

Good Work: The Taylor Review of Modern Working Practices

Consultation on measures to increase transparency in the UK labour market

Response by GRiD May 2018

Introduction

This submission has been prepared by GRiD in response to Good Work: The Taylor Review of Modern Working Practices – Consultation on measures to increase transparency in the UK labour market

Our response has been compiled from a working group drawn from a representative sample of our membership and reflects our combined views, although it may not represent the views of each member company.

We have limited our responses to questions where we can add value.

We are supportive of the aim to increase transparency in the workplace. Clear communication will help employees to:

- Understand and appreciate the benefits provided by their employer
- Make informed decisions about the need for any additional provision
- Understand the support services that are available to them e.g. to improve health and wellbeing – helping to reduce absence

About GRiD

Group Risk Development (GRiD) is the industry body for the group risk protection sector, promoting the value to UK businesses of providing financial protection for their staff, enhancing their wellbeing and improving employee engagement.

Our membership includes insurers, reinsurers and intermediaries who have a collective wealth of experience built over years of operating in the group risk protection market.

GRiD aims to promote group risk through a collective voice to Government, policymakers, stakeholders and employers.

GRiD works with Government departments and regulators involved in legislation and regulation affecting group risk benefits, and with other organisations involved in the benefits and financial protection arenas.

GRiD also seeks to enhance the industry's standing by encouraging best practice and by participating in industry-wide initiatives such as the professional qualification in group risk managed jointly with the Chartered Insurance Institute.

GRiD's media activity aims to generate a wider awareness and understanding of group risk products and their benefits for employers and employees. We are supportive of the aim of increasing transparency in the workplace.

Q11 C) Do you agree that sick leave and pay entitlement should be included on a principal written statement?

A work statement could be a way to improve communication and provide greater transparency.

With our experience in Group Income Protection we believe the following points need to be considered in the development of a statement covering sick leave and pay entitlement:

- It should be simple and easy for the employer to implement and use (not an admin or cost burden).
- It needs to be easy for the employee to understand but contain enough information to make informed decisions.
- How can State Benefit provision be included (to give employees the full picture)?
- What are the objectives of the statement? For example, are the aims of including sick pay entitlement to:
 - Educate employees to enable them to understand potential financial vulnerability in the event of sickness and actions that they can take to reduce this risk.
 - Show employees they are valued (in the case of good provision) with all the benefits this brings.
 - Highlight the need for additional provision in other cases (e.g. those reliant on State Benefits). In this case would employers provide a statement?

How can the different aims be accommodated?

- Will the approach be to set minimum standards and allow employers to enhance as they wish? For example some may want to include support services designed to help:
 - Prevent health conditions developing and worsening.
 - Employees when illness and absence happens.

Examples of the types of services provided include Employee Assistance Programmes, employer helplines and health risk assessment tools.

The key will be to get the balance right so the document doesn't become too long and complicated.

- How will the statement be promoted to employers and employees? What can be done to ensure employees are engaged?
- How will the statement remain relevant e.g. how often will the information be updated and issued to the employee?

There are clearly challenges in balancing the aim of simplicity with the need to provide employees with enough information. GRiD and its members would be happy to discuss the solutions available and practical application of message delivery in greater detail.