombardier Transportation
17	Booker Tate Limited
8	Brambles
19	British Medical Association
20	Brookfield Global Relocation Services
21	BUPA
22	Burberry
23	Cancer Research UK
24	Canon
25	CDK
26	CEVA Logistics
27	CH2M
28	Charles Taylor plc
29	Chubb
30	Citrix UK Ltd
31	Civil Service
32	CLIC Sargent
33	contractor
34	Cornwall Council
35	CPPGroup
36	Denstu Aegis Network
37	Direct Line Group
38	Dorset HealthCare NHS
39	DWF LLP
40	E.ON Group
41	Edrington
42	Epson Europe BV
43	Essex County Council
44	Essex County Council
45	Eversheds

46	expedia.com ltd
47	Experian
48	FirstGroup plc
49	FIVETEN GROUP
50	Fujitsu Services
51	Gambling Commission
52	Gap Inc.
53	Gartner
54	Getronics Services UK Ltd
55	Grant Thornton LLP
56	Hain Daniels
57	Harrods
58	HItachi Europe Ltd
59	International Personal Finance
60	International Procurement & Logistics
61	J Murphy & Sons
62	Kent County Council
63	Kimberly-Clark
64	Laing O'Rourke Ltd
65	Laird PLC
66	LEGO Company LTd
67	Lendlease
68	Lifeplus Europe
69	Liverpool John Moores Univiersity
70	Liverpool Victoria
71	Mansfield District Council
72	Marshall Aerospace and Defence
73	Mercedes-Benz UK Ltd
74	Merck
75	Mondelez International
76	MS Amlin
77	Mundipharma International Ltd
78	Nando's
79	Natural Retreats
80	Newcastle upon Tyne hospital
81	NGAHR
82	Nomad Foods Europe
83	Nottingham City Council
84	Nuffield Health
85	Ogilvy
86	Pearl Group Management Services
87	Personal Group
88	Portakabin Ltd
89	PQ Silicas UK Ltd
90	QVC
91	Rank Group plc
92	Rentokil Initial Plc
93	Reward Gateway

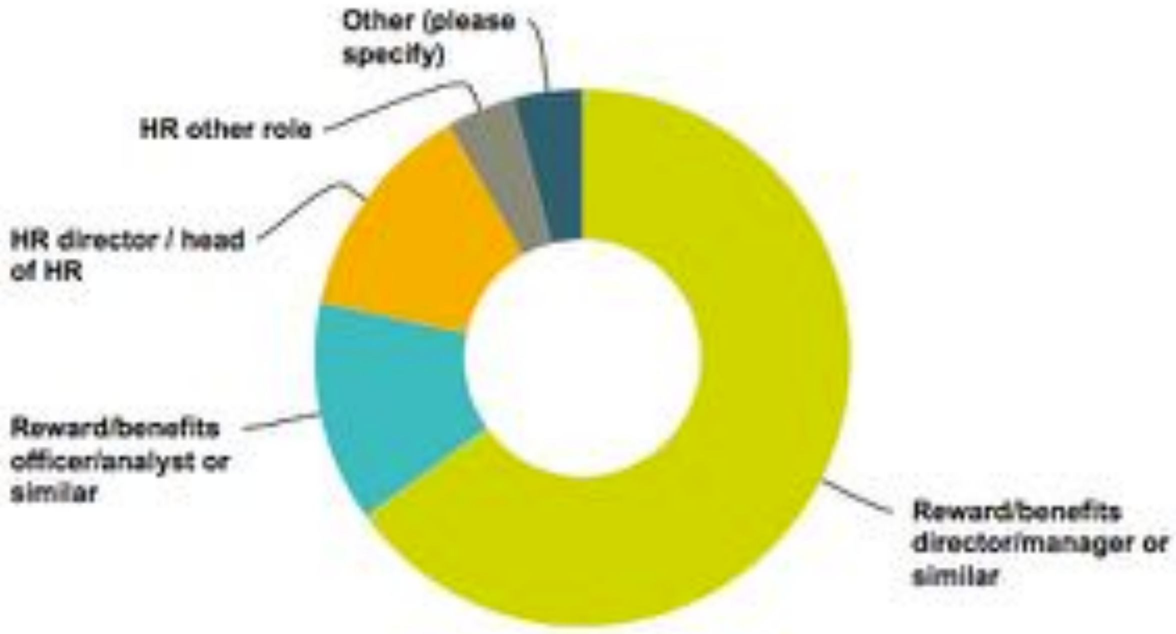
94	Rexel UK Ltd
95	Robertson Group
96	Rolls-Royce
97	SABMiller plc
98	Samsung
99	Schroders
100	Schroders plc
101	SDL plc
102	Seagate
103	Sheffield Health & Social Care NHS FT
104	Shire
105	Simply Business
106	SPTS Technologies Ltd
107	SThree Plc
108	STV
109	TalkTalk Group
110	Tarmac
111	Teenage Cancer Trust
112	THB Group Ltd
113	The Body Shop
114	The IET
115	The Southern Cooperative
116	Thirteen Group
117	Thorntons Law LLP
118	TRL Limited
119	Tyco International
120	Well
121	Wolseley Group Services
123	WYG Group
124	Yorkshire Housing

Appendix II: breakdown of employer respondents by size of workforce



2 employers with more than 50,000 employees
14 employers with 10,000-49,999 employees
17 employers with 5,000-9,999 employees
53 employers with 1,000-4,999 employees
29 employers with 250-999 employees
10 employers with 1-249 employees

Appendix III: Respondents from employers by job title



Appendix IV: The 33 provider/advisers which responded to the survey:

1	Arthur J. Gallagher Employee Benefits
2	Aspen
3	Balmoral Financial
4	Benefex
5	Bruce Sayers Associates Ltd
6	Bupa
7	Capita Employee Benefits
8	Car Salary Exchange
9	Cloud9 People
10	Chartwell Financial Services
11	Computershare
12	Dresner Barnes
13	Evans Cycles
14	EY
15	Howden Employee Benefits
16	JLT Employee Benefits
17	Kemsie Claine Limited
18	Mazars Employee Benefits
19	Mattioli Woods Plc
20	P&MM
21	PayDashboard
22	Personal Group
23	Portsoken Consultancy
24	Portus
25	RG
26	SG Fleet
27	Staffcare Ltd
28	Sutton Winson
29	Thomsons Online Benefits
30	Touchpoint Employee Benefits
31	Tuskerdirect Ltd
32	Vebnet
33	Wider Plan

Appendix V: 44 Associate Members (consultants, advisers or providers) of REBA

1	Aon Employee Benefits
2	Axa PPP Healthcare
3	Barnett Waddingham
4	Benefex
5	Bupa
6	Capita Employee Benefits
7	Close Brothers
8	Denplan
9	Edenred
10	Ellipse
11	Fleetworkx
12	Generali
13	Healix
14	Health Shield
15	HSF health plan
16	Hymans Robertson
17	JLT Employee Benefits
18	LCP (Lane Clark & Peacock LLP)
19	Legal & General Assured Services
20	Lorica Wealth
21	Mattioli Woods
22	Mazars
23	Metlife
24	Neyber
25	Personal Group
26	PunterSouthall
27	PwC (PricewaterhouseCoopers LLP)
28	Red Letter Days
29	Reward Gateway
30	Salary Finance
31	Scottish Widows
32	SimplyHealth
33	Sodexo
34	Staffcare
35	Sutton Winson
36	Thomsons Online Benefits
37	TuskerDirect
38	Unum
39	Wealth at Work
40	Willis Towers Watson
41	Lifeworks (formerly Work Angel)
42	YBS (Yorkshire Building Society)
43	Xerox
44	Xexec

Appendix VI: Organisations represented by individuals who are members REBA (Employer Members)

A.S. Watson	Key Travel
Aberdeen Asset Management	Kier Group plc
Aberdeen International Airport	Kimberly-Clark
ACCA	Knight Frank LLP
Accenture	Kuoni
Acenden Limited	Ladbrokes
Adecco Group UK & Ireland	Laing O'Rourke
Adobe	Lambert Smith Hampton
ADP	Lancashire County Council
Ageas UK Ltd	Land Securities PLC
Aggreko	Lazard & Co Services Limited
AIG	Le Pain Quotidien
Airbus OPerations	Legal & General
Airwave Solutions Limited	LEGO Company Ltd
Akamai Technologies Ltd	Leica Geosystems - Hexagon Group
Aker Solutions	Lendlease
AkzoNobel	Leonard Curtis
Aliaxis	Liberty Global
Alliance Homes Group	Liberty Specialty Markets
Allianz Global Corporate & Specialty	Linklaters
Alpha LSG	Lion Re:Sources UK Ltd
Alphabet (part of the BMW group)	Live Nation Entertainment
Amec Foster Wheeler	Liverpool John Moores University
Amey	Lloyd's Register
Analysys Mason	Lockheed Martin
Ancestry	London & Capital
Anglian Water Services	London Stock Exchange Group plc
AOL	Low & Bonar plc.
Apple	Lugh & Morrigan Brothers Ltd
Appleby (Isle of Man) LLC	Lush Fresh Handmade Cosmetics
Applus RTD Ltd	LV=
ARCADIS UK	Mace
Archroma	Mace group
Arla Foods Ltd	Maersk line, west & Central Asia
ARRIS Solutions	Magnet Ltd
Arriva	Mansfield District Council
Arriva Trains Wales	Manx Incahoot Ltd

Arthur J. Gallagher	Marks & Spencer Plc
Arup	Marsh & Parsons
Asahi Europe Ltd	Marshall Aerospace and Defence
Ascential plc	Matalan Retail Ltd
ASCO UK Ltd	Matthew Clark
ASOS.com	Mazda Motors UK Limited
asra Housing Group	MBDA
Aster Group	McDonald's Restaurants Limited
AstraZeneca	Mercedes-Benz UK Ltd
ASWatson Health and Beauty UK	Merlin Entertainments Plc
ATKearney	Merseyrail
Atkins	Merthyr Tydfil Leisure Trust
Atos IT Services UK Ltd	Metropolitan Housing
ATS Euromaster	MHFI
Aukett Swanke Limited	Mills & Reeve
Auto Trader	Mishcon de Reya
Autodesk	Misys
Avis Budget Group	Mitchells & Butlers
Avon Cosmetics Ltd.	Mitie Group plc
AWE	Mitsui Sumitomo Insurance Ltd
AXA UK	Mizuho International plc
B&CE	Mondelez International
B&Q plc	Moody's
Babcock International Group	Morgan Advanced Materials
BAE Systems	Morrison Utility Services
BAE Systems Applied Intelligence	Mothercare
BAE Systems Ltd	Mouchel Ltd
Bakkavor Group	MSIG
Balfour Beatty	mtbc
BAM Nuttall Ltd	Mundipharma International Ltd
Barclays	mydentist
Basildon Borough Council	Nando's
BAT	National Grid PLC
Battersea Dogs & Cats Home	National Nuclear Laboratories
BBA	Nationwide Building Society
BBC	NAtural Retreats
BDO LLP	NCR
BDO Services Ltd	Neopost Ltd
Benefex	NestlÌ© UK & Ireland
Benfield Motor Group	Network Rail
Betfair	Newbury Investments UK Ltd
BGL Group Ltd.	Newcatle Upon Tyne Hospitals

BHS	Newsquest
Birkbeck - University of London	NGAHR
Birmingham City Council	NHS Blood and Transplant
Bishop FLeming	Nomura International Plc
BlackRock Investment Management (UK) Limited	Nottingham City Council
BLM	Novae Group Plc
BMW Group UK	Novae Management Ltd
BNP Paribas Real Estate	Novartis Pharmaceuticals UK Ltd
BNY Mellon	NTT DATA UK
BOC UK & Ireland	Nuffield Health
Bombardier Transportation	Ocado
Booker Retail Partners	Office Depot
Booker Tate Limited	Ogilvy and Mather
Boots	Old Mutual Wealth
Bouygues Energies & Services	Olswang LLP
BP plc	Ombudsman Services Ltd
Brambles Holdings (UK) Ltd	One Pearson
BRE	Oracle
Bristan Group Limited	Orange Business Services
Bristol Zoological Society	Orbit Group Limited
British Airways	Owen Mumford Limited
British American Tobacco	Oxera Consulting LLP
British Sugar	Oxfam GB
Britvic plc	Oxford Instruments plc
Brookfield Global Relocation Services	Oxford Policy Management
Browne Jacobson	Park Inn Heathrow
BSI	Partners Credit Union
BT	Paypoint plc
BT Facilities Services Ltd	PDSA
BT Group plc	Pearson
Buckinghamshire County Council	Pennington HR
Bupa	Pentland Brands
BUPA	Pentland Brands Plc
Bupa Global	PERFORM Group
Burberry	Personal Group
Bury Council	Petrofac
BWI UK Ltd	Petrofac Facilities Management
C&J Clark International Ltd	Pfizer Ltd
CA Technologies	Phoenix Group
Cabinet Office	PhonepayPlus
Calderdale Council	Pick Everard
Calor Gas Ltd	Pinsent Masons

Cambian Group	Plan International
Cambridge University Hospitals NHS Foundation Trust	PMS
Camira Fabrics Ltd	Port of Felixstowe
Cancer Research UK	Portakabin
Canon Europe Ltd.	PPD
Caover-More Group	PQ Silicas UK Ltd
Capital One	PRA
Carillion plc	Premier Farnell
Carlsberg	Printec Group of Companies
CAYSH	PRMA Consulting Ltd
CBRE GWS	Prudential
CDK Global	Public Health England
CEMEX	Publicis Ltd
Centrica	PwC LLP
Centro	QCG
CEVA Logistics	QinetiQ
CH2M	Quorn Foods
Channel 4	QVC
Charles Taylor plc	R Twining and Company Limited
Chaucer Syndicates Limited	Randstad
Cheshire West and Chester Council	Rank Group plc
Chester Zoo	Rathbone Training Limited
Christie's	Rathbones
Chubb	RBS
Circle Housing	RCI Financial Services Ltd
Cisco Systems	Redfern Travel Ltd
Citi	Rentokil Initial plc
Citrix Systems UK Limited	Rentokil-Initial
City Football Group Limited	Repsol Sinopec
City of Bradford MD Council	Rexnord Aerospace
Civil Service	Rezidor Hotel Group
Civil Service (Ministry of Defence)	RGP
Civil Service Employee Policy	Richmond Fellowship
Civil Service Pay & Reward	Ricoh Europe PLC
Claire's	RICS
Clarks International	River Island
Clifford Chance	RM
Coca-Cola European partners	RNLI
Cofely	Roadchef
Cognizant Technology Solutions	Rocket Internet UK
Commonwealth Secretraiat	Rolls-Royce plc

Compass Group UK & Ireland	Rotork
Connells Group	Rotork PLC
Cordant Group plc	Royal Borough of Windsor and Maidenhead
Cornwall Council	Royal College of Physicans
Costa Coffee	Royal London
Countrywide plc	Royal Society of Chemistry
Covea Insurance	RPC Group Plc
Coventry Building Society	RSA
Coventry University	RSM UK
Coventry University London Campus	Rugby Football Union
Credit Agricole	S&A Produce (UK) Ltd
Cristal USA Inc.	SABMiller plc
Crown Agents Ltd.	SABRE
Crown Prosecution Service	Sacker & Partners LLP
CSC	Sage Group plc
CVS UK Ltd	Sainsbury's Supermarkets Ltd
DAC Beachcroft LLP	Salesforce
Dairy Crest	Samsung
Dannon	Sanctuary Group
Danone	Sanoif
De La Rue	Santander UK plc
Deafblind UK	SAS Institute
Debenhams	SAS Software Limited
Defra	Schroder Investment Management Limited
Dennis Publishing Ltd	Schroders plc
Dentons UKMEA Legal Services	Scot Group Ltd
Dentsu Aegis London Limited	SDL PLC
Dentsu Aegis Network	Seagate Technology
Department for Work and Pensions	Sedex
Department of Health	Selex ES
DHL Express Ltd	Serco plc
DHL International (UK) Ltd	Severn Trent
Diageo	Sheffield Health & Social Care NHS Foundation Trust
Direct Line Group	Shelf Drilling
Discovery Communications	Shell International Ltd
DLA Piper LLP	Shire Pharmaceuticals Ltd
Dobbies Garden Centres Ltd	SIG plc
Doncasters	Simmons & Simmons
Donnington Grove Veterinary Group	Simplyhealth
Doosan Babcock Ltd	Sky UK
Dorset HealthCare University NHS Foundation Trust.	Societe Generale

Draeger Safety UK Ltd	Sodexo
Dun & Bradstreet	Sodexo UK&I
DuPont (U.K.) Limited	Sony Europe
Duradiamond Helathcare Ltd	Sony Music Entertainment UK
DWF LLP	Sopra Steria Limited
DX Freight	Southco Manufacturing Ltd
Dyson	Specsavers Optical Superstores
E.ON SE	Spire Healthcare
E.ON UK	Sprinklr
East Thames Group	SPTS Technologies
easyJet	SSE
Edrington	St Andrew's Healthcare
Education Development Trust	St Austell Brewery Company Ltd
EFG Private Bank	Stackhouse Poland Ltd
Eisai Europe Limited	Standard Chartered
Electrocomponents	Standard Chartered Bank
Electronic Arts Ltd	Standard Life
eli lilly and company limited	Standard Life Investments
Embrace All Limited	State Street
Emerson	Statoil
Engie UK Ltd	STI line t/as Incontrast
Enterprise Holdings	STV
Environment Agency	SunGard
Epsom & St Helier University Hospitals NHS Trust	Sunrise Senior Living
Epson Europe BV	SuperGroup Plc
Essex County Council	SVG Reward and Benefits
ETI Ltd	Swarovski
EURO DISNEY ASSOCIES SCA	Swegon Group UK
Eversheds	Swinton Group Ltd
Expedia	Swiss Re
Experian	Symphony Housing Group
Experian	TalkTalk
Expro North Sea Limited	Tarmac Ltd
EY	Tata Communications Ltd
Falmouth University	Tech Data
Fidelity International	Ted Baker
Financial Conduct Authroity	Teenage Cancer Trust
FirstGroup plc	Telefonica (O2)
FirstPort	Tesco
FitFlop	Tesco Hospitality
fivetengroup	Tesco Stores Ltd
FLex	Thales UK

Fluor Limited	THB Group Ltd
FM Global	The Argent Group
Foreign & Commonwealth Office	The Body Shop International Plc
Forget Me Not Children's Hospice	The Boston Consulting Group
Frank Hirth plc	The Community Housing Group
Freestyle Interactive Limited	The Crown Estate
Fresh Direct Group Ltd	The Danwood Group
Freshfields Bruckhaus Deringer	The ESP Group
Fujitsu Services	The Girls' Day School Trust
Game Digital Plc	The Hyde Group
Gamestec Leisure Limited	The IET
Gap Inc	The Paragon Group of Companies
Garden Organic	The Phoenix Group
Gartner	The Rank Group Plc
General Dynamics UK Ltd	The Royal Household
Gerald Eve LLP	The Scottish Salmon Company
Getronics Services UK Ltd	The Southern Co-operative
GfK	The Toronto-Dominion Bank
Gi Group	The University of Law
Gilead Sciences	The University of Northampton
Giles Rhodes Contracting	The US
GlaxoSmithKline	The Walt Disney Company Ltd
Glory Global	Thermo Fisher Scientific
GO Outdoors	thetrainline.com
Grant Thornton UK LLP	Thirteen Group
Grass Roots Group	Thomson Reuters
Greater Birmingham Chambers of Commerce	Thomsons Online Benefits
Greater Manchester Police Federation	Tilney Bestinvest
Greggs	Time Inc. (UK) Ltd
GSK	Time Warner
Gulf International Bank	TLT
Guy's and St Thomas' NHS Foundation Trust	Top Right Group Limited
H2HR Ltd	Topps Tiles Plc
Hain Daniels Group	Totaljobs Group
Halfords Ltd	Towergate insurance
hampshire county council	TR FASTENINGS LTD
Harrods	Transforming Education in Norfolk
Harvey Nichols	Travelport
Health Education England	Travis Perkins plc
Healthcare at Home	Trinity Mirror
Heathrow Airport Ltd	TRL Limited
Heineken	Trowers & Hamlins LLP

Herbert Smith Freehills	TRW Ltd
Hermes Investment Managment	TUI Group
Hertfordshire County Council	TUI UK & Ireland, TUI Group
Hilton Worldwide Ltd	Twitter
Hiscox	Tyche Consulting
Hitachi Europe Limited	Tyco International
Hitachi Europe Ltd	UBM plc
HM Treasury	UCB
Hoare Lea	UK Power Networks
Hogan Lovells International LLP	Ultimate Staffing Solutions Limited
Home Office	Unilever
Home Retail Group	Uniper
HomeServe Membership Limited	Unisys Ltd
Honda of the U.K. Manufacturing ltd	United Utilities
Honeywell Control Systems Ltd	UnitedHealth Group
Hoople Ltd	Univeristy of Aberdeen
Horizon Discovery	University of Lincoln
Hornbuckle	University of Manchester
Howdens Plc	University of Portsmouth
HP	University of Sheffield
HSBC	Univesity of Lincoln
HSS Hire	Urban Futures London Limited
Huntsworth PLC	Vector Aerospace
Hutchinson 3G	Veolia UK
Hymans Robertson	Victrex plc
Hyperion Insurance Group	Virgin Atlantic
IBM	Virgin Management
ICAP plc	Virgin Media
IG	Virgin Money
Iglo	Virgin Trains East Coast
IHG	Visa Europe
IMD	Vision Express
IMG	VMware
Imperial College Healthcare NHS Trust	Vodafone
IMS Health	Volkswagen Financial Services
Incisive Media	Volunteering Matters
Informa	Vue Entertainment
Inmarsat plc	Wakefield Council
Intel Corp.	Walgreens Boots Alliance
InterBulk Group	Warburtons
Intercontinental Hotels Group	Warmup Plc
International Airlines Group	Waterman Group

International Financial Data Services	Watford Community Housing Trust
International Personal Finance	Wells Fargo Bank
International procurement and logistics ltd	Wesleyan Assurance Society
Investec Bank plc	WESSANEN UK
IOP Publishing	WEST MIDLANDS POLICE
iPSL Ltd	West Sussex County Council
ITV	Westfield Europe Ltd
J. Murphy & Sons Ltd	Whistl UK Ltd
J.P. Morgan	Whitbread Hotels and Restaurants
Jacobs UK Limited	White & Case LLP
Jaguar Land Rover Limited	Wiley
Jardine Motors Group	William Grant and Sons Limited
Jefferies International Ltd	Withers Worldwide
JLT Group	Withes LLP
John Lewis Partnership	Wolseley Group Services
Johnson Matthey Plc	Worldpay
Johnson Tiles	WorleyParsons Europe Ltd
Join the Dots	Wragge Lawrence Graham & Co LLP
JPMC	WYG Group Ltd
JPMorgan Asset Management	Xero UK
JTI	Yoox Net-A-Porter Group
Just Retirement	York Teaching Hospital NHS Foundation Trust
Kao Corp	Yorkshire Housing
Kelda Group/ Yorkshire water	Zoological Society of London
Kellogg	Zoopla Property Group
Kent County Council	