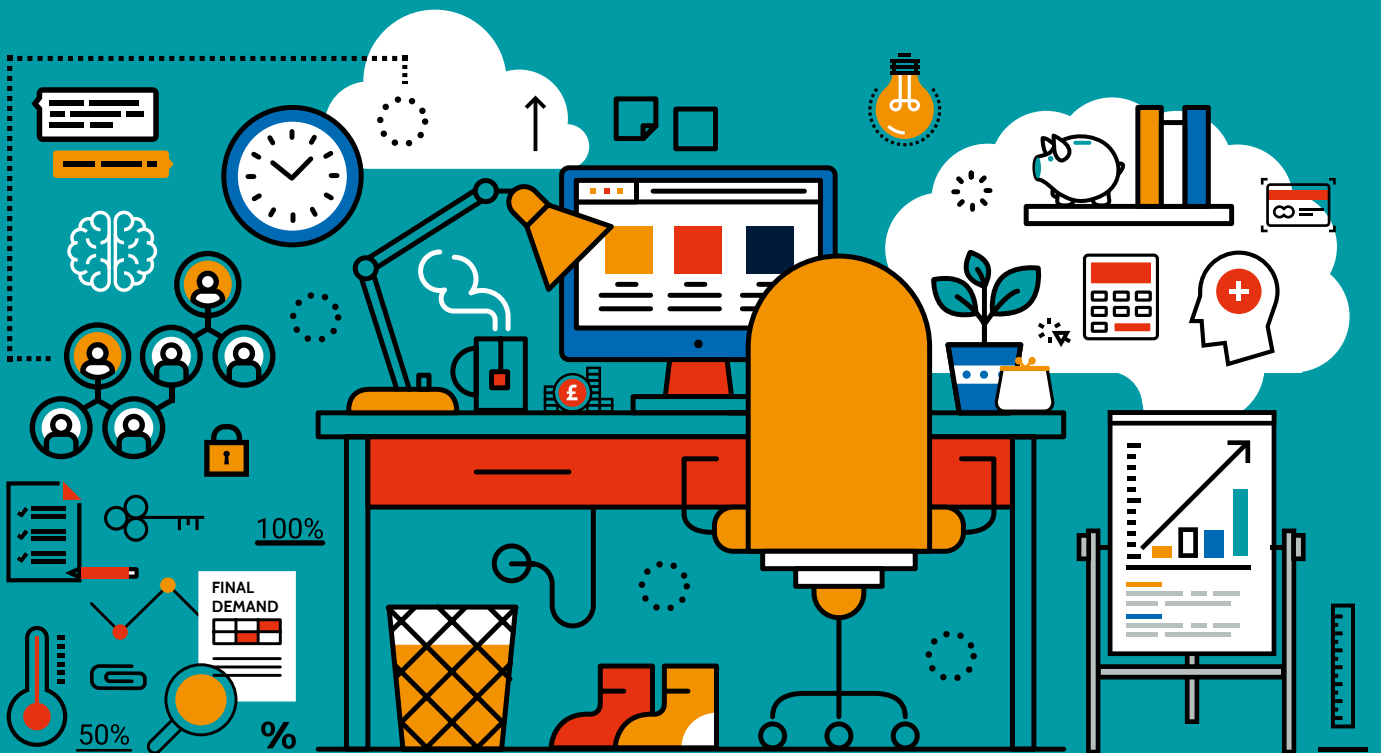




reba

**Technical
Training Guide**

FINANCIAL WELLBEING AND MENTAL HEALTH



Published by the
Reward & Employee
Benefits Association

In association with



Simplyhealth



Editor's welcome



The link between financial wellbeing and mental wellbeing has never been clearer. Worrying about money has been shown to have both a short and long-term impact on our mental health, leading to sleeplessness and poor concentration day-to-day, and potentially fuelling depression and anxiety over a longer period of time.

Employees' existing money concerns have been deepened by Covid-19, and it has brought new, unexpected financial pressures for many others. Periods of furlough or redundancy have hit employees' income and savings hard, and households, often already struggling to make ends meet, could not prepare for the money-related impact of the pandemic. As the full impact of lockdowns and furlough become clearer, we are beginning to see just how acute the financial impact has been on low-income and young workers in particular.

For employers, the last year has also made it clear: if you want a happy, productive, engaged workforce, you need a financially well one too.

The sheer breadth of financial wellbeing can be daunting, taking in everything from helping with debt management and budgeting, through to tax planning for high earners. But it's very likely that you've already got benefits in the workplace that can help with the link between financial and mental wellbeing. For example, Employee Assistance Programmes offer support for employees with money worries; income protection insurance provides peace of mind for colleagues who want to make sure loved ones won't suffer financially if they should fall ill; and health cash plans can manage the cost of regular treatments such as eye and dental check-ups, which can help to head off more costly treatments.

Creating a supportive culture that helps employees feel confident in asking for help with their finances, and making sure that colleagues know where to find support when they need it, are also actions that every business can take right away.

This guide explores why the link between financial and mental health should be on every reward and benefits directors' agenda, and offers a wealth of practical tips on how you can make sure that employees' financial worries don't have a lasting impact on their mental wellbeing.

Maggie Williams
Editor

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Sponsor's comment



Money worries and poor mental health: two critical issues for businesses that reinforce each other, and are inextricably linked.

And there's no surprise that the 'COVID effect' is well and truly underpinning this connection: millions of people forced into furlough and the resulting job insecurity; warnings about a looming economic recession; impending tax increases; greater burdens on families to care for loved ones and to cope on less income.

These are all powerful underlying reasons for anxiety and intense stress. In turn they create impact in the workplace through reduced efficiency and focus, absenteeism, declining morale and lower productivity. And no one is immune. These radical financial shocks across the board have wiped out previously held stereotypes based on age and stage of life. It is no longer a fair assumption that a company's younger employees are the ones most likely to be struggling financially.

Simplyhealth's 2021 report with the CIPD into health and wellbeing at work found that whilst businesses are reacting well to supporting other pillars of wellbeing, their approach to financial wellbeing is lagging. Only 41% of organisations design their health and wellbeing activity to promote financial wellbeing. This needs to change. At Simplyhealth, we recognise this urgent need to support our people by asking questions, breaking down barriers and ensuring we provide the right tools and benefits.

Ask questions: At the core of a robust financial wellbeing strategy is the desire to listen to, understand, and act upon employees' needs and concerns. We regularly survey our people so that we can spot real time trends, put action plans in place and track themes from the answers given.. This helps us get to the heart of which issues matter most to which people.

Break down barriers: We all associate a sense of shame and failure with money problems - making us feel deeply vulnerable and reluctant to share.. But silence is a problem. Where leaders can break down these barriers through authentic, empathetic communication, progress will follow. We offer Simplyhealth colleagues 24/7 access to confidential helplines with counsellors and advisors offering both emotional and practical help for financial problems.

Provide the right tools and benefits: An honest review and willingness to change the support we offer is also crucial to match the shifting range of our employees' requirements.

The timing of this guide is no lucky coincidence. To control the staggering costs associated with financial wellbeing as they creep through to the bottom line, we need to accept financial wellbeing as a critical issue that takes priority in every business agenda. The support mechanisms referred to in this guide are practical and implementable. They will ultimately make our people happier and healthier, and restore a better pathway for our businesses.

Sian Evans

Head of Leadership and Development





Chapter 1: Why employee financial wellbeing is important

Financial wellbeing has little to do with the size of your bank balance, a chunky monthly income or a lottery win. Instead, it's all about feeling financially secure and in control of your money, both today and in the future.

Having this relationship with money brings significant benefits. Understanding how to budget for the month, pick the best ISA or squirrel away enough for a decent retirement is empowering, creating the confidence that, with the finances looked after, life can be lived to the full.

Without it, the consequences can extend beyond an individual's finances and into many other areas of their health. Worrying about money can affect physical health, causing issues such as sleepless nights, headaches and high blood pressure.

Money worries can also affect mental health, causing anxiety, stress and depression. To illustrate this, Business in the Community's report, [Mental health at work 2019: Time to take ownership](#) found that 34% of employees say their financial situation negatively affects their mental health.

Employees' financial issues are bad news for employers too, with reduced productivity and higher sickness absence and turnover rates hitting the bottom line. Research by [Neyber](#) found that of the 20.3 million workers affected by money worries, 1.6 million take time off and nearly 3.0 million struggle to focus. In total it estimates that poor financial wellbeing costs UK employers £15.2 billion a year.

In spite of this staggering cost, financial wellbeing is still not a core part of employers' wellbeing programmes. According to figures from the CIPD/Simplyhealth Health & Wellbeing at Work Report 2021, just 13% of respondents believe that their organisation has allocated an adequate budget to improve employee financial wellbeing.

Turning this around is important, especially as there is already evidence that the pandemic is fuelling financial wellbeing problems, with 36% of employees citing their financial security is worse as a result of the Covid-19 lockdown.

Given the financial fallout from the pandemic, putting the right wellbeing support in place for employees has never been more important.





Chapter 3: Building a financial wellbeing programme

Armed with insight into the needs of employees, an organisation can build a financial wellbeing programme that delivers the support they require.

First, it's good to assess the benefits that are already in place. Everything from pay to pension contributes to an employee's financial wellbeing so make sure it's up to the job. For instance, a simple pension scheme with one investment option might work well for a retail company with younger employees but fall very flat in a professional services firm.

This assessment should also look at the educational material and tools that come with many benefits as these can form a core part of the programme. Brochures and online guides to how each benefit works are standard and make great reference material but insurers have also developed more interactive tools that can be really engaging.

Take a pensions calculator as an example. Rather than reading through the literature, an employee can see quickly and easily how much better off they'd be in retirement if they increased their contributions by £50 a month. It's also worth speaking directly to advisers and benefit providers about how they can help. They want to see high levels of engagement with their products and many will be able to provide additional support for a financial wellbeing programme.

This exercise will also help to determine whether there are elements that need to be sourced. An adviser can help with this or you may want to approach an organisation such as The Money Charity, which runs financial wellbeing and finance-related workshops.

Promoting the programme is equally important. Labelling everything that's in the programme will show employees that it's designed to support their financial wellbeing. As an example, it's a common misconception that an EAP is a stress helpline so, by flagging it as part of the financial wellbeing programme, employees will know they can use it for any money issues too.

Being upfront about financial wellbeing also helps to remove some of the stigmas around money worries. Sadly, research by the BITC found that only 36% of employees were comfortable talking about financial difficulties at work. Making it easier for employees to feel they can share their concerns will help to change this.





How can benefits help to support financial wellbeing?



From their salary to their pension, many of the benefits you offer your employees will affect their financial wellbeing. Highlighting this link can increase take-up and help to bring some extra clout to your wellbeing programme.

With some benefits, such as a pension or an employee benevolent fund, the link is obvious. For the pension, it's the ability to build a retirement fund with help from the employer, while a benevolent fund offers a safety net in times of crisis.

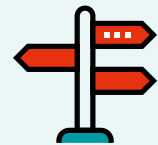
EAPs are also great for financial wellbeing. These give access to counsellors who can provide advice and support on everything from a council tax bill to a county court judgement.

There are also plenty of employee benefits where the link with financial wellbeing is less obvious but just as valuable. Protection benefits such as life insurance and critical illness cover provide financial support to an employee and their family in the event of death or a serious illness.

Some benefits, such as shopping discounts, help with budgeting. Additionally, a [health cash plan](#) provides benefit for everyday health expenditure such as a trip to the dentist or the physiotherapist, which makes it easier for employees to look after their money as well as health.

Additionally, with any voluntary benefits, employees benefit from the bulk buy discount their employer would have been able to secure – giving them access to a better price than they could get if they bought it independently.

Signposting help



An interactive tool on an app or a discount on the weekly shop can enhance an employee's sense of financial wellbeing, but money issues such as debt, missed mortgage or rent payments and problem gambling require more specialist support and advice.

Organisations have an important role to play in signposting employees to support from relevant helplines and charities. Like many other problems, the sooner someone gets professional help with a financial issue, the better.

The company's EAP is a good first port of call. Counsellors are trained to help with financial issues and, if they can't resolve an employee's problem, will refer them to further support.

It's also prudent to flag up some of the organisations and services that can help with more serious money worries. These include debt charities such as [StepChange](#) and [National Debtline](#) but also [GamCare](#), for problem gambling support.

Including a list of relevant organisations on the employee intranet or in the employee handbook provides practical support and, by acknowledging that employees may need help with these financial issues, can give reassurance too.





Chapter 4: The role of financial education in a financial wellbeing programme

Financial education can sound a bit like being dragged back into a GCSE maths lesson but it should be much more empowering for employees than getting to grips with quadratic equations.

Whether offering tips on managing the day-to-day finances, or showing employees how to get the most out of their benefits, financial education gives employees the ability to take control of their money. This is key to financial wellbeing.

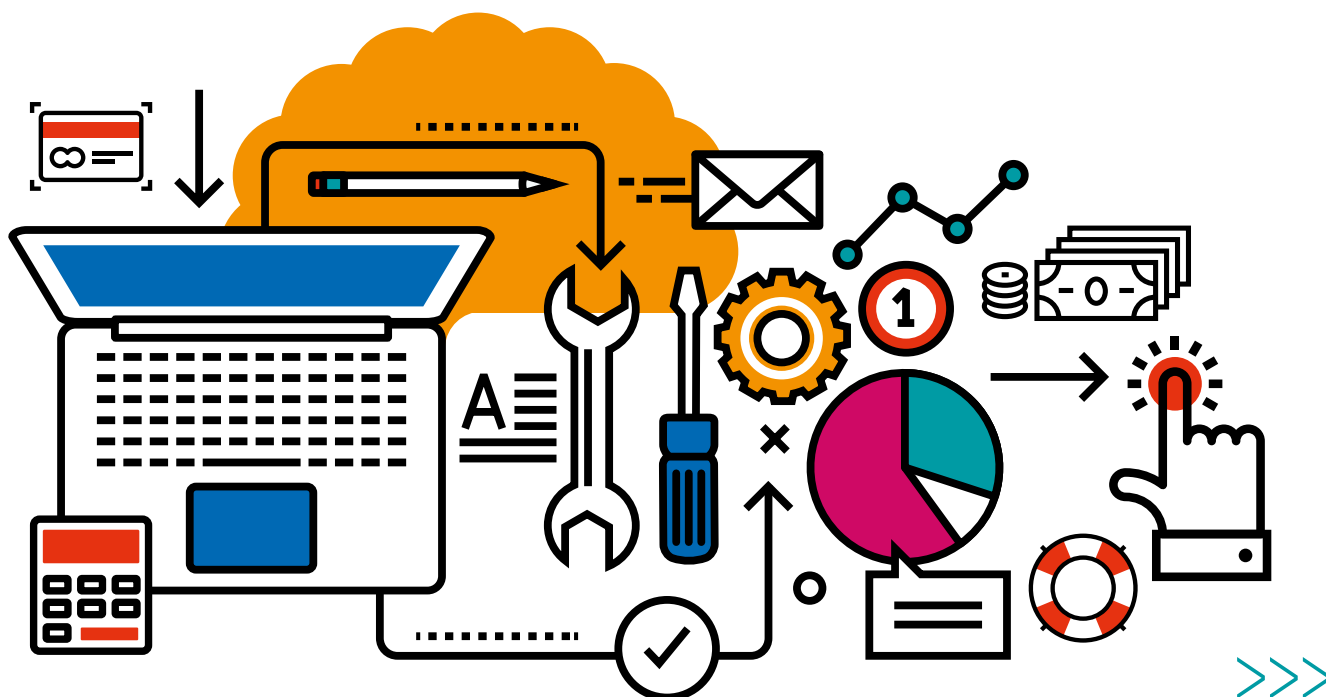
Just as it can prove way more useful than quadratic equations, financial education doesn't even have to involve a classroom. Although a face-to-face session enables employees to ask questions and tailor the content more to their needs, it's also possible to provide financial education through online classes, handouts and even apps.

What works best comes down to two things – the content and the audience. Simpler concepts such as how to use the cycle to work scheme or drawing up a monthly budget can be delivered through any method but guiding employees through their retirement options tends to be best served by a face-to-face session. Likewise, e-learning won't gain much traction if the workforce doesn't have ready access to the internet.

Good financial education programmes will often identify life events that require a bit of money know-how and design content specifically for those employees. This can be much more engaging than running through the pension features or how much life cover is available.

Examples include new joiners, where a run through of all the benefits on offer is beneficial; employees starting a family, who may need to adapt their budget to make way for the new arrival; and those approaching retirement, who will need to know their pension and work options.

It's also worth considering who will deliver your financial education. Specialist providers are available to deliver classroom sessions but it's also worth asking your advisers and benefit providers for help with this.





Top tips to ensure benefits information supports financial wellbeing

Benefits are a powerful part of any organisation's financial wellbeing programme. Here are some tips to ensure your benefits information adds value to the programme.



Be interactive

Use tools, calculators and apps to bring benefits to life. Being able to see how the value of a Save As You Earn (SAYE) scheme varies the more you pay in is a lot easier to understand than grappling with the tax rules.



Don't assume knowledge

Just because an employee is in their fifties or works in accounts, doesn't mean they understand how their pension works. Always make sure information is available for all levels of knowledge to ensure everyone feels included.



Make it personal

Showing an employee how an extra 1% contribution will stack up in their pension is much more compelling than a note recommending they increase the amount they pay in.



Keep it regular

An annual reminder used to be the norm for benefits information but with employees able to use or change their benefits more often, it's worth flagging up what they've got much more regularly.



Be relevant

It's also worth targeting benefits messages to relevant times. Sending a nudge about topping up the pension or taking out an ISA is much more likely to lead to action on payday or after a promotion or bonus announcement.





Quiz

1. Which of these affects an employee's financial wellbeing?

- A. The size of their bank balance
- B. A lottery win
- C. Feeling financially secure and in control of their money
- D. A chunky monthly income

2. How can financial worries affect an employee's health?

- A. Sleepless nights
- B. Headaches and high blood pressure
- C. All of these
- D. Depression and anxiety

3. How much does poor financial wellbeing cost UK employers a year?

- A. £15.2 billion
- B. A quarter of the annual wage bill
- C. £100 per employee
- D. £1.52 million

4. What data can employers use to shape their financial wellbeing programmes?

- A. Average salary to give an indication of the type of financial products that appeal
- B. Employee age profile, income level, benefit take-up and utilisation figures
- C. Economic data such as GDP, unemployment statistics and the rate of inflation
- D. Benefit spend – focus on the benefits that cost the organisation most to provide

5. Why is it important to assess the organisation's policies around reward before launching a financial wellbeing programme?

- A. To ensure they support financial wellbeing and don't inadvertently add to employees' financial stress
- B. To check if it's possible to save money on any of the benefits
- C. To ensure you offer all the benefits mentioned in the financial wellbeing programme
- D. To make sure it's on a par with the competition

6. According to the BITC, what percentage of employees feel comfortable talking about their money worries at work?

- A. 82%
- B. 50%
- C. 36%
- D. 23%

7. How can an EAP support financial wellbeing?

- A. Counsellors are trained to provide advice and support on money issues
- B. They give support to employees suffering from mental health problems as a result of financial issues
- C. Counsellors can signpost employees to further support where required
- D. All of these

8. Why is it beneficial to highlight debt and problem gambling charities?

- A. You can find out which employees have a problem and start disciplinary action
- B. It demonstrates that the organisation takes these issues seriously and wants to support employees
- C. It pushes the problem on to someone else
- D. You might get a tip for the 4.15 at Haydock

9. What role does financial education play in a wellbeing programme?

- A. It empowers employees to get more out of their money
- B. It improves the quality of work from the accounts team
- C. It stops employees from asking lots of questions about the pension
- D. It means you can get some use out of the meeting room on the third floor

10. What is a good trigger for financial education?

- A. Joining a new company
- B. Approaching retirement
- C. All of these
- D. Starting a family

1. C, 2. C, 3. A, 4. B, 5. A, 6. C, 7. D, 8. B, 9. A, 10. C.
Quiz: The answers



Who we are

Simplyhealth

Since 1872 we've been simplifying access to healthcare, and making it sustainable for the many. We believe that no-one should go without the healthcare support they need, which is why we aim to help as many people as possible to gain access to the right healthcare easily, quickly and affordably.

Our purpose hasn't changed. Today we're delighted to be the UK's leading provider of health plans and dental payment plans, which help individuals, families, employees get support with their health, when they need it.

What Simplyhealth does:

Embracing a preventive healthcare model is proven to help build a resilient, productive workforce. We offer two types of preventive health plan:

- **Optimise – health and wellbeing**
Our corporate health plan, covering a range of treatments including physio fees, dental check-ups, eye tests, and more. Our online portal provides access to a 24/7 employee assistance programme (EAP) and a 24/7 GP helpline. There are also other benefits that support overall health, like discounts on gym memberships.
- **Denplan – dental healthcare**
Our dental plans help patients avoid dental problems before they start. They enable patients to easily spread the cost of routine treatments and benefit from check-ups, hygiene visits, restorative treatment, and accidents and emergencies.

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Reward & Employee Benefits Association

REBA is the professional networking community for reward and benefits practitioners. We make members' working lives easier by saving them time, money and effort through sharing experience, ideas, data and insight with each other. We help members to pursue best practice, increase professionalism in the industry and prepare for upcoming changes. REBA also lobbies government on members' behalf.

What REBA does:

- Runs regular conferences and networking events, both face-to-face and virtually, through webinars and online platforms
- Produces benchmarking research, insight & data reports and analysis
- Delivers information that reward and benefits practitioners need to know, both online and in our daily emails
- Helps with supplier shortlisting and research
- Supports the reward and benefits community through our reba.LINK peer-to-peer networking platform

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