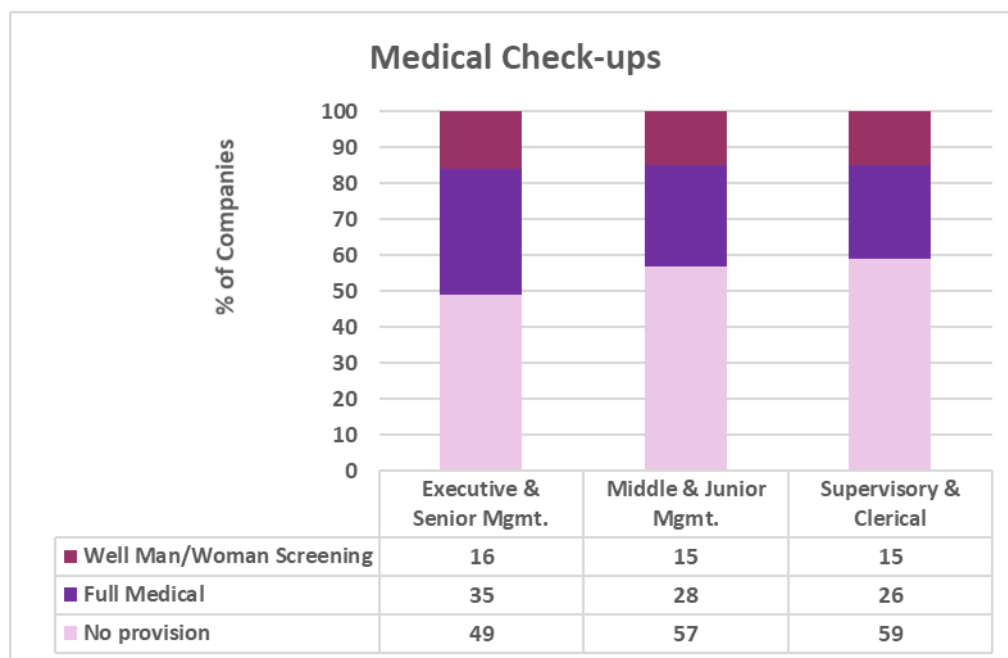


## Medical Check-Ups

Fifty-one percent of companies participating in this survey offer regular medical check-ups to at least some categories of employee. This is slightly more than the 49% reported by this survey in 2020 though the provision of medical check-ups had fallen quite significantly in the previous couple of years having been at 63% in 2018.

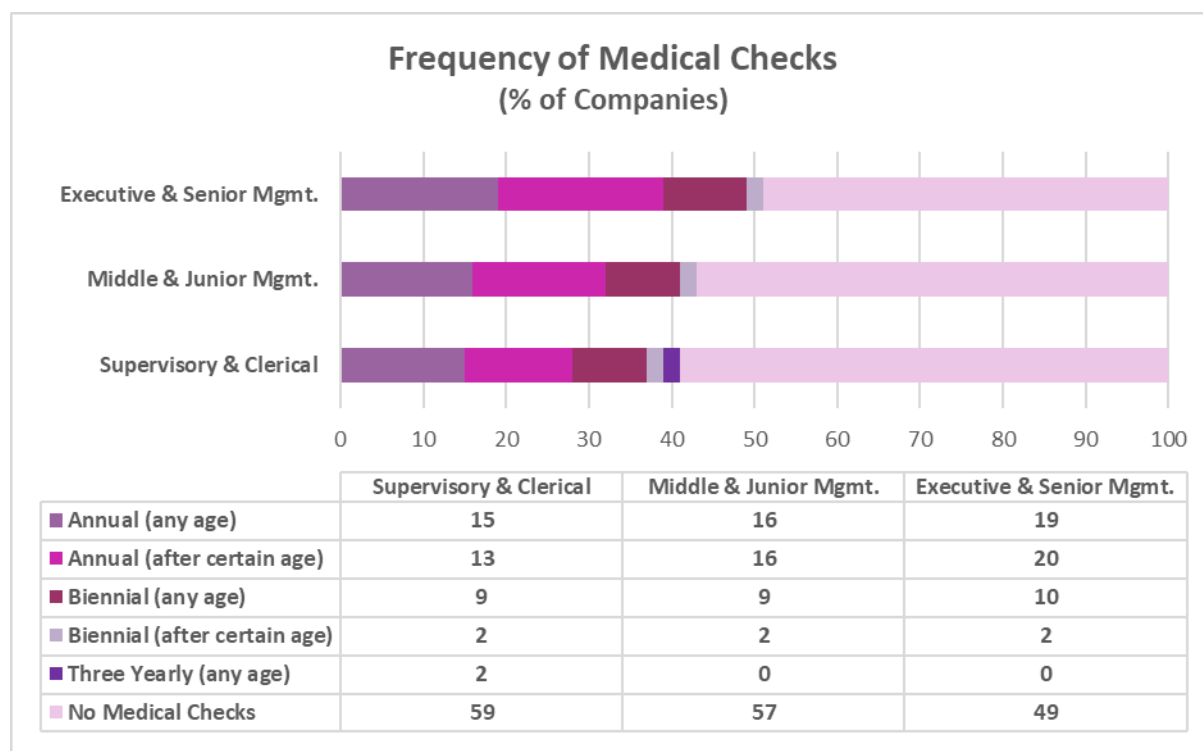
This year we note that the benefit is available to all employees in 41% of organisations while limited to senior management and above in 8% of organisations.



As indicated on the next chart, shown overleaf, check-ups may take the form of a full medical or a more basic health screening such as a well-man or well-woman screening. Level of seniority may influence the frequency of the medical check-up, for example annually for managerial staff; biennially (every 2 years) for clerical staff. Full medical check-ups are more common than a basic screening.

Age may also play a part in determining eligibility for medical check-ups. Although age has become less of a factor in determining eligibility since the introduction of age discrimination legislation in 2010, around 20% of schemes limit eligibility or frequency of check ups by the employee's age (typically at 40 or 45 years old), though age limits are more frequently in use to determine eligibility for more junior staff.

The following chart indicates the frequency of medical check-ups where available, by seniority, and indicates whether age is also a factor. Where age determines eligibility for senior staff these are typically in companies which do not offer medical check ups to more junior staff.



## Pre-Employment Medicals

The Equality Act 2010 introduced measures to prevent employers asking candidates questions about their health, which are unrelated to their job role. However, it may be a requirement of the insurer which provides the company's private medical or life assurance cover, that medical history be supplied.

The percentage of participating companies reporting that they require new hires to undertake some form of pre-employment medical continues to fall, with only 43% reporting having such medical checks compared to 53% in 2019, and 49% in 2020.

In most cases, where medical screening is required, this applies to all new hires regardless of seniority. Only 2% of companies limit pre-employment screening to senior management and above. Around 6% require senior appointees to complete a more detailed medical check than more junior employees, undertaking a full medical rather than a basic medical or questionnaire.

Six percent of organisations require all new appointees to undertake a full medical which is likely to be with the employer's nominated doctor.

Fourteen percent require new hires to undertake a basic screening process with the employer's nominated doctor or the individual's GP. This drops to ten percent at senior management or above.

Twenty-one percent of companies ask new hires to complete a medical questionnaire completed by the individual or his/her GP and reviewed by the employer's nominated medical practitioner and do not require a medical check-up unless something is flagged by the questionnaire responses.

## GP Service

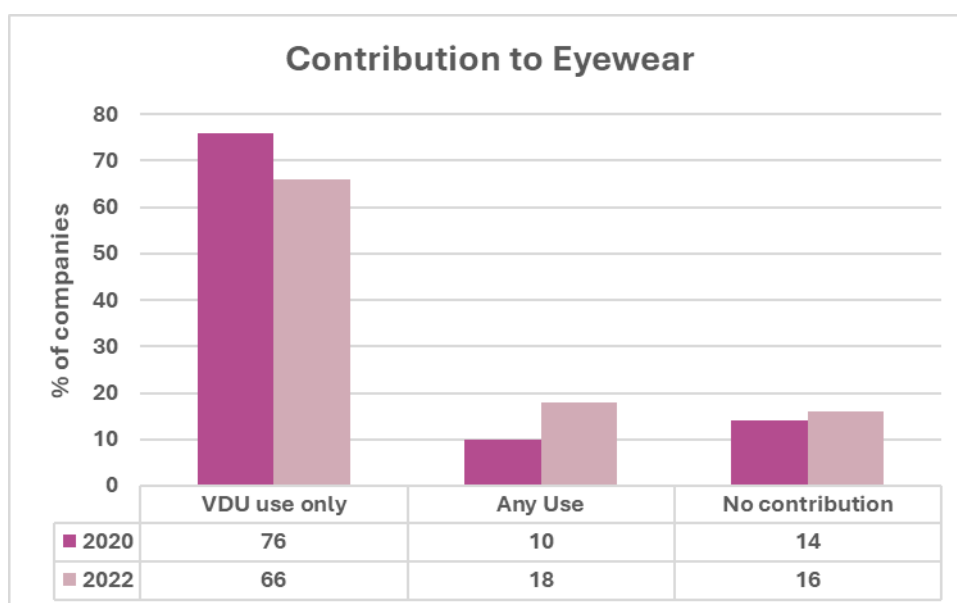
Eighteen percent of participant companies (15% in 2020) report that they offer staff the facility to attend a medical centre or GP service close to their place of work if required. All companies providing this service make it available to all employees regardless of seniority.

## Eyesight Testing

Health and Safety at Work legislation requires organisations to provide eyesight testing for staff using a VDU at work. All (100%) of the companies in our survey report that they pay for eyesight tests for their employees. An eye-test may be provided by one of the following means: -

- reimbursement for eyesight tests arranged by the employee
- eye-care vouchers
- a formal eyesight testing process as part of their regular medical health check
- an appointment with a nominated optician who may attend the company premises on a regular basis

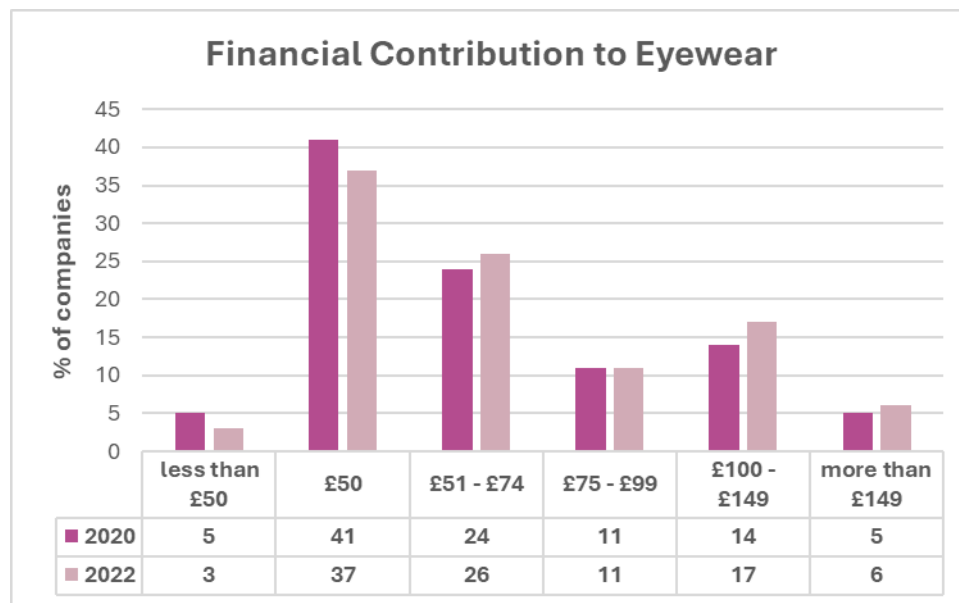
In addition to paying for the eyesight test, 84% of companies will make some financial contribution to the cost of prescription glasses (down from 86% in 2020). This includes 66% that specify that the eyewear must be for VDU use, down from 76% reporting this restriction on a company contribution in 2020.



None of the companies participating in this survey now report that a financial contribution to eye wear is available only at certain grades, i.e., senior staff only, as was the case in a small minority of companies (fewer than 10%) up to last year.

Those companies contributing towards the cost of glasses define a maximum limit on the amount they will pay. The most common contribution made is £50, by 37% of companies, as shown in the chart below.

Over the past few years, we have seen an increase in the amount of contribution employers are willing to make. The median contribution is now £60, having been £55 in 2020, and £50 for many years prior to that. Thirty-four percent of companies contribute £75 or more.



## Professional Study and Examinations

Ninety percent of organisations (87% in 2020) assist their employees with the cost of professional courses or training, where these courses are applicable to the employee's role or development within the organisation. Sixty percent of companies report paying the full cost of professional training with a further 30% paying a fixed amount or a percentage of the costs, hence requiring the employee to make a financial contribution.

All organisations responding indicate that they operate the same policy on funding of training to all grades of staff with no difference in policy for more junior grades.



## Repayment of Cost of Study

Of those organisations funding or contributing to the cost of study for professional or relevant qualifications, 84% require repayment of, at least, a proportion of the cost of study paid by the employer, should the recipient leave the company within 12 months of completion of the course (excluding redundancy situations).

Of these, 66% require repayment of the full cost of the course of study if the employee leaves within 12 months; the remaining 18% reclaiming a proportion of the cost (usually between 50% and 75%).

Where study costs are reclaimed by the organisation it is not unusual for a proportion to be reclaimed should the employee leave within 24 months of completion, but rare for any to be reclaimed beyond this point.

## Award for Completion

It is rare for organisations to make a monetary award to an employee who successfully completes their professional study with 6% of participating companies reporting doing so. The value of such an award varies by type and level of qualification with a median level of award reported at c. £1,000. Most organisations consider that their contribution to the cost of the course is sufficient benefit to the employee.

## Lunch Benefits

Twenty-eight percent of organisations (31% in 2020) provide some form of lunch benefit for staff. We have seen the provision of lunch benefits by the employer fall by over 10% in the last decade. The most popular form of lunch benefit is a cash allowance. Few organisations now provide luncheon vouchers, whereas at one time, with tax incentives, these were the most popular form of lunch benefit, where given. Two percent offer a subsidised in-house staff restaurant.

The chart below indicates the percentage of participating companies providing lunch benefits. Typically, where lunch benefits are available, all staff are eligible on the same basis, regardless of seniority. However, 6% impose limitations on this benefit, dependant on grade, with 2% limiting lunch benefits to clerical staff only, and 4% to staff below senior management grades.



Due the small sample sizes, we are not able to provide the annual value of luncheon vouchers or inhouse staff restaurants. However, the table below shows current inter-quartile data for the annual value of a cash lunch allowance, paid through the monthly payroll. The median value has increased by approximately 5% since 2020. In all cases those companies paying a cash lunch allowance provide the same level of allowance to all staff, regardless of seniority.

### VALUE OF LUNCH ALLOWANCES

£ per annum

Lower Quartile	600
Median	696
Upper Quartile	1012

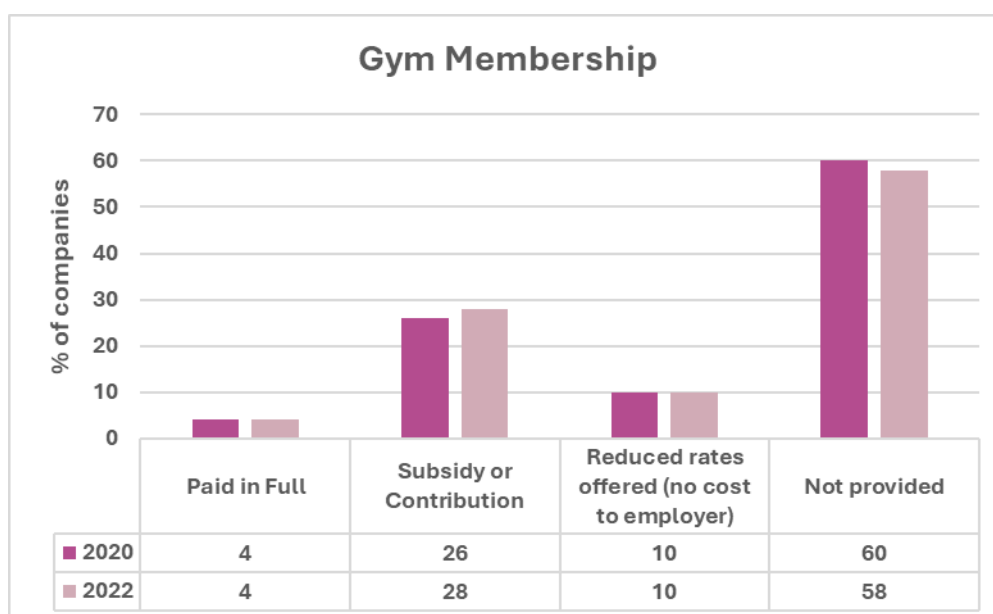
Lunch benefits are typically based on 240 working days, excluding holidays and bank holidays. We are not yet aware how the move to a hybrid form of working may impact on this benefit though we would expect it to do so.

## Gym or Sports Club Membership

Thirty-two percent of participating companies contribute to the cost of gym/health club membership for all staff, up from 31% in 2020. An additional 10% of companies report having negotiated reduced membership deals for their staff with health clubs or gyms though they make no contribution towards the fees.

Typically, where this benefit is offered, all staff are eligible on the same basis. A further 5% of organisations report that gym fees are paid, in full or part, for management staff only, with clerical staff not eligible.

Only 4% of organisations report paying the full cost of membership, the majority preferring to limit the cost to the company by subsidising membership fees to a certain percentage or by making a fixed level of contribution with the employee liable for additional fees.



The table below indicates the typical annual cost per employee of subsidising gym membership. Around 5% of participating companies vary the amount of subsidy by level of seniority, with different subsidies available at different grades. In these cases, senior staff receive a higher allowance or have the full cost covered while clerical staff receive a subsidy only. These differences have little impact on the inter-quartile figure given below. The median value has increased by 8% since 2020, though this is partially due to sample changes.

### VALUE OF GYM MEMBERSHIP £ per annum

Lower Quartile	275
Median	405
Upper Quartile	600

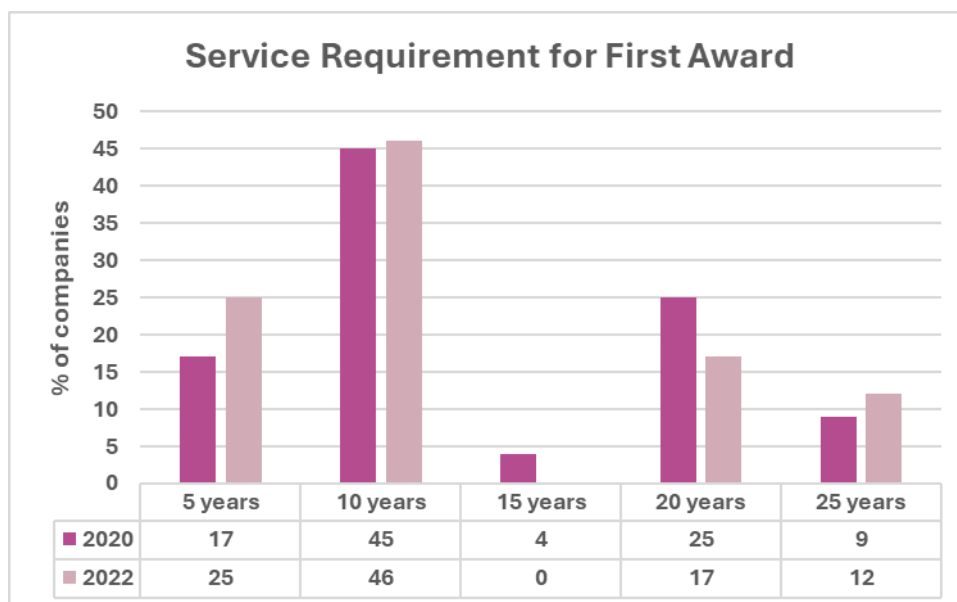
## Long Service Awards

Forty-eight percent of organisations participating in this survey, unchanged since 2020, acknowledge the loyalty of their employees, at certain anniversaries of their start date, by means of a long service award. This usually takes the form of a gift or cash. Occasionally extra holiday is awarded, to be taken in the year the specified service level is achieved.

Under UK tax legislation, a long service award of up to £1,000 is exempt for tax if the award is made after at least 20 years' service is achieved; the award is worth no more than £50 per year of service; and no other such award has been made to the recipient in the previous 10 years. Additional awards of up to £1,500 after each subsequent 10 years of service are also tax-free. We note that most long service award schemes offered by participants in this survey are more generous and therefore tax is payable.

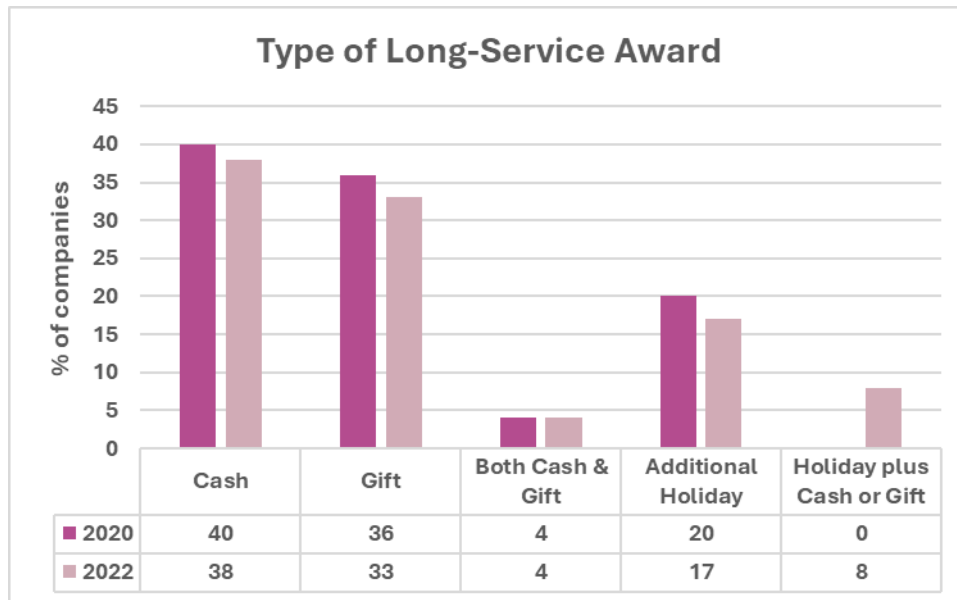
### Initial Awards for Service

The chart below indicates the minimum length of service required by those companies with a scheme, before the first award is made. We note an increase from 62% to 71% of these companies making their first award after 5 or 10 years' service, with the latter being the most popular. No participating organisations now make their first award at 15 years of service. Twenty-nine percent of companies do not make any award until 20 or 25 years' service is achieved (down from 34% in 2020).





The award made is usually cash or a gift, (sometimes a choice from a selection available, or a specified item such as a clock or a holiday). A cash award is the most popular form of long-service award, overtaking a gift in the last 3-4 years. Four percent of companies with a long service award scheme give both a gift and cash. It has become more popular to offer temporary extra holiday entitlement, usually giving an additional 5 days to be taken in the anniversary year, instead of, or as well as, a gift or cash award.



There is a wide variance in the value of awards made, and little correlation between the size of award and the period of service required prior to the first award being made. The table below indicates the median values for cash awards or gifts. Due to small sample sizes we are unable to provide additional information on the value of the award.

Value of First Award	Cash	Gift
Median	475	325

### Subsequent Awards for Service

Eighty percent of those companies making long service awards make subsequent awards to those achieving further service milestones. This is the case for all those that make their first award at 5 or 10 years' service, with organisations usually making further awards at 5-year intervals following the initial award.

## **Uniform or Clothing Allowance**

None of the participating companies now provide financial assistance to any employees to enable them to purchase appropriate clothing (a cash clothing allowance). A uniform is provided by fewer than 10% of companies, primarily to messengers, with 2% of all companies providing a uniform to receptionists/front desk staff.

The median value of uniform provided is currently £400 per annum, unchanged since 2020.

## **Childcare Vouchers**

Sixty-one percent of the companies participating in our survey (63% in 2020) continue to offer the facility for employees to purchase childcare vouchers via a salary sacrifice scheme, where applicable. The employee pays for the cost of the vouchers through the company payroll, thus gaining the tax and national insurance (NI) advantages offered by the government for such vouchers. None of the organisations make any contribution to the cost of vouchers, simply providing the administration for their purchase via their payroll.

This tax beneficial scheme is not available to new applicants so where it is available this is to existing recipients only.

## **Cycle to Work Scheme**

Since 1999 the government have encouraged employers to promote cycle to work schemes for employees. Less than 10% of our participants report that loans, by means of salary sacrifice, are available to staff who wish to purchase a bicycle and cycle to work. This has been at a similar level over several years. Few of the companies surveyed have the facilities to set up bike parking and showering facilities for their staff.

This may change as a result of the coronavirus pandemic, with employees preferring to cycle than use crowded public transport. Companies may need to think about how people can travel to the office when they need to do so.