



Non-taxable Benefits in Kind: Survey of Employees

HM Revenue and Customs Research Report 543

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1 Executive Summary

Introduction

As well as being paid wages or a salary, employees in the UK may receive non-cash benefits from their employer, which are known as 'Benefits in Kind' (BiKs). Many non-cash benefits are taxable, in the same way as cash income, and HMRC already publishes annual statistics about the number of employees receiving taxable benefits and their resulting tax liabilities.¹ Such benefits are treated as part of an employee's employment income.

Unless there are specific rules on the valuation of taxable BiKs (for example, in the case of accommodation or company cars), the general rule is that they are valued on the cost to the employer of providing them. However, there is an exception to this, where the cost of providing the benefit to an employee is so marginal that the value is regarded as nil and there is no tax liability as a result².

In addition, there are specific exemptions from tax for some BiKs, such as meals in a staff canteen and workplace parking³.

Both marginal BiKs at nil value and exempt BiKs can be described as 'non-taxable'. There is no need for non-taxable BiKs to be declared to HMRC, which means that HMRC has limited information about them. Research was commissioned by HMRC to increase their knowledge and understanding in this area.

The key aims of the research were to:

- quantify the number of employees receiving different non-taxable BiKs;
- explore if there are differences in the incidence of non-taxable BiKs, based on various sectoral and individual factors; and
- gather an understanding of the value employees put on BiKs, how remuneration packages are agreed between employers and how well employees understand the rules behind the taxation of BiKs.

The research involved 1,528 interviews with employees across all key sectors in the UK. The mainstage interviews took place between 10th August and 18th September 2018. Statistical analysis was undertaken to produce the findings in this report. The methodology is outlined in Chapter 2, with further detail provided – including the relevant confidence intervals - in Appendix 1.

Interviewees were asked about all non-taxable BiKs that they received. However, throughout this report, due to its widespread nature, training has been excluded from all non-taxable BiK statistics.

¹ <https://www.gov.uk/government/collections/taxable-benefits-in-kind-and-expenses-payments-statistics>

² This follows case law set out in *Pepper v Hart*.

³ <https://www.gov.uk/government/publications/non-taxable-payments-or-benefits-for-employees-hs207-self-assessment-helpsheet/hs207-non-taxable-payments-or-benefits-for-employees-2015>

Prevalence of non-taxable BiKs

The majority of employees (84%) were offered at least one non-taxable BiK by their employer (excluding those who were only offered training). Two-thirds (67%) used at least one of these in the last 12 months.

Most employees (69%) who were offered non-taxable BiKs were offered more than one. Employees did not necessarily use all of these: 67% of all employees had used at least one non-taxable BiK in the last 12 months, and only 39% had used more than one in the last 12 months.

There were some clear variations by sector: employees working in ‘white collar’ sectors including Professional, Technical & Scientific (92% offered, 87% used), Information & Communication (96% offered, 86% used) and Finance, Insurance & Real Estate (91% offered, 85% used) were more likely to be offered or to use BiKs than average, as were those in Accommodation and Food Service (93% offered, 81% used) and Arts and Other Services (90% offered, 80% used).

The lowest proportions of employees who made use of BiKs were found in Health & Social Work (80% offered, 57% used), Education (82% offered, 53% used) and Administrative & Support Services (65% offered, 45% used).

Table 1.1 Proportion of employees offered and using non-taxable BiKs, by industrial sector (ONS SIC2007 classification)

	Base	% offered BiK	% used BiK
M (Professional & Technical)	80	92%*	87%*
J (Information & Communication)	58	96%*	86%*
KL (Finance & Real Estate etc.)	61	91%	85%*
I (Accommodation & Food)	82	93%*	81%*
RS (Arts & Other Services)	57	90%	80%*
ABDE (Agriculture, Utilities, etc.)	61	90%	74%
G (Wholesale & Retail)	177	88%	71%
C (Manufacturing)	102	81%	70%
O (Public Admin. & Defence)	58	95%*	68%
H (Transport & Storage)	70	81%	68%
Unknown	81	82%	64%
F (Construction)	76	75%*	59%
Q (Health & Social Work)	164	80%	57%*
P (Education)	144	82%	53%*
N (Admin. & Support Services)	257	65%*	45%*
All sectors	1,528	84%	67%

A1-A4: see Appendix 3 for question text. * Indicates a significant difference - where we can be at least 95% certain that a ‘real’ difference exists between this sub-group and the average across all other sub-groups in the weighted sample.

The proportion of employees offered and using BiKs increased with organisation size⁴:

employees in large organisations were more likely than average to be offered non-taxable BiKs (87% offered), whereas those in micro or small businesses were less likely than average to both be offered or to use non-taxable BiKs (79% offered, 63% used).

Table 1.2 Proportion of employees offered and using non-taxable BiKs, by size of organisation

	Base	% offered BiK	% used BiK
Micro / Small	431	79%*	63%*
Medium	219	83%	68%
Large	878	87%*	69%
All sizes	1,528	84%	67%

A1-A4: see Appendix 3 for question text. * Indicates a significant difference - where we can be at least 95% certain that a 'real' difference exists between this sub-group and the average across all other sub-groups in the weighted sample.

Prevalence of non-taxable BiKs also increased by pay band, with those paid more than £40,000 more likely than average to both be offered and have used them (94% offered, 84% used). For this research, pay bands were based on the amount of pay an employee received between April and December 2017 for a specific job, in which they were employed as of December 2017. This figure usually represents nine months' worth of pay, although if the job started during the time period, the pay shown will cover only part of that period of time.

Table 1.3 Proportion of employees offered and using non-taxable BiKs, by pay band (9 months)

	Base	% offered BiK	% used BiK
Under £7,500	335	73%*	56%*
£7,500 to £19,999	564	83%	61%*
£20,000 to £29,999	272	90%*	76%*
£30,000 to £39,999	167	91%*	80%*
£40,000 or more	190	94%*	84%*
All sizes	1,528	84%	67%

A1-A4: see Appendix 3 for question text. * Indicates a significant difference - where we can be at least 95% certain that a 'real' difference exists between this sub-group and the average across all other sub-groups in the weighted sample.

Most commonly used non-taxable BiKs

Table 1.4 below sets out the most commonly used non-taxable BiKs, from highest to lowest. It shows that the top 5 most commonly used non-taxable BiKs were:

- an annual party (44% of employees were offered this, 31% attended)
- free or discounted products or services for staff (37% offered, 24% used)

⁴ Organisation sizes are classified as: 1 to 49 employees – micro and small, 50 to 249 employees – mid size, or 250+ employees - large. Please see Appendix 1 for more information about the databases used to create the research sample.

- mobile phone (27% offered, 21% used)
- parking (25% offered, 18% used)
- free or subsidised meals (13% offered, 10% used)

Provision of counselling was offered to almost a third (31%) of employees. However, uptake was low - only 3% of all employees used this BiK in the last 12 months. There were also other BiKs which were not often used when offered, for example bicycles (19% offered, 2% used) and childcare vouchers (17% offered, 3% used).⁵

Table 1.4 Proportion of employees offered and using specific non-taxable BiKs

	Base	% offered BiK	% used BiK
Annual party	1,528	44%	31%
Free or discounted employer products or services	1,528	37%	24%
Mobile phone	1,528	27%	21%
Parking	1,528	25%	18%
Free or subsidised meals at usual place of work	1,528	13%	10%
Health screening or check-ups	1,528	18%	7%
Incidental overnight expenses	1,528	14%	7%
Free access to employer facilities	1,528	8%	5%
Private sports facilities or gym	1,528	9%	4%
Work-to-home travel when working late	1,528	8%	4%
Counselling	1,528	31%	3%
Shareholder advice	1,528	10%	3%
Childcare vouchers	1,528	17%	3%
Retraining provision for redundancy	1,528	10%	3%
Bicycle	1,528	19%	2%
Subsidised buses	1,528	7%	2%
All non-taxable BiKs	1,528	84%	67%

A1-A4: see Appendix 3 for question text.

Understanding and Perceptions of BiKs

There was a general lack of understanding in relation to the taxation of BiKs. Just over a third (35%) of employees correctly identified that benefits and perks provided by employers were *sometimes* subject to income tax and national insurance contributions. This level of understanding varied by sector and size or organisation, and increased as pay increased.

However, a further third (33%) of all employees stated that they did not know whether these benefits are never, sometimes or always subject to income tax and national insurance contributions. The

⁵ There are a number of other non-taxable BiKs that exist that have not been mentioned due to very low incidence rates.

remaining employees misunderstood the taxation, with 19% believing that BiKs are always subject to income tax and national insurance and 13% stating that this is never the case.

In total, a fifth of employees (20%) viewed the non-taxable BiK(s) they received as part of their pay package. Childcare vouchers (45%), travel arrangements when working late (44%), retraining provided when leaving employment – for example under a redundancy deal - (38%) and provision of counselling (30%) were all more likely than average to be viewed as part of their pay package.

In contrast, annual parties (9%), parking (12%) and mobile phones (14%) were less likely than average to be viewed by employees as part of their pay package.

Table 1.5 Whether BiKs are viewed as part of a pay package or not

	<i>Base</i>	Part of pay package
Childcare vouchers	43	45%
Work-to-home travel when working late	40	44%
Retraining provision for redundancy	33	38%
Counselling	44	30%
Health screening or check-ups	74	28%
Shareholder advice	41	28%
Bicycle	34	27%
Free access to employer facilities	42	24%
Free or discounted employer products or services	193	20%
Free or subsidised meals at usual place of work	86	19%
Subsidised buses	25	19%
Incidental overnight expenses	79	17%
Mobile phone	185	14%
Parking	176	12%
Private sports facilities or gym	39	12%
Annual party	205	9%
Total	1582	20%

C1: Do you see <BiK> as part of your pay package?

The majority of employees (80%) agreed or strongly agreed that they would expect the BiKs that they receive to be provided by similar employers for a role similar to theirs, with 61% strongly agreeing that they would expect this.

Almost half of employees who received non-taxable BiKs (49%) were satisfied with the non-cash benefits they received, and 17% were not satisfied.

Perceived financial value of non-taxable BiKs

Employees' perception of the value of BiKs varied widely depending on the specific BiK received. The most common perceived value band of the BiK provided in a typical year was £100 to £250 (17%) and the median value was £120 (including zero values)⁶.

However, 16% of BiKs asked about were perceived to have no value. The median value of non-taxable BiKs when these zero values were removed was £240. However, there is likely to be a difference between the perceived value and the actual cost to the employer or the market value.

The top 5 BiKs by perceived value were:

- Childcare vouchers (median value of £1,400, including zero values)
- Counselling (£300, including zero values)
- Free or subsidised meals at usual place of work (£300, including zero values)
- Bicycle (£300, including zero values)
- Free or discounted employer products or services (£250, including zero values)

BiKs with the lowest financial value attributed to them were mobile phones (with a median value of zero, including zero values) use of facilities from your employer (median value of £10, including zero values) and annual parties (median value of £30 including zero values).

Negotiating BiKs

One third of employees (33%) had ever negotiated with their employer over their pay package, whether that was at recruitment or during their employment. 16% said they had negotiated more than once. However, when asked if any of these discussions had involved ever negotiating over a non-cash benefit such as those discussed in the research, only 7% of all those who had negotiated over their pay package had done so. A third (33%) of employees who had negotiated over a BiK had done so annually and a quarter (25%) had done so at recruitment only. Around two fifths (42%) of employees who had negotiated over their non-cash benefits stated that receiving the BiK was important in their decision to take the job or stay on in their role. However, for three in ten (30%) this was not important.

Just over a fifth (21%) of employees had experienced changes to the non-cash benefits they received, either as a result of negotiations or for other reasons. This typically took the form of an increase in the number of BiKs they received (53% of those who experienced changes). However, 36% experienced a decrease and 6% some other change.

⁶ Where a value is given as a 'median' value, this means that 50% of survey responses were higher than this value, and 50% of survey responses were lower (taking into account weighting). This value has been used for analysis here instead of the 'mean' average (calculated by adding together all responses and dividing by the number of respondents) because it is less influenced by individual cases where extreme values are given, which is often the case for questions regarding financial value.

2 Introduction

Background

As well as being paid wages or a salary, employees in the UK may receive non-cash benefits from their employer, which are known as 'Benefits in Kind' (BiKs). Many non-cash benefits are taxable, in the same way as cash income, and HMRC already publishes annual statistics about the number of employees receiving taxable benefits and their resulting tax liabilities.⁷ Such benefits are treated as part of an employee's employment income.

Unless there are specific rules on the valuation of taxable BiKs (e.g. accommodation, company cars), the general rule is that they are valued on the cost to the employer providing them. However, there is an exception to this, where the cost of providing the benefit to an employee is so marginal that the value is regarded as nil and there is no tax liability as a result⁸.

In addition, there are specific exemptions from tax for some BiKs, such as meals in a staff canteen and workplace parking⁹.

Both marginal BiKs at nil value and exempt BiKs can be described as 'non-taxable'. There is no need for non-taxable BiKs to be declared to HMRC, which means that HMRC has limited information about them in their internal records. Research was commissioned by HMRC to increase their knowledge and understanding of the non-taxable BiKs that employees receive and use, and their views on and perceptions of them.

This report summarises the main findings of the research.

Research Objectives

The aims of the research were to:

- quantify the number of employees receiving different non-taxable BiKs;
- explore if there are differences in the incidence of non-taxable BiKs, based on various sectoral and individual factors;
- gather an understanding of:
 - how remuneration packages are agreed between employees and employers;
 - what proportion of overall employees' earnings do employees think BiKs represent; and
 - employees' understanding of the rules behind taxation of BiKs.

⁷ <https://www.gov.uk/government/collections/taxable-benefits-in-kind-and-expenses-payments-statistics>

⁸ This follows case law set out in *Pepper v Hart*.

⁹ <https://www.gov.uk/government/publications/non-taxable-payments-or-benefits-for-employees-hs207-self-assessment-helpsheet/hs207-non-taxable-payments-or-benefits-for-employees-2015>

Methodology: Research Design and Gathering Data

A quantitative approach was taken to the research, as findings which could be generalised to the wider population were required. The research was conducted in two stages:

- A pilot telephone survey of 500 employees in the UK. This enabled an initial understanding of incidence rates of employees using non-taxable BiKs to be obtained, likely variation between sectors, and the feasibility of the research to be determined.
- A mainstage telephone survey of 1,528 employees across industry sectors in the UK. This sample size was sufficient to enable robust measurement of incidence rates of non-taxable BiKs among employees, including within sub-groups such as sectors.

This section provides an overview of the methodology underpinning the research – however further technical and methodological information is provided in Appendix 1. The next section covers the approach taken in the questionnaire to the identification of non-taxable BiKs among employees. This was used to calculate incidence rates.

The questionnaire consisted of two main sections:

- The first was asked of all respondents and aimed to identify if a participant was offered or had used any BiKs. The questionnaire asked about categories of BiKs specifically, rather than referring directly to 'non-taxable BiKs' as it was understood that most respondents would be unlikely to understand this terminology.
- Employees who had used one or more non-taxable BiKs in the previous 12 months were eligible to move on to the second part of the survey. This included questions about their understanding of the taxable status of BiKs, their perception of the value of up to two specific non-taxable BiKs they used, and any negotiations with employers regarding BiKs.

The non-taxable BiKs which were included in the definition of non-taxable BiKs for the purposes of the research are shown in Table 2.1 overleaf. Please note that the wording shown in the table is **not** taken directly from legislation. It is intended only for the purposes of clarifying (in as brief a form as possible) which employee benefits are considered to be non-taxable BiKs in this report.

The non-taxable BiKs in Table 2.1 fall into two broad categories:

- the majority are specifically exempted from taxation through laws or regulations. These are referred to in this report as Exempted BiKs;
- the remaining two are marginal BiKs at nil value, which as explained above do not attract taxation as a result of case law. These were: 'Free or discounted products and services' and 'Access to employer facilities' which are shown in bold below.

The survey also measured the incidence of internal and external training provided by employers. Due to their prevalence, they have not been included in non-taxable BiKs statistics, unless otherwise stated.

Table 2.1 Types of non-taxable BiK covered by the research

Shortened BiK name	Full questionnaire wording* (from A1, A2 and/or A3)
Annual party	Annual parties paid for by your employer
Awards for exceptional achievement	Rewards, gifts or prizes related to your employment: Awards for exceptional achievement or effort, other than bonuses or performance related pay
Awards for long service	Rewards, gifts or prizes related to your employment: Awards for long service
Awards for suggestions	Rewards, gifts or prizes related to your employment: Awards for making useful suggestions
Bicycle	Anything relating to travel or transport: Loan of a bicycle, such as through a Cycle to Work scheme
Childcare vouchers	Childcare or nurseries: Childcare vouchers
Counselling	Healthcare or counselling: Counselling, excluding via health insurance benefits covering you when in the UK
Free access to employer facilities	Free access to any facilities owned or managed by the employer
Free childcare provision off-site	Childcare or nurseries: Off-site but bought directly by the employer
Free childcare provision on your employer's property	Childcare or nurseries: Free nursery or playscheme provision on your employer's property
Free or discounted employer products or services	Free or discounted access to the company's own products or services or those of linked companies
Free or subsidised meals at usual place of work	Free or subsidised meals when at your usual place of work: Free or subsidised food or meals in a staff canteen or staff café or staff restaurant
Gifts received from third parties	Employer allows you to receive and keep gifts offered to you by third parties as part of your work, for example from clients, customers or suppliers
Health screening or check-ups	Healthcare or counselling: Health screening or routine check-ups
Incidental overnight expenses	Up to £5 to spend on small personal expenses such as newspapers, when travelling overnight on business, in addition to any payments covering essential food and accommodation costs
Living accommodation	Living accommodation or housing
Loans	Loans: Worth £10,000 or less in total and have an interest rate of less than 2.5% per annum
Meals or entertainment provided by third parties	Employer allows you to receive and keep meals or corporate entertainment (such as tickets to sporting events or concerts) offered to you by third parties as part of your work, for example from clients, customers or suppliers
Medical help while outside UK	Healthcare or counselling: Medical help while you're outside the UK, via insurance or directly
Mobile phone	Mobile phone
Parking	Anything relating to travel or transport: Parking for motor vehicles or bicycles

Private sports facilities or gym	Sports facilities or gym membership: Owned or operated by your employer and not available to the general public, for example, an on-site gym
Retraining provision for redundancy	Training**: Retraining provided which relates to leaving employment – for example under a redundancy deal
Shareholder advice	Advice regarding buying the company's own shares
Subsidised buses	Anything relating to travel or transport: Work buses and subsidies to public buses, where you work in a sector other than the transport sector
Support for commuting for disabled people	Anything relating to travel or transport: Specific support for disabled people to travel between home and work, including adapted cars
Work-to-home travel when working late	Anything relating to travel or transport: Work to home travel provided when you work late or when sharing arrangements are disrupted

* Where a BiK has been identified using multiple questions, text has been combined here. ** Training is generally excluded, but this item is included since it does not relate to training for the job they are carrying out.

Methodology: Sampling

In the interest of producing generalisable findings, interview targets were initially set for sector of employment¹⁰ and size of employer reflecting the true counts in the population across these criteria. Sectors containing small numbers of employees were oversampled to ensure sector-specific results could be obtained. In order to create a dataset that produced reliable estimates representative of the whole population, weighting was required. This weighting corrected for bias by sector introduced by oversampling, while also correcting for bias by two other key criteria for which targets were not set (pay band and age band).

For both the pilot and mainstage research stages, HMRC provided a random sample, stratified by sector, from which IFF was able to recruit participants to take part. This sample also included information on size of employer, sector of employment, pay bands and age bands. The definitions of these key variables can be found in Appendix 1.

Importantly, pay bands were based on the amount of pay an employee received between April and December 2017 for a specific job, in which they were employed as of December 2017. This figure usually represents nine months' worth of pay, although if the job started during the time period, the pay shown will cover only part of that period of time.

The pilot stage of the research enabled an estimate of the incidence of people in receipt of non-taxable BiKs in the population to be determined. This facilitated the calculation of a more accurate estimate of the sample size required to achieve the main stage interview targets.

Based on these calculations, a random sample of 34,600 employees was selected from HMRC internal data for the mainstage research, with a reference date of December 2017. As above, this sample was stratified by sector of employment. From this supplied sample, IFF Research then drew a further sample, also stratifying by size of employer, in line with population estimates. A telephone matching exercise was carried out to provide additional telephone numbers, in order to maximise the response.

¹⁰ ONS SIC2007 Industrial Sector classification

Further information on the design of the sample and on the approach taken to weighting, to allow findings to be generalised to the overall population, is provided in Appendix 1.

Methodology: Fieldwork

As above, the fieldwork was carried out in two stages:

- 500 pilot interviews took place between 6th June and 19th June 2018. This large pilot stage was designed to test the survey design and to establish baseline levels of prevalence of BiKs within each sector to inform the sample size and stratification for the mainstage research;
- 1,528 mainstage interviews took place between 10th August and 18th September 2018. A total of 1,150 of these interviews were “long” interviews containing all questions. The remaining 378 (with employees who received no non-taxable BiKs) ended after the questions regarding BiK prevalence.

Further information on response rates achieved from the usable sample can be found in Appendix 1.

Methodology: Analysis

A rigorous analysis process followed the fieldwork, including:

- ‘Coding’ of verbatim responses into categories for analysis;
- Checking for and removal of outliers on numeric variables;
- The calculation of a range of derived variables, in particular to allow overall prevalence of non-taxable BiKs to be measured;
- Merging sample and survey data to allow sub-group analysis;

How to read this report

In this report, we follow a number of analysis conventions. Sub-group results which are significantly different to the average across all other sub-groups are shown with stars alongside them in charts and tables. This indicates that we can be 95% confident that a ‘real’ difference exists between this sub-group and the average across for all other sub-groups in the weighted sample. All differences between sub-groups mentioned in commentary pass this test.

It is important to bear in mind that trends shown by sector (to give one example) may have their root cause in other less obvious characteristics of that sector. In particular, average pay levels vary greatly by sector which may have an impact. When a link is shown between a variable such as sector and a survey result, it should always be considered that this might be a side-effect of that link with pay, or indeed with another unseen factor.

Importantly, pay bands were based on the amount of pay an employee received between April and December 2017 for a specific job, in which they were employed as of December 2017. This figure usually represents nine months’ worth of pay, although if the job started during the time period, the pay shown will cover only part of that period of time.

Finally, it should be remembered that results throughout are based upon the perception and opinion of telephone survey respondents. In particular, estimates of the financial value of BiKs to respondents

may well be very different to the actual cost to the employer of providing those BiKs. In addition, although every effort was made to ensure the survey questions were as easily and widely understood as possible, respondent knowledge and recall of their Benefits in Kind may in some cases be incomplete or subject to misunderstanding.

3 Prevalence of non-taxable BiKs

Introduction

This chapter provides an overview of the findings regarding the first two research questions:

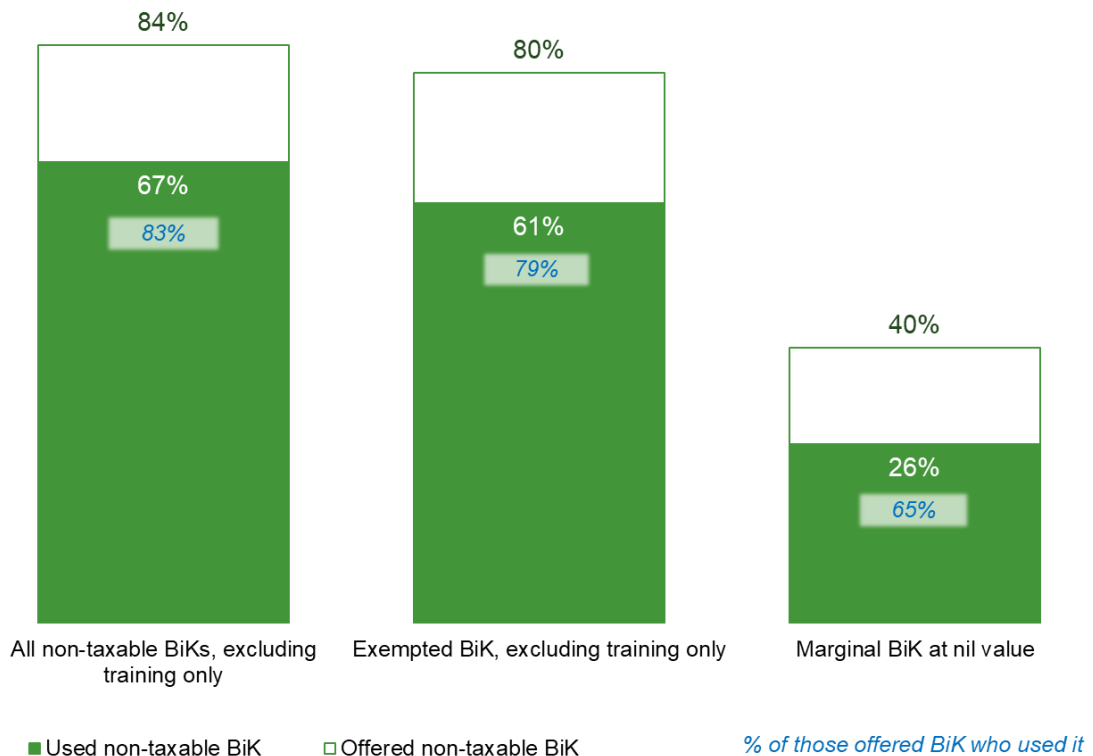
- to quantify the number of employees receiving different non-taxable BiKs;
- to explore if there are differences in the incidence of BiKs by sub-group.

Proportion offered and using non-taxable BiKs: overall

Using the definition and classification of non-taxable BiKs outlined in the methodology section of this report – which excludes training - more than four fifths (84%) of all employees were offered at least one non-taxable BiK by their employer. This figure rose to 90%, when those offered training were also included.¹¹

To break this down into broad type of non-taxable BiK, four fifths (80%) of all employees were offered a BiK which is specifically exempted from taxation. A much smaller proportion, two fifths (40%), were offered a marginal BiK at nil value, such as free or discounted access to the employer’s own products or services. This is shown in graphic form in Figure 3.1.

Figure 3.1 Proportion of employees offered and using non-taxable BiKs, by broad type of BiK



A1-A4: see Appendix 3 for question text. Unweighted base: All employees (1,528). For blue figures, base sizes vary.

¹¹ External training (delivered by other providers) was offered to 55% of employees, and used by 34%. Internal training (delivered by staff) was offered to 60% of employees; usage was not measured.

Each bar in this chart (and the similar subsequent charts) shows three statistics; the percentage of all employees who say that they are offered this type of non-taxable BiK by their employer¹² (represented by the hollow green bar), the percentage of all employees who say that they have used this non-taxable BiK in the last 12 months¹³ (represented by the solid green bar¹⁴), and a figure shown in blue italics, which shows the percentage of those employees offered this type of BiK¹⁵ who have used it in the last 12 months.

In Figure 3.1, the results for all non-taxable BiKs (including both exempted BiKs and marginal BiKs at nil value) are shown by the left hand bar. In the column in the centre, results for exempted BiKs only are shown, and in the right hand column the results for marginal BiKs at nil value are shown.

As the blue figures show, not all those offered non-taxable BiKs used them; just over four fifths (83%, excluding training) of those offered non-taxable BiKs by their employer had used at least one of them in the last 12 months. In total, this means that two thirds of all employees (67%, excluding training only) used at least one non-taxable BiK in the last 12 months.

For the remainder of the analysis presented in this report, except where otherwise stated, non-taxable BiK prevalence figures relate to non-taxable BiKs overall, excluding those offered or using training.

As Figure 3.2 shows, most of the employees offered non-taxable BiKs by their employer were offered more than one; just over two thirds (69%) of all employees were offered two or more non-taxable BiKs. On average, measured as a mean value, employees were offered 4.2 non-taxable BiKs. However, the distribution was quite unequal, with a small proportion of employees offered a large number of employer benefits (8% were offered more than 10 non-taxable BiKs). As a result, the median number of non-taxable BiKs was lower; half of all employees were offered three or fewer non-taxable BiKs.

Although two thirds (67%) of all employees had used a non-taxable BiK in the last 12 months, about two fifths (39%) of employees had used more than one. On average, employees used 1.5 non-taxable BiKs. It was very rare to have used more than five non-taxable BiKs (3%) in the last 12 months, even though nearly a third (30%) of all employees were offered this number of BiKs.

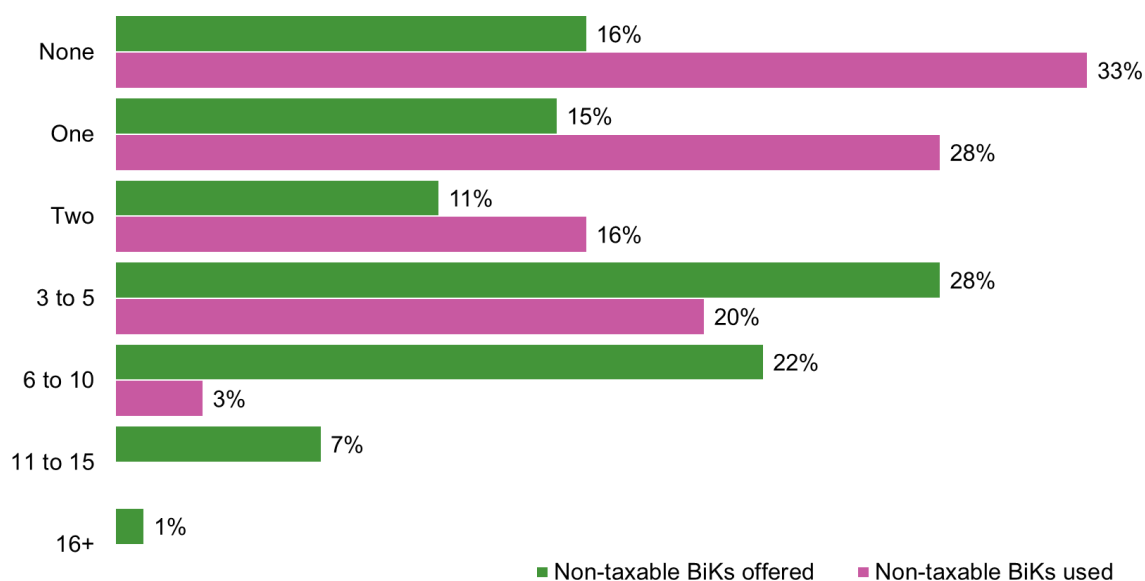
¹² This is the specific employer cited on the HMRC database used for the survey, if they have more than one employer.

¹³ Or a shorter period within the last 12 months, if they have been / were not employed by this employer for all of the last 12 months.

¹⁴ This overlaps with the hollow green bar, in order to give a sense of the proportion using or not using the non-taxable BiKs concerned.

¹⁵ Excluding any offered only BiKs which cannot reasonably be said to be 'used', for example long service awards.

Figure 3.2 Number of non-taxable BiKs offered and used



A1-A4: see Appendix 3 for question text. Unweighted base: All employees (1,528).

Proportion offered and using non-taxable BiKs: level of knowledge

All the figures in this chapter are based on the knowledge of the employee. Inevitably, some employees are unaware of BiKs that are offered by their employer. This uncertainty can be quantified to some extent, because employees were offered the option of stating that they did not know if a particular item was offered (or stating that they would prefer not to comment on whether it was offered). In general, the proportion of respondents stating that they did not know if their employer offered a particular item was less than 10%, and in many cases much lower. For example, only 1% of employees did not know if they were offered a mobile phone by their employer. There were a few items where the level of uncertainty was higher¹⁶, potentially leading to an underestimation of the proportion of employees offered a non-taxable BiK.

Other areas of uncertainty related to BiKs whose target audience is relatively narrow and/or the definition more complex. Specifically, these were: support for commuting for disabled people (38% don't know), retraining provision for redundancy (27% don't know), medical help while outside the UK (21% don't know), incidental overnight expenses (11% don't know, likely due to the narrow and specific definition) and counselling (10% don't know).

Finally, because of the highly specific nature of the tax rules on loans from an employer, a large proportion of people (41% of those stating that loans were offered) were unable to give the

¹⁶ One key area was childcare and nursery provision; 10% did not know if their employer offered any form of childcare or nursery provision, and even among those who stated that their employer did provide some form of childcare related benefit, many were unaware of the form this provision took. The proportion giving 'don't know' responses to these questions was, however, substantially lower among the age groups most likely to have children. Among 35 to 44 year olds, only 7% were unaware if their employer provided childcare or nursery provision in general. Within the group of 35 to 44 year olds stating that the employer did offer childcare or nursery provision, only 3% were unaware if childcare vouchers (by far the most common form of provision) were available.

information required (on interest rates and loan size) to classify the loans as non-taxable BiKs. Again, this confusion is unlikely to extend to those employees using these benefits.

Proportion offered and using non-taxable BiKs: by sub-group

Industrial Sector (SIC2007)

There were substantial variations found by industrial sector in the provision of non-taxable BiKs, as shown in Figure 3.3. The industrial sectors used for this analysis are the standard ONS SIC2007 sectors. However, some sectors were combined for the purposes of the sample and more information on this is provided in Appendix 1.

In general, employees working in 'white collar' sectors were the most likely to be offered and/or to have used non-taxable BiKs (*Professional, Technical & Scientific* – 92% offered, 87% used, *Information & Communication* – 96% offered, 86% used, and *Finance, Insurance & Real Estate* – 91% offered, 85% used).

However, some other sectors also showed a higher than average proportion offered and/or having used non-taxable BiKs (*Accommodation & Food* – 93% offered, 81% used, and *Arts & Other Services* – 90% offered, 80% used).

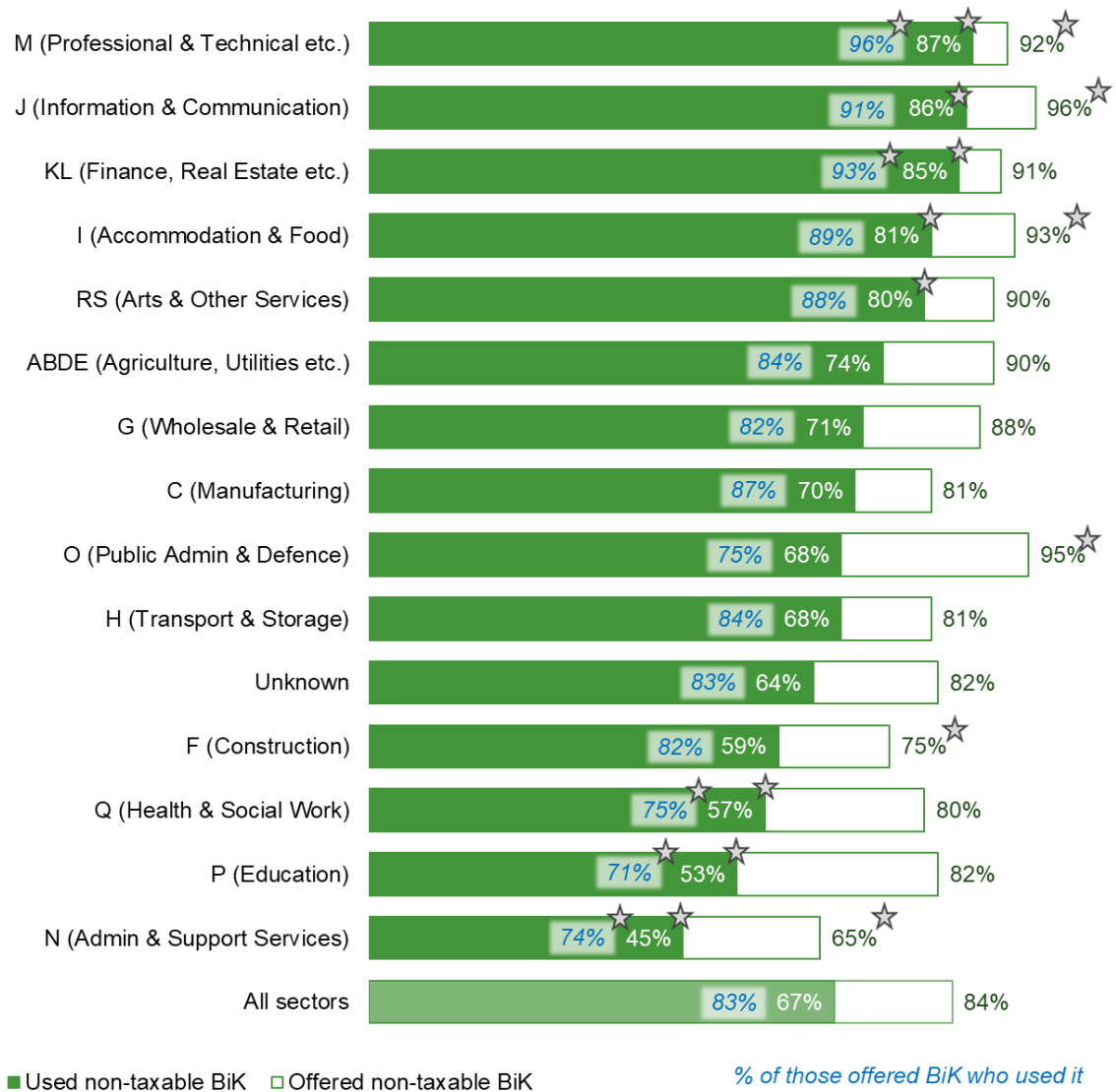
Employees in *Public Administration & Defence* were also highly likely to be offered non-taxable BiKs (95%, above the average of 84%), but much less likely to have used them (68%, close to the average for all sectors of 67%).

There are also some sectors where employees were less likely to be offered non-taxable BiKs; *Construction* (75%) and *Administrative & Support Services* (65%). However, due to lower proportions taking up the BiKs offered, employees were least likely to use non-taxable BiKs in *Health & Social Work* (57%), *Education* (53%), and *Administrative & Support Services* (45%).

This last category – *Administrative & Support Services* – contains agency workers, who are classed in this sector on HMRC databases, rather than the sector of their specific place of work. A survey question was included to identify agency workers. This showed that they are much less likely to have access to BiKs than average; less than half (45%) were offered BiKs, and a third (30%) made use of them. However, even when agency workers were excluded, the *Administrative & Support Services* sector was still the sector least likely to provide BiKs to employees (71% offered, 49% used).

Further information on the sectors in which agency workers day-to-day employers can be found is set out in Appendix 2.

Figure 3.3 Proportion of employees offered and using non-taxable BiKs, by industrial sector (ONS SIC2007 classification)

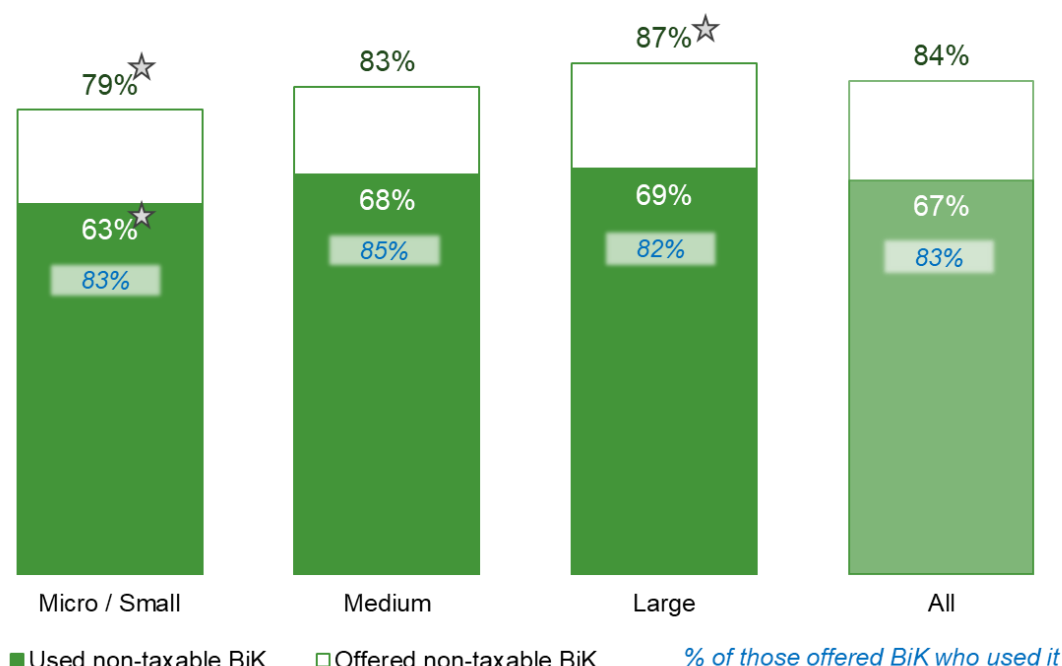


A1-A4: see Appendix 3 for question text. Unweighted Base: Professional, Scientific & Technical (80), Information & Communication (58), Finance, Insurance & Real Estate (61), Accommodation & Food Service (82), Arts, Entertainment & Other Services (57), Agriculture, Mining & Utilities (61), Wholesale & Retail (177), Manufacturing (102), Public Administration & Defence (58), Transport & Storage (70), Unknown (81), Construction (76), Human Health & Social Work (164), Education (144), Administrative & Support Services (257), All Sectors (1,528). For blue figures, base sizes vary.

Organisation size

There were also some differences in non-taxable BiK prevalence by size of employing organisation, as shown in Figure 3.4. Employees at micro or small companies (as defined in Appendix 1) were less likely to be offered non-taxable BiKs (79%) or to have used them in the last 12 months (63%) than others. Those working at large organisations were more likely to be offered non-taxable BiKs, by a small margin (87%, compared to an average of 84% across all employees).

Figure 3.4 Proportion of employees offered and using non-taxable BiKs, by size of organisation



A1-A4: see Appendix 3 for question text. Unweighted Base: Micro / Small (431), Medium (219), Large (878), All (1,528). For blue figures, base sizes vary.

Pay Band (9 Months)

Generally, non-taxable BiKs were more likely to be offered to those on higher levels of pay. Table 3.1 shows the distribution of BiKs offered and used by pay band (over 9 months).

It is important to note that the pay shown relates only to the specific employment shown in the sample record obtained from HMRC and asked about in the survey (i.e. it does not include income from other jobs or other sources). For this research, pay bands were based on the amount of pay an employee received between April and December 2017 for a specific job, in which they were employed as of December 2017. This figure usually represents nine months' worth of pay, although if the job started during the time period, the pay shown will cover only part of that period of time.

Close to three quarters (73%) of those paid less than £7,500 in 9 months (likely to be part time or casual workers, since this is equivalent to less than the full time minimum wage) were offered any non-taxable BiKs, rising to nearly all of those at the top end of the income scale (94% among those paid £40,000 or more in 9 months).

Those in the higher pay bands were also substantially more likely to use the non-taxable BiKs that they were offered, with the result that a stronger link was seen between pay band (9 months) and usage of non-taxable BiKs than between pay band (9 months) and being offered non-taxable BiKs.

Table 3.1 Proportion of employees offered and using non-taxable BiKs, by wider pay band (9 months)

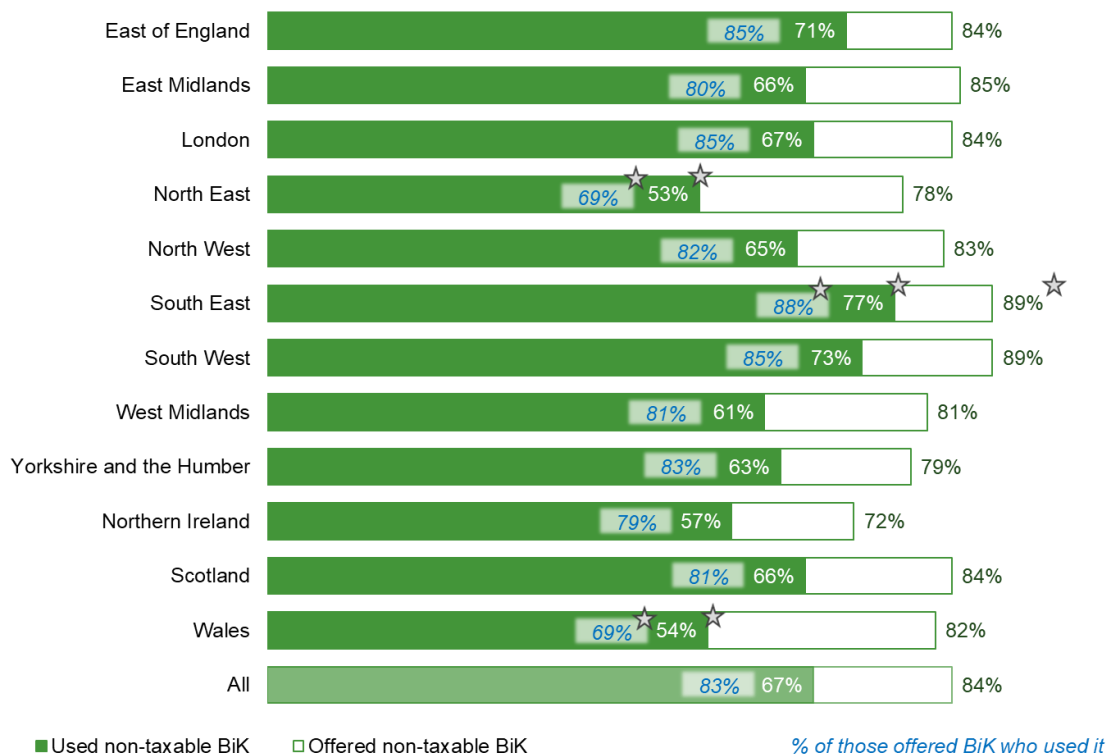
	Base	Offered BiK	Used BiK	% of those offered BiK who used it
Under £7,500	335	73%*	56%*	81%
£7,500 to £19,999	564	83%	61%*	76%*
£20,000 to £29,999	272	90%*	76%*	87%
£30,000 to £39,999	167	91%*	80%*	89%*
£40,000 or more	190	94%*	84%*	93%*
All	1,528	84%	67%	83%

A1-A4: see Appendix 3 for question text.

Region or Nation of residence

As shown in Figure 3.5, there was no clear pattern regarding being offered and usage of non-taxable BiKs by region. However, both proportions were higher than average in the South East (89% offered, 77% used), and the proportion that had used a non-taxable BiK in the last 12 months was lower in the North East (53%) and Wales (54%).

Figure 3.5 Proportion of employees offered and using non-taxable BiKs, by region or nation of residence

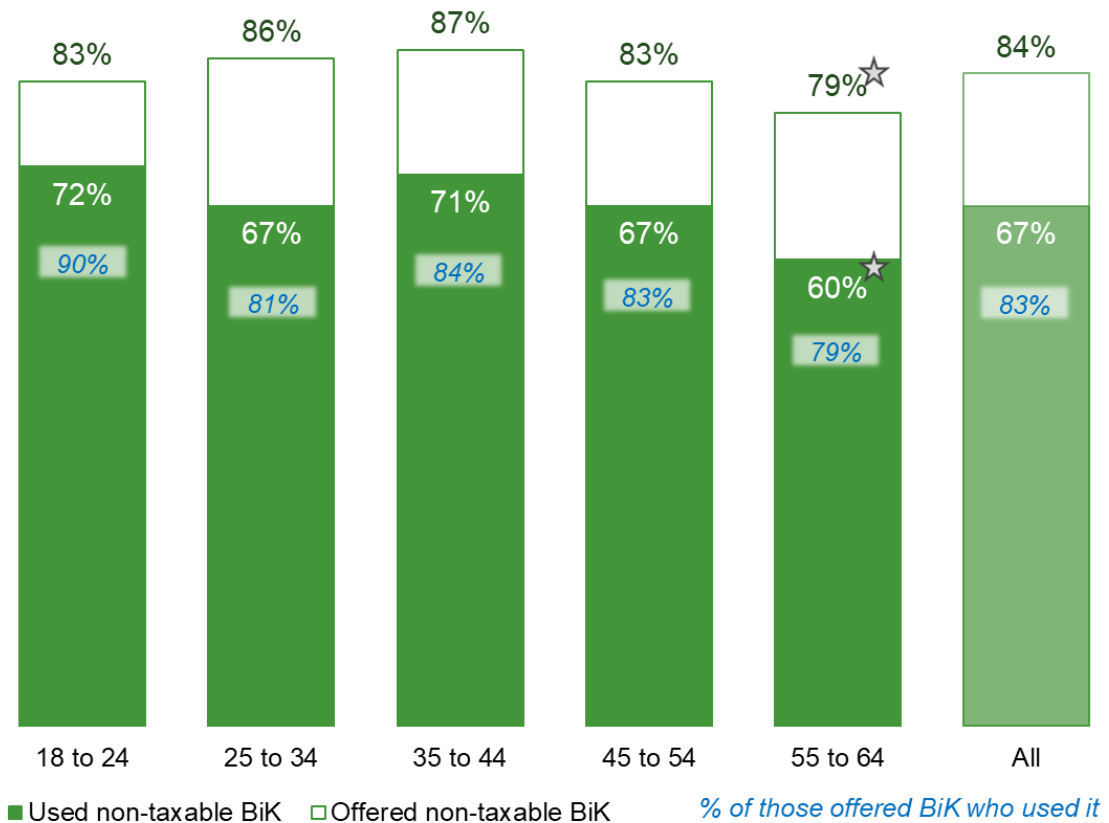


A1-A4: see Appendix 3 for question text. Unweighted Base: East of England (157), East Midlands (101), London (230), North East (52), North West (149), South East (227), South West (142), West Midlands (135), Yorkshire and the Humber (107), Northern Ireland (34), Scotland (125), Wales (69). For blue figures, base sizes vary.

Age Group

The distribution of 'being offered' and 'usage' of non-taxable BiKs was relatively flat by age group. The only age group showing different results was those aged 55 to 64, who had both a lower than average likelihood of being offered non-taxable BiKs (79%) and a lower than average likelihood of using them (60%).

Figure 3.6 Proportion of employees offered and using non-taxable BiKs, by age group



A1-A4: see Appendix 3 for question text. Unweighted Base: 18 to 24 (82), 25 to 34 (318), 35 to 44 (395), 45 to 54 (413), 55 to 64 (320), All (1,528). For blue figures, base sizes vary.

Some interesting details were identified in the relationship between BiK prevalence and age group and pay band. Population data shows that older employees tend to be paid more, and younger employees less. This is reflected in the weighted survey dataset; among those aged 18 to 24, 63% were in the under £7,500 pay band (9 months), and none in £40,000 or more pay band; meanwhile among those aged 55 to 64, fewer (18%) were in the under £7,500 pay band, and 17% in the £40,000 or more pay band. However, employees in higher pay bands are more likely to be offered and to use non-taxable BiKs, while older employees are less likely to be offered or to use them.

Figure 3.7 offers some insight into this, showing BiK prevalence rates by age for those earning more or less than £20,000 in 9 months separately. This reveals that between 90 and 93% of employees paid £20,000 or more in 9 months are offered non-taxable BiKs at all age groups. For employees paid less than £20,000 in 9 months, there is a notable reduction in the proportion offered non-taxable BiKs with age, falling to 70% being offered non-taxable BiKs (and 47% used) for employees aged 55 to 64.

Figure 3.7 Proportion of employees offered non-taxable BiKs, by age group and pay band (9 months)



A1-A4: see Appendix 3 for question text. Unweighted Base: Under 25 / Under £20,000 (73), 25 to 34 / Under £20,000 (200), 25 to 34 / £20,000 or more (118), 35 to 44 / Under £20,000 (224), 35 to 44 / £20,000 or more (171), 45 to 54 / Under £20,000 (228), 45 to 54 / £20,000 or more (185), 55 to 64 / Under £20,000 (174), 55 to 64 / £20,000 or more (146). Under 25 / £20,000 or more not shown due to small base size (9).

Gender

Finally, both male and female employees¹⁷ were equally likely to be offered non-taxable BiKs (84%); however, male employees were offered a larger number of non-taxable BiKs (an average of 4.5, compared with 4.0). In addition, female employees were slightly less likely to use BiKs (65% of all female employees, 80% of those female employees offered BiKs) than male employees (70% of all male employees, 85% of those male employees offered BiKs).

¹⁷ Inferred from 'title' data stored on HMRC RTI data where available. A proportion of employees are recorded with gender-neutral titles on the database (e.g. Dr.) and therefore could not be included in this analysis.

4 Most commonly used non-taxable BiKs

Introduction

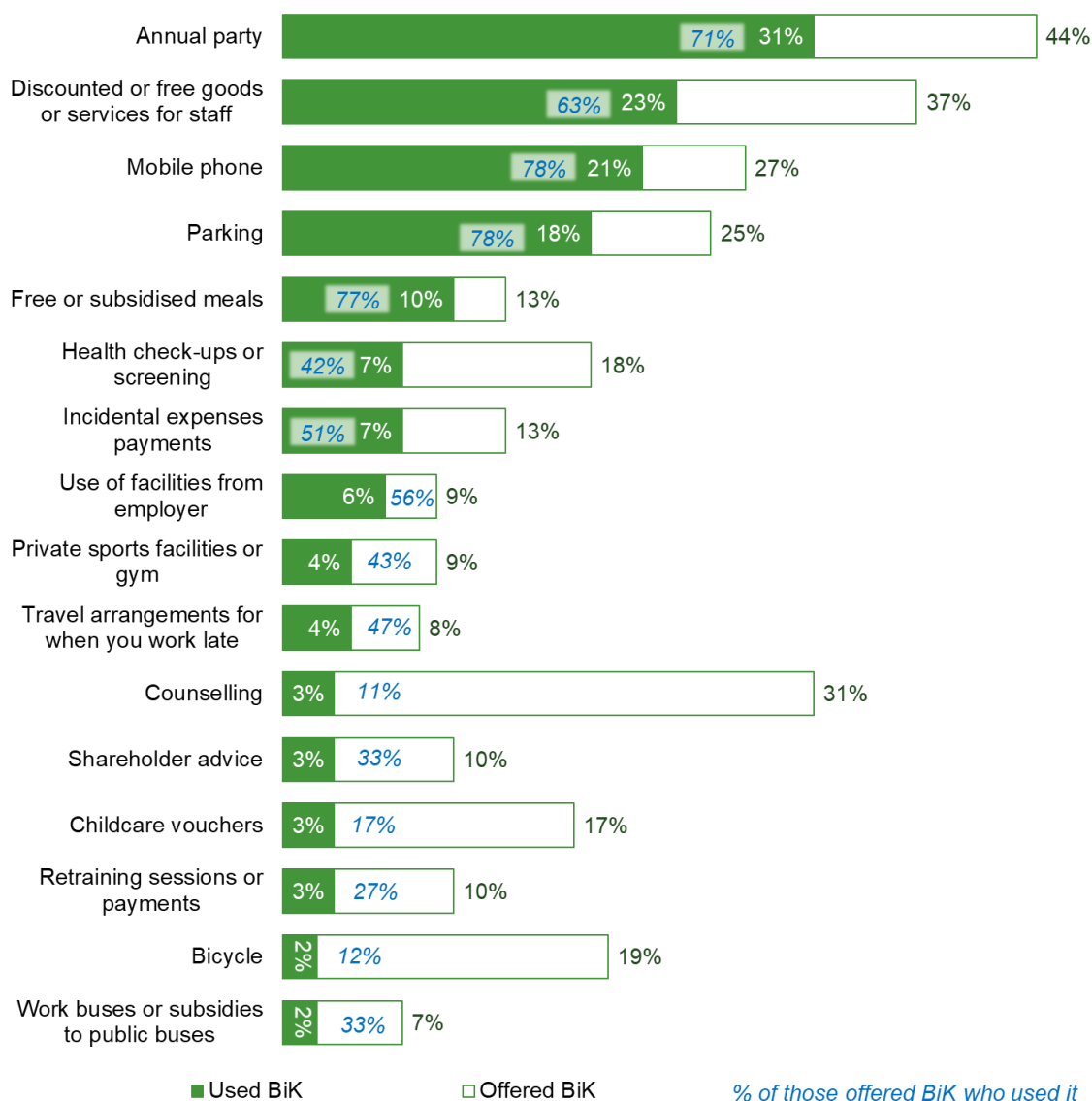
This chapter breaks down the findings regarding the prevalence of non-taxable BiKs by specific types of BiK, in order to give greater insight into their distribution and usage. Internal and external training are excluded throughout due to their widespread nature; figures for these are available in Appendix 2.

Commonly used non-taxable BiKs

The most commonly used non-taxable BiKs are shown in Figure 4.1.¹⁸ By far the most commonly offered and used non-taxable BiK was an annual party, offered to 44% of employees, and used by 31%. Free or discounted employer products or services (a marginal BiK at nil value) was the second most offered (37%) and used (24%), followed by mobile phones (offered to 27%, used by 21%) and parking (offered to 25%, used by 18%).

¹⁸ There are a number of other non-taxable BiKs that exist that have not been mentioned in this chapter due to very low incidence rates.

Figure 4.1 Proportion of employees offered and using specific non-taxable BiKs



A1-A4: see Appendix 3 for question text. Unweighted Base: All (1,528). For blue figures, base sizes vary.

Other commonly used non-taxable BiKs include free or subsidised meals at usual place of work (used by 10%), health screening or check-ups, and incidental overnight expenses (both used by 7%), although health screening or check-ups were offered to nearly a fifth of employees (18%).

In addition, a small number of non-taxable BiKs were found to be widely offered, but rarely used. Counselling was offered to nearly a third (31%) of all employees, but only 3% of employees stated that they had used them in the last 12 months. However, given its potentially sensitive nature, it is possible that its usage is under-reported. Additionally, it is likely that only a relatively small proportion of staff need to access the counselling services they are offered in a 12 month period.

Similarly, but to a lesser extent, bicycles (19%) and childcare vouchers (17%) were offered to just under a fifth of employees, but they were used by only 2% and 3% respectively, over the last 12 months. For childcare vouchers, this low rate of usage may reflect that only a certain percentage of employees in the workforce would be expected to have young children at any one time.

In addition to the non-taxable BiKs shown in the chart above, there were six rare non-taxable BiKs used by 1% or fewer of employees, and therefore not shown in Figure 4.1 (medical help while outside UK (1%); free childcare provision on your employer's property (less than 0.5%); free childcare provision off-site (less than 0.5%); living accommodation (1%); support for commuting for disabled people (less than 0.5%); and loans (1%).

Top non-taxable BiKs

This section examines the usage of certain non-taxable BiKs in more detail. Given the volume of data that could be presented on each non-taxable BiK, we have focused on the top five non-taxable BiKs by usage in particular. Analysis of all other non-taxable BiKs with a sufficient base size are included in the Appendix.

Top five non-taxable BiKs by usage:

- Annual party
- Free or discounted employer products or services
- Mobile phone
- Parking
- Free or subsidised meals at usual place of work

Non-taxable BiKs included in appendix 2 (with sufficient base size for analysis):

- Health screenings or check-ups
- Incidental overnight expenses
- Free access to employer facilities
- Private sports facilities or gym
- Work-to-home travel when working late
- Childcare vouchers
- Counselling
- Bicycle

For each of these BiKs, the proportions offered and using the BiK were analysed across a range of variables including:

- Sector
- Business size
- Pay band
- Age
- Gender

Findings have been referred to in the text where these are statistically significant (which may not be the case across each of the variables).

Top non-taxable BiKs: No. 1 - Annual Party

The annual party BiK was offered to 44% of employees, and used by 31% of all employees within the past 12 months, a usage rate of 71% among those offered it. This was the non-taxable BiK most likely to be used by employees.

Proportions offered and used by sector

As shown in Table 4.1, variation in provision of annual parties was found to be primarily by sector; in particular, 'white collar' sectors (*Professional, Scientific & Technical* (75% offered, 61% used), *Finance* (59% offered, 45% used), *Information & Communications* (73% offered, 58% used) were most likely to provide an annual party. However, this did not extend to activities associated with the public sector (*Public Administration & Defence* (15% offered, 7% used), *Education* (21% offered, 11% used), *Human Health & Social Work* (36% offered, 23% used), where the proportions offered this BiK were very low.

Proportion offered and used by age band

There was some variation by age band. Employees in the 25 to 34 age band were both more likely to be offered (49%) and to attend (37%) the annual party than other employees.

Proportions offered and used by pay band (9 months)

There was also some variation by pay band, with a higher proportion of those paid £40,000 or more being offered (61%) or attending (48%) the annual party than lower paid employees.

Proportions offered and used by business size

Employees of large organisations were less likely to be offered (40%) or attend (25%) the annual party than other employees.

Proportions offered and used by gender

There were no significant differences in whether employees were offered or attended the annual party by gender.

Table 4.1 Annual Party BiK: Prevalence in key sub-groups

Sector (SIC2007)	<i>Base</i>	Offered	Used	Age	<i>Base</i>	Offered	Used
Agriculture, Mining & Utilities	61	59%*	41%	18 to 24	82	49%	37%
Manufacturing	102	48%	36%	25 to 34	318	49%*	37%*
Construction	76	36%	28%	35 to 44	395	45%	31%
Wholesale & Retail	177	52%*	36%	45 to 54	413	43%	31%
Transport & Storage	70	33%	16%*	55 to 64	320	35%*	21%*
Accom. & Food Service	82	54%	40%	Pay Band (9 months)	<i>Base</i>	Offered	Used
Information & Comms.	58	73%*	58%*	Under £7,500	335	35%*	24%*
Finance & Insurance, etc.	61	59%*	45%*	£7,500 to £19,999	564	42%	29%
Professional & Technical, etc.	80	75%*	61%*	£20,000 to £29,999	272	49%	35%
Admin. & Support Services	257	36%*	23%*	£30,000 to £39,999	167	50%	33%
Public Admin. & Defence	58	15%*	7%*	£40,000 or more	190	61%*	48%*
Education	144	21%*	11%*	Organisation size	<i>Base</i>	Offered	Used
Human Health & Social Work	164	36%*	23%*	Small / Micro	431	48%	38%*
Arts, Ents. & Other Services	57	60%*	48%*	Medium	219	56%*	43%*
Unknown	81	35%	25%	Large	878	40%*	25%*
				Gender	<i>Base</i>	Offered	Used
				Female	778	45%	31%
All sectors	1,528	44%	31%	Male	732	44%	32%

A1-A4: see Appendix 3 for question text.

Top non-taxable BiKs: No. 2 - Free or discounted employer products or services

In total, 37% of employees were offered this BiK, although only 23% of all employees had used it in the last 12 months. This was the second most likely non-taxable BiK to be used by employees.

Specific benefits offered varied widely by the nature of organisation providing them; some of the most common are shown in Figure 4.2. Most often, subsidised travel was offered (13% of employees). There were also many services - offered to 1% or fewer employees – which are not shown below, such as access to visitor attractions, or shoes/clothing. Some respondents did not provide sufficient detail to classify the product or service they received (2%).

Figure 4.2 Proportion of employees that were offered free or discounted employer products or services



A2K: You said your employer offers some form of discount or special deal on their own products or services, or those of linked companies, or offers some for free. Could you briefly describe what that involves, whether or not you actually take advantage of it? Unweighted Base: 1,528

Proportions offered and used by sector

Looking generally at the distribution of free or discounted employer products or services, shown in Table 4.2, they were quite specific to certain sectors, such as *Arts, Entertainment & Other Services* (53% offered, 43% used), *Wholesale & Retail* (62% offered, 49% used) and *Accommodation & Food Service* (74% offered, 59% used). In some other sectors this BiK was rare – for example *Human Health & Social Work* (14% offered, 7% used), *Administrative & Support Services* (20% offered, 10% used) and *Construction* (21% offered, 7% used).

Proportions offered and used by age band

Notably, free or discounted employer products or services seemed to be more commonly offered to younger age groups; more than half (56%) of those aged 18 to 24 are offered this BiK, compared to just over a quarter (29%) of those aged 55 to 64. This may in part be due to the age distribution of staff within those sectors which provide this BiK.

Proportions offered and used by pay band (9 months)

Similarly, this BiK was particularly offered to lower paid employees (44% under £7,500), more so than highly paid employees, which could be linked to the age trend seen above. This is an unusual distribution, with most other BiKs showing the reverse pattern.

Proportions offered and used by size band

This BiK was more likely to be offered to (42%) and used by (26%) employees working for larger employers than other employees.

Proportions offered and used by gender

There were no significant differences in whether employees were offered or used free or discounted employer products or services by gender.

Table 4.2 Free or discounted employer products or services: Prevalence in key sub-groups

Sector (SIC2007)	Base	Offered	Used	Age	Base	Offered	Used
Agriculture, Mining & Utilities	61	30%	21%	18 to 24	82	56%*	40%*
Manufacturing	102	36%	21%	25 to 34	318	42%	26%
Construction	76	21%*	7%*	35 to 44	395	39%	24%
Wholesale & Retail	177	62%*	49%*	45 to 54	413	29%*	16%*
Transport & Storage	70	43%	28%	55 to 64	320	29%*	18%*
Accom. & Food Service	82	74%*	59%*	Pay Band (9 months)	<i>Base</i>	Offered	Used
Information & Comms.	58	36%	23%	Under £7,500	335	44%*	30%*
Finance & Insurance, etc.	61	33%	17%	£7,500 to £19,999	564	33%*	21%
Professional & Technical, etc.	80	28%	15%	£20,000 to £29,999	272	35%	20%
Admin. & Support Services	257	20%*	10%*	£30,000 to £39,999	167	41%	25%
Public Admin. & Defence	58	32%	12%*	£40,000 or more	190	36%	21%
Education	144	32%	11%*	Organisation size	<i>Base</i>	Offered	Used
Human Health & Social Work	164	14%*	7%*	Small / Micro	431	33%*	22%
Arts, Ents. & Other Services	57	53%*	43%*	Medium	219	28%*	17%*
Unknown	81	40%	23%	Large	878	42%*	26%*
				Gender	<i>Base</i>	Offered	Used
				Female	778	37%	24%
All sectors	1,528	37%	24%	Male	732	37%	22%

A1-A4: see Appendix 3 for question text.

Top non-taxable BiKs: No. 3 - Mobile phone

Employer-provided mobile phones were offered to 27% of employees, and used by 21%. This was the third most likely non-taxable BiK to be used by employees.

There was a strong link between provision of mobile phones by employers and pay band, as shown in Table 4.3. Those paid less (in 9 months) than £7,500 were highly unlikely to be provided with a mobile phone, and the proportion of employees offered and using employer-provided mobile phones rose steadily with pay. Those aged 18 to 24 years were less likely to be offered or to use a mobile phone, while those in the 45-54 age band were more likely. Therefore, again, it is possible that the age and pay trends seen here are linked.

Proportions offered and used by sector

This BiK was also more likely to be offered within 'white collar' sectors such as *Information & Communication* (50% offered, 39% used), *Professional, Scientific & Technical* (50% offered, 37% used), and *Finance, Insurance & Real Estate* (48% offered, 40% used). Those in *Education* (18% offered, 13% used) and *Accommodation & Food Service* (15% offered, 12% used) were particularly unlikely to receive a mobile phone from their employer.

Proportions offered and used by age band

Those employees in the 45 to 54 age band (31% offered, 26% used) were more likely to be offered and to use mobile phones than those employees in other age bands. Additionally, those in the 18-24 age band (14% offered, 10% used) were less likely than average to be offered and to use mobile phones.

Proportions offered and used by pay band (9 months)

Mobile phones were particularly likely to be offered to and used by higher paid employees (over 9 months) (61% over £40,000 offered, 50% over £40,000 used); proportions offered and using this BiK increase consistently as pay band increases.

Proportions offered and used by size band

Those working for smaller employers were also less likely (23%) to be offered mobile phones.

Proportions offered and used by gender

Additionally, mobile phones were much less likely to be offered to female employees (22%) than male employees (33%), and more likely to be used by male employees (27%).

Table 4.3 Mobile phone BiK: Prevalence in key sub-groups

Sector (SIC2007)	<i>Base</i>	Offered	Used	Age	<i>Base</i>	Offered	Used
Agriculture, Mining & Utilities	61	32%	27%	18 to 24	82	14%*	10%*
Manufacturing	102	31%	27%	25 to 34	318	25%	18%
Construction	76	38%*	33%*	35 to 44	395	31%	24%
Wholesale & Retail	177	24%	17%	45 to 54	413	31%*	26%*
Transport & Storage	70	34%	27%	55 to 64	320	29%	24%
Accom. & Food Service	82	15%*	12%*	Pay Band (9 months)	<i>Base</i>	Offered	Used
Information & Comms.	58	50%*	39%*	Under £7,500	335	11%*	9%*
Finance & Insurance, etc.	61	48%*	40%*	£7,500 to £19,999	564	21%*	14%*
Professional & Technical, etc.	80	50%*	37%*	£20,000 to £29,999	272	33%*	27%*
Admin. & Support Services	257	18%*	16%*	£30,000 to £39,999	167	44%*	36%*
Public Admin. & Defence	58	25%	16%	£40,000 or more	190	61%*	50%*
Education	144	18%*	13%*	Organisation size	<i>Base</i>	Offered	Used
Human Health & Social Work	164	22%	15%*	Small / Micro	431	23%*	20%
Arts, Ents. & Other Services	57	29%	23%	Medium	219	29%	24%
Unknown	81	20%	17%	Large	878	29%	21%
				Gender	<i>Base</i>	Offered	Used
				Female	778	22%*	17%
All sectors	1,528	27%	21%	Male	732	33%*	27%*

A1-A4: see Appendix 3 for question text.

Top non-taxable BiKs: No.4 - Parking

Parking at work was offered to 25% of employees and used by 18% overall. This was the fourth most likely non-taxable BiK to be used by employees.

Proportions offered and used by sector

It was found to be particularly widespread in 'white collar' occupations (e.g. Information & Communications (40% offered, 38% used), Finance, Insurance & Real Estate (39% offered, 24% used), Professional, Scientific and Technical (39% offered, 30% used), including those associated with the public sector (Public Administration and Defence (42% offered, 27% used), and also in Manufacturing (36% offered, 32% used), as shown in Table 4.4.

Proportions offered and used by age band

Generally, there was no particular trend by age group, although those aged 45 to 54 (45% offered, 37% used) were more likely than average to have used this BiK.

Proportions offered and used by pay band (9 months)

There was a marked difference between the highest and lowest pay bands; 45% of those earning £40,000 or more (in 9 months) were offered parking, compared to 9% of those earning less than £7,500.

Proportions offered and used by size band

Large organisations were particularly likely (31%) to offer parking to employees, compared to 12% of smaller organisations, most likely due to the larger size of workplaces.

Proportions offered and used by gender

Parking was less likely to be offered to female employees (22%) than male employees (28%).

Proportions offered and used by region

Parking was more likely than average to be offered in the East Midlands (35%), the West Midlands (29%) and the South East (29%) than it was offered in London (20%) and the South West (19%).

Table 4.4 Parking BiK: Prevalence in key sub-groups

Sector (SIC2007)	<i>Base</i>	Offered	Used	Age	<i>Base</i>	Offered	Used
Agriculture, Mining & Utilities	61	29%	27%	18 to 24	82	23%	12%
Manufacturing	102	36%*	32%*	25 to 34	318	25%	17%
Construction	76	27%	25%	35 to 44	395	26%	18%
Wholesale & Retail	177	21%	17%	45 to 54	413	27%	24%*
Transport & Storage	70	33%	26%	55 to 64	320	21%	17%
Accom. & Food Service	82	15%*	10%*	Pay Band (9 months)	<i>Base</i>	Offered	Used
Information & Comms.	58	40%*	38%*	Under £7,500	335	9%*	5%*
Finance & Insurance, etc.	61	39%*	24%	£7,500 to £19,999	564	24%	18%
Professional & Technical, etc.	80	39%*	30%*	£20,000 to £29,999	272	32%*	24%*
Admin. & Support Services	257	17%*	11%*	£30,000 to £39,999	167	31%*	24%
Public Admin. & Defence	58	42%*	27%	£40,000 or more	190	45%*	37%*
Education	144	25%	18%	Organisation size	<i>Base</i>	Offered	Used
Human Health & Social Work	164	20%	13%*	Small / Micro	431	12%*	11%*
Arts, Ents. & Other Services	57	12%*	6%*	Medium	219	24%	20%
Unknown	81	5%*	3%*	Large	878	31%*	22%*
				Gender	<i>Base</i>	Offered	Used
				Female	778	22%*	15%*
All sectors	1,528	25%	18%	Male	732	28%*	23%*

A1-A4: see Appendix 3 for question text.

Top non-taxable BiKs: No.5 - Free or subsidised meals at usual place of work

Free or subsidised meals at usual place of work were offered to 13% of employees in the UK, and used by 10%. This was the fifth most likely non-taxable BiK to be used by employees.

Proportions offered and used by sector

There are some notable sector variations; as shown in Table 4.5. *Accommodation & Food Service* employees were much more likely both to be offered (23%) and to use (17%) this BiK, even though it relates specifically to meals provided in a setting which is *not* open to the public. Very few employees in *Construction* (5% offered, 2% used) or *Administrative & Support Services* (5% offered, 4% used) benefitted from free or subsidised meals.

Proportions offered and used by age band

There were no significant differences by age band.

Proportions offered and used by pay band (9 months)

There was found to be a modest link with pay levels (over 9 months) – specifically that employees earning under £20,000 (in 9 months) were significantly less likely than average to be offered free or subsidised meals. It should be borne in mind that the lowest pay band (under £7,500 in 9 months) is likely to consist mostly of part time employees, including those carrying out shift work, who might not spend meal times at their workplace.

Proportions offered and used by size band

A strong link with the size of organisation was found, with larger organisations much more likely (17% offered, 13% used) to provide this than average. This might be explained by the high cost per employee of providing this BiK to a small workforce (7% offered, 5% used).

Proportions offered and used by gender

There were no significant differences by gender.

Table 4.5 Free or subsidised meals at usual place of work BiK: Prevalence in key sub-groups

Sector (SIC2007)	<i>Base</i>	Offered	Used	Age	<i>Base</i>	Offered	Used
Agriculture, Mining & Utilities	61	8%	8%	18 to 24	82	15%	11%
Manufacturing	102	10%	7%	25 to 34	318	15%	13%
Construction	76	5%*	2%*	35 to 44	395	14%	10%
Wholesale & Retail	177	14%	10%	45 to 54	413	10%	8%
Transport & Storage	70	11%	9%	55 to 64	320	11%	10%
Accom. & Food Service	82	23%*	17%*	Pay Band (9 months)	<i>Base</i>	Offered	Used
Information & Comms.	58	16%	14%	Under £7,500	335	8%*	6%*
Finance & Insurance, etc.	61	11%	9%	£7,500 to £19,999	564	16%*	11%
Professional & Technical, etc.	80	13%	13%	£20,000 to £29,999	272	13%	10%
Admin. & Support Services	257	5%*	4%*	£30,000 to £39,999	167	12%	9%
Public Admin. & Defence	58	20%	15%	£40,000 or more	190	16%	15%*
Education	144	14%	11%	Organisation size	<i>Base</i>	Offered	Used
Human Health & Social Work	164	14%	9%	Small / Micro	431	7%*	5%*
Arts, Ents. & Other Services	57	15%	15%	Medium	219	12%	10%
Unknown	81	13%	9%	Large	878	17%*	13%*
				Gender	<i>Base</i>	Offered	Used
				Female	778	14%	11%
All sectors	1,528	13%	10%	Male	732	12%	9%

A1-A4: see Appendix 3 for question text.

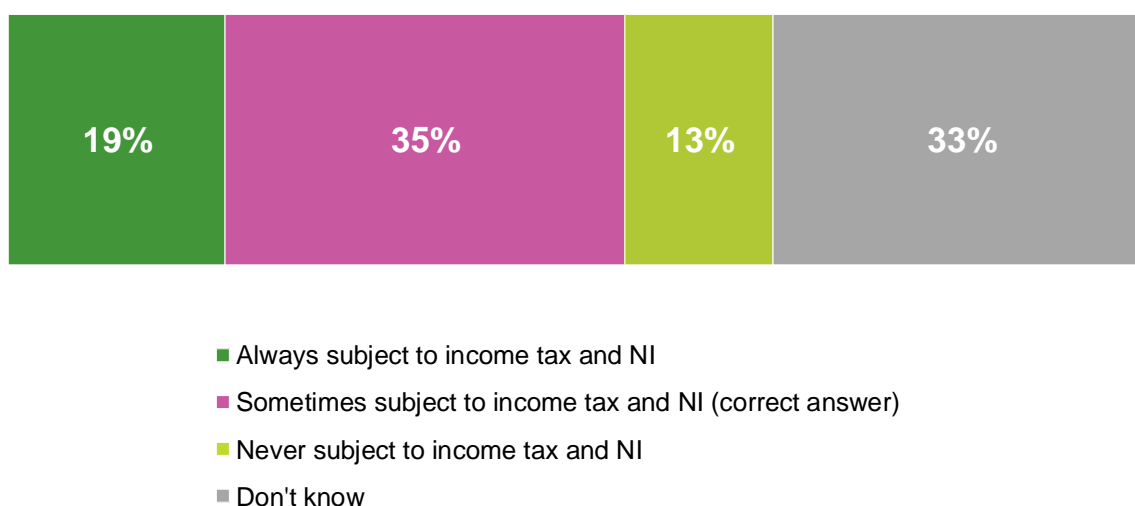
5 Understanding and perceptions of BiKs

This section explores the employee understanding of the taxation status of BiKs, including which BiKs they understand to be taxable, and which they understand to be non-taxable. In addition, for those who receive non-taxable BiKs, it explores the perceived value, views on and satisfaction of employees with them.

Taxable status of BiKs

As shown in Figure 5.1, employees' understanding of the taxation of BiKs was mixed. Around a third (35%) of employees correctly identified that benefits and perks provided by employers were *sometimes* subject to income tax and national insurance. A similar proportion (33%) simply stated that they did not know as to whether they are never, sometimes or always subject to income tax and national insurance. The remaining employees misunderstood the taxation, with 19% believing that BiKs are always subject to income tax and national insurance and 13% stating that this is never the case.

Figure 5.1 Employee understanding of taxation on BiKs



B1: Thinking in general about benefits and perks provided by employers to employees, do you think that they are: Always subject to income tax and national insurance, never subject to income tax and national insurance or sometimes subject to income tax and national insurance? Unweighted base: all eligible for long survey (1,150)

There were some key variations in understanding by sector. The correct understanding that BiKs are *sometimes* subject to income tax and national insurance was higher amongst employees in sectors such as Professional, Scientific and Technical (60%) and Finance, Insurance and Real Estate (54%). Employees in certain sectors were more likely to state that they did not know the extent to which BiKs are taxed, including Accommodation and Food Service (46%) and Health and Social Work (42%). Employees in certain sectors were more likely to believe that BiKs are *always* subject to income tax and national insurance (See Appendix 2 for further information).

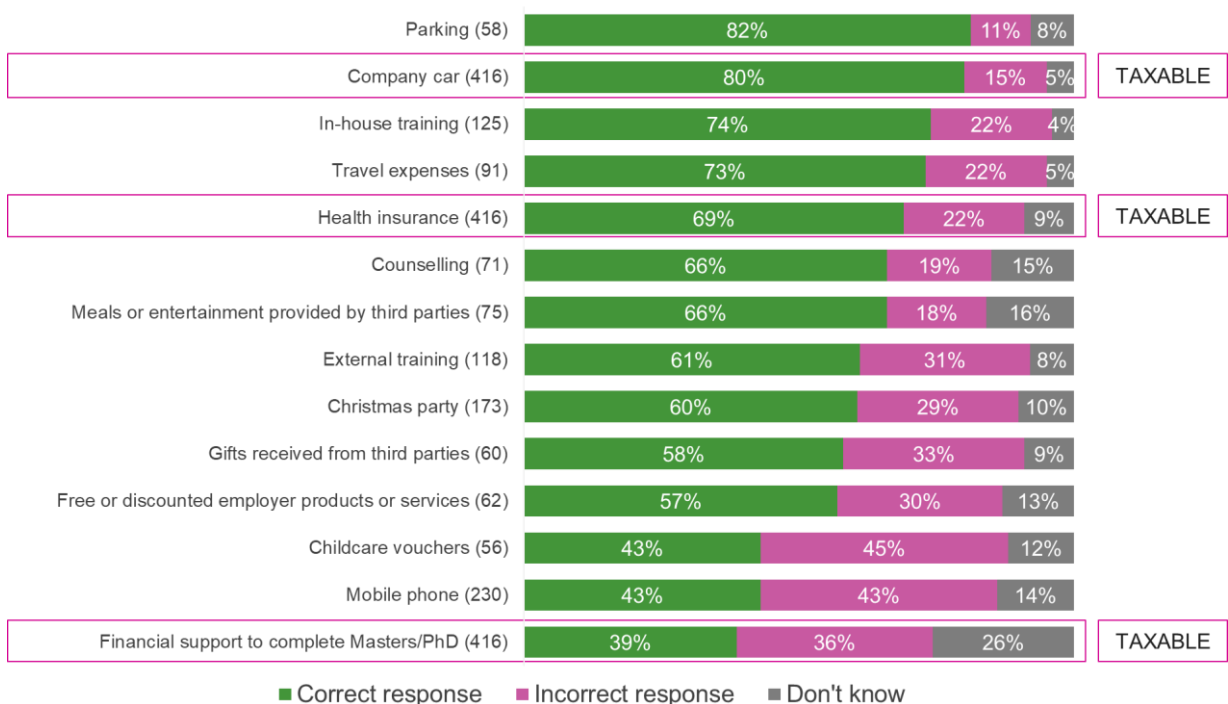
Employees working at micro or small employers were less likely to correctly identify that BiKs are *sometimes* subject to income tax and national insurance (30% compared with 35% overall). In particular, they were more likely to hold the misconception that BiKs are *always* subject to income tax (24% compared with 19% overall). Employees at medium sized organisations were also more likely to think this (26%), whereas only 15% of employees at large organisations did so.

There was a clear trend by pay band (9 months): employees in higher pay bands were more likely to correctly identify that BiKs are *sometimes* subject to income tax and national insurance (57% of those that earn £40,000 or more in 9 months). Contrastingly, those who earned less than £7,500 were more likely to state that they don't know to what extent BiKs are taxed (43%).

Evidence showed that, perhaps unsurprisingly, among those offered or using a larger number of non-taxable BiKs, there was a greater understanding of the taxation status of BiKs. Employees who were only offered one non-taxable BiK had a lesser understanding than average (45% didn't know and 15% stated *sometimes*). Conversely, those who were offered more non-taxable BiKs were less likely than average to answer don't know (24% for those offered 6 to 10 non-taxable BiKs, and 24% for those offered 11 to 15) and more likely than average to state that they are *sometimes* subject to income tax and national insurance (46% for those offered 11 to 15 non-taxable BiKs, and 49% for those offered 11 to 15).

All employees who correctly identified that some BiKs are taxed and some are not were presented with eight different BiKs to then indicate their understanding of the taxation of the specific BiK. It is clear from the research that the level of understanding regarding whether BiKs are taxable or not varies depending on the particular 'benefit' in question: parking was correctly identified as non-taxable by the majority (82%) of employees who knew that BiKs are *sometimes* subject to income tax and national insurance, but mobile phones were almost equally likely to be incorrectly identified as taxable (43%) as they were to be correctly identified as non-taxable (43%). Figure 5.2 details these alongside other BiKs that were asked of over 50 employees¹⁹.

Figure 5.2 Level of awareness of whether particular BiKs are taxable or not



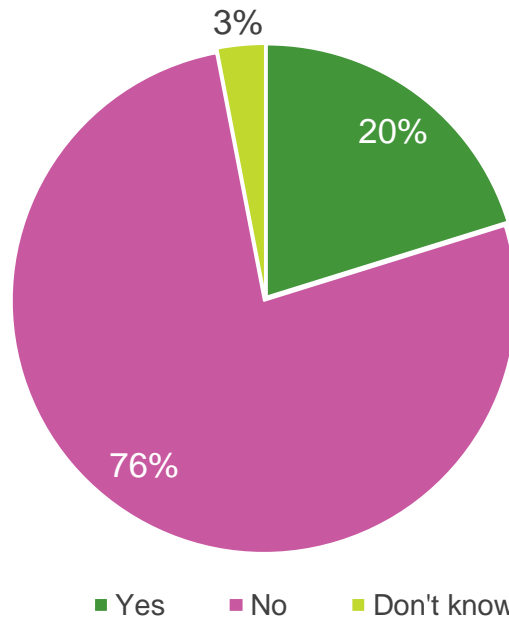
B2: Which of the following items do you think income tax and national insurance might apply to? Unweighted base: all who think some BiKs are taxable and some are not (416)

¹⁹ The questionnaire also asked about work uniforms; however, it was determined at analysis stage that there are circumstances in which work uniforms may be non-taxable, and therefore the question could not be reliably attributed a 'correct' answer.

Views on whether non-taxable BiKs are part of pay package

A fifth (20%) of employees who used one or more non-taxable BiKs stated that they viewed it as part of their pay package.

Figure 5.3 Whether non-taxable BiKs are regarded as part of a pay package

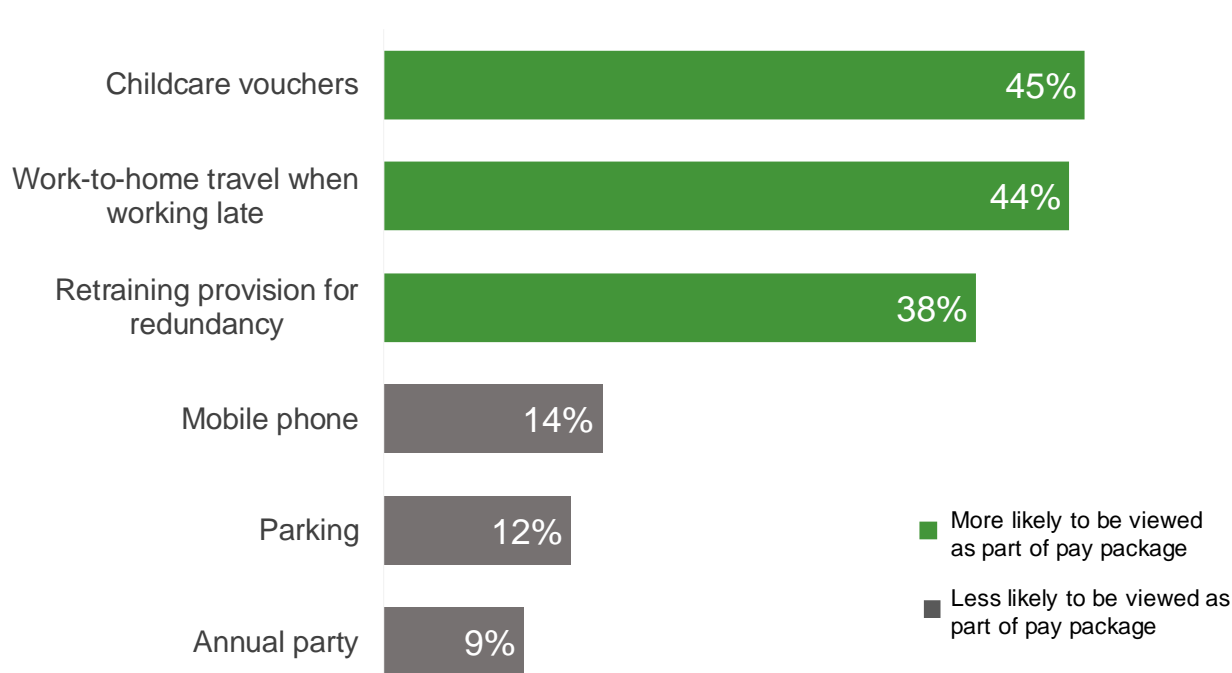


C1: Do you see <BiK> as part of your pay package? Unweighted base: All BiKs asked about (1,583)

Certain non-taxable BiKs were more likely to be considered as part of a pay package than others. Almost half of those using childcare vouchers and work-to-home travel when working late (45% and 44% respectively) and 38% of those receiving retraining provision for redundancy viewed them as part of their pay package. There were some non-taxable BiKs that were significantly less likely than average to be viewed as part of employees' pay package. These were annual party, parking and mobile phones (9%, 12% and 14% respectively perceived them as part of their pay package).

Figure 5.4 details the non-taxable BiKs which were most and least likely to be considered part of the respondent's pay package.

Figure 5.4 Non-taxable BiKs most and least likely to be viewed as part of a pay package



C1: Do you see <BiK> as part of your pay package? Unweighted base: All BiKs asked about (1,583)

Employees working in the Construction (33%) and Accommodation and Food Service (29%) sectors were more likely to view the non-taxable BiKs they receive as part of their pay package. Whereas, those in Wholesale and Retail were less likely to view them as part of their pay package (14%).

Certain occupations were also less likely to view the non-taxable BiKs they receive as part of their pay package such as: Science, Engineering and Technology Associate Professionals (5%), those working in Customer Service occupations (6%) and Business and Public Service Associate Professionals (13%). Contrastingly, those working in Elementary Administration and Service Occupations were more likely to view non-taxable BiKs as part of their pay package (31%).

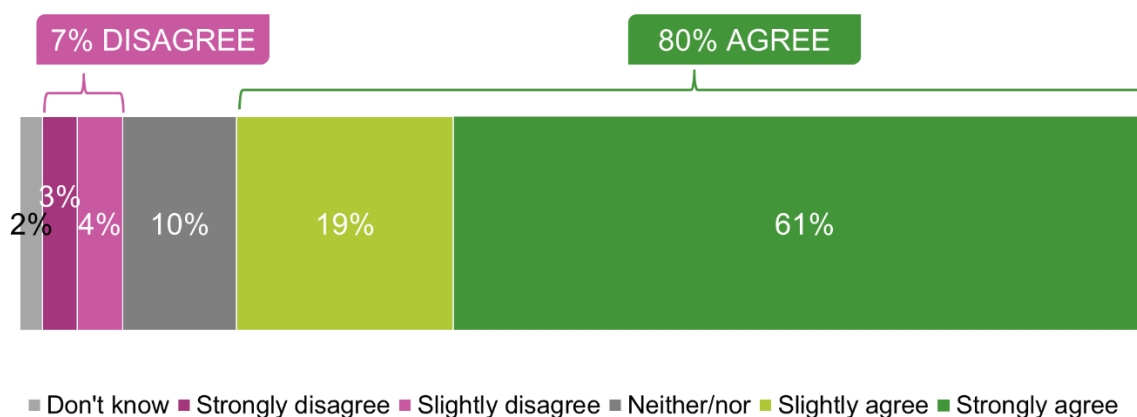
Employees working at larger organisations were more likely to feel that the non-taxable BiKs they received were part of their pay package: over a fifth (22%) of these employees stated this, whereas, only 73% felt that it was not part of their package. This compares with 81% of those working at medium-sized and micro or small organisations who felt it was not part of their pay package.

At a regional level, employees who worked in Northern Ireland and the North East of England were more likely to perceive the non-taxable BiKs they receive to be part of their pay package (41% and 39% respectively compared with 20% at an overall level).

In terms of pay, there were no differences in perceptions of non-taxable BiKs as part of a pay package. There were also no differences by gender, age and ethnicity.

Eight in ten (80%) employees agreed that they would expect the non-taxable BiKs that they receive to be provided by similar employers to employees in a similar role. Most of those that agreed, strongly agreed (61% of employees). A significant minority (7%) disagreed with this statement, and 3% stated that they strongly disagreed that they would expect an employer to offer this. This is detailed further in Figure 5.5.

Figure 5.5 Expectation of receiving non-taxable BiKs from similar employers to similar roles



C3: Thinking about <BiK>, to what extent do you agree or disagree that you would expect a similar employer to yours to provide this in a similar role to yours? Unweighted base: All BiKs asked about (1,583)

There were two sectors which were less likely to strongly agree that they would expect non-taxable BiKs in a similar role to theirs; Agriculture, Mining, Public Utilities (48%) and Accommodation and Food Service (49%), compared with 61% overall.

There were a number of sectors, that when compared to the average, were more likely to strongly agree that they would expect non-taxable BiKs in a similar role to theirs:

- Transport and Storage (71%);
- Education (67%);
- Human Health and Social Work (66%);
- Information and Communication (65%); and
- Administrative and Support Services (64%).

Employees working at a large organisation were more likely than those working at a micro or small organisation (63% compared with 56%) to strongly agree that they would expect this in a similar role to theirs from a similar employer to theirs.

In addition, those in the highest pay band (9 months) of £40,000 were more likely to state this than those earning under £7,500 and £7,500 to £19,999 in 9 months (67% compared with 57% and 59% respectively).

Employees that worked in the West Midlands and South East were also more likely to strongly agree that they would expect this in a similar role to theirs (71% and 69% respectively compared with 61% overall).

There were a number of occupations more likely to strongly agree that they would expect this in a similar role to theirs from a similar employer to theirs; Health Professionals (73%), Teaching and Educational Professionals (73%) and Business and Public Service Associate Professionals (72%). Contrastingly those in Administrative Occupations were less likely to strongly agree that they would expect this in a similar role to theirs from a similar employer to theirs (47% compared with 61%

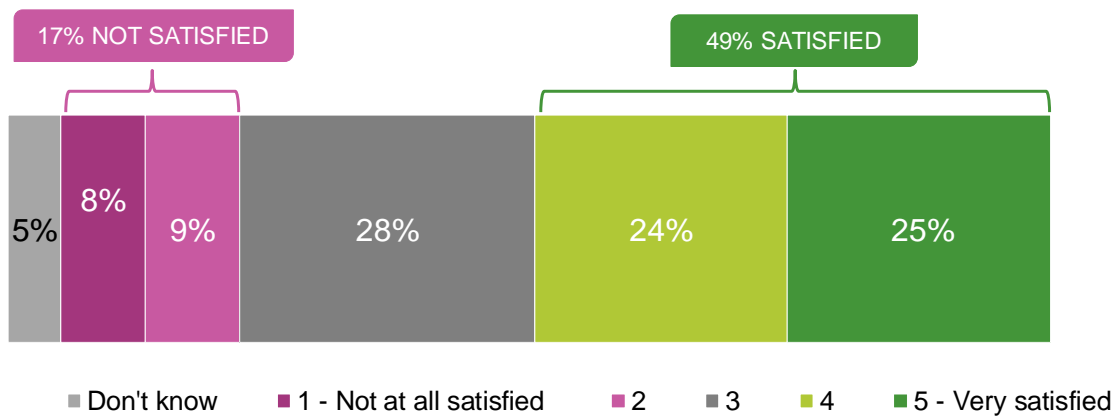
overall). Overall, younger employees were more likely to agree that they would expect the specific BiK in a similar role to theirs (89% of those aged 18 to 24).

However, there were no differences by gender and ethnicity with regards to this statement.

Satisfaction with non-cash benefits

Around half (49%) of all employees who receive non-taxable BiKs were satisfied with them. Figure 5.7 breaks this down in more detail.

Figure 5.6 Satisfaction with non-cash benefits received



D7: Overall, on a scale of 1 to 5, where 1 is not at all satisfied and 5 is very satisfied, how satisfied are you with the non-cash benefits you receive as part of your pay package? Unweighted base: All employees who used BiKs (1,150)

Employees who received the following BiKs gave a score of 4 or 5 out of 5 (very satisfied) for overall satisfaction with the non-cash benefits they receive, higher than the average proportion of respondents:

- Subsidised buses (76%)²⁰;
- Childcare vouchers (69%);
- Shareholder advice (69%);
- Mobile phone (58%);
- Free or discounted employer products or services (58%);
- Annual party (57%); and
- Parking (54%).

²⁰ Figure should be treated with caution due to a low base size (31).

Satisfaction with non-cash benefits was higher than average in the Construction sector (64% satisfied) than overall, and lower in the Education (39%) and Public Administration and Defence (30%) sectors.

In terms of occupation, satisfaction was higher amongst Corporate Managers and Directors (63%) and lower amongst Teaching and Educational Professionals (35%). Employees working in the North West were also more satisfied (60% compared with 49% overall).

Employees working in small or micro organisations were more likely than those in large organisations to be satisfied with the non-cash benefits they receive (55% compared with 47% respectively).

Employees in the highest and lowest pay bands (9 months) were most likely to be satisfied with non-cash benefits; 57% of those earning under £7,500 were satisfied and 60% of those earning £40,000 were satisfied.

Younger employees were more satisfied than others; almost two-thirds (62%) of employees aged 18 to 24 years old were satisfied with the non-cash benefits they received (compared to an average of 49%).

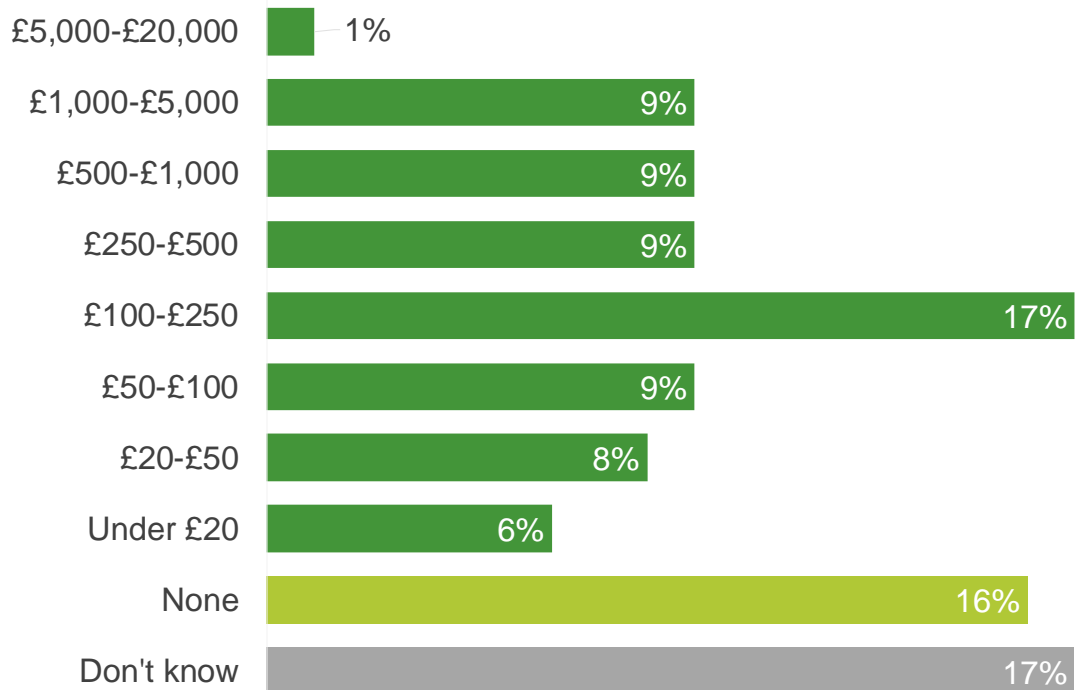
There were no differences by gender and ethnicity.

6 Perceived financial value of non-taxable BiKs

Employees who used one or more BiKs were asked about up to two of the specific BiKs they use in this section of the questionnaire, which covers perceived financial value and usage of BiKs. The financial value employees placed on non-taxable BiKs overall varied: the most common perceived value of the non-taxable BiK received in a typical year was £100 to £250 (17%). However, a similar proportion (16%) placed no value on the BiK they received, and around the same proportion did not know what value their BiK was to them (17%). This is detailed in Figure 6.1.

In terms of the highest and lowest values, 1% gave a high value of £5,000 to £20,000 and 6% gave the lowest value option of under £20. Similar proportions of respondents selected the other financial values: 8% gave a value of £20 to £50, and 9% selected £50 to £100, £250 to £500, £500 to £1,000 and £1,000 to £5,000.

Figure 6.1 Perceived financial value of non-taxable BiKs received



C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms? Unweighted base: All employees who used relevant BiK (1,492)

The median value given of non-taxable BiKs overall was £120²¹, though when excluding the zero values given, it was higher at £240. This median varies largely by BiK and this is detailed in Table 6.1 below²².

Table 6.1 Median monetary value given to non-taxable BiKs²³

Type of Benefit in Kind	Base	Median (including zero values)	Median (excluding zero values)
Base	1,492	£240	£120
Childcare vouchers	43	£1400	£1440
Counselling	44	£300	£480
Free or subsidised meals at your usual place of work	86	£300	£360
Bicycle	34	£300	£360
Free or discounted employer products or services	193	£250	£300
Retraining provision for redundancy	33	£240	£800
Private sports facilities or gym	39	£240	£360
Health screening or check ups	74	£200	£200
Shareholder advice	41	£100	£100
Work-to-home travel when working late	40	£75	£240
Subsidised buses	25	£60	£120
Parking	176	£60	£400
Free access to employer facilities	42	£60	£200
Annual party	205	£30	£35
Mobile phone	185	£0	£250

C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms?

As shown, the highest financial value was given to childcare vouchers, and a lowest financial value to mobile phone.

There were certain sectors in which employees placed a lower value on the non-taxable BiK they received including Agriculture, Mining and Public Utilities and Information and Communication. Both were significantly more likely to state that the non-taxable BiK they received were worth nothing to them in financial terms (32% and 25% respectively compared to 16% overall).

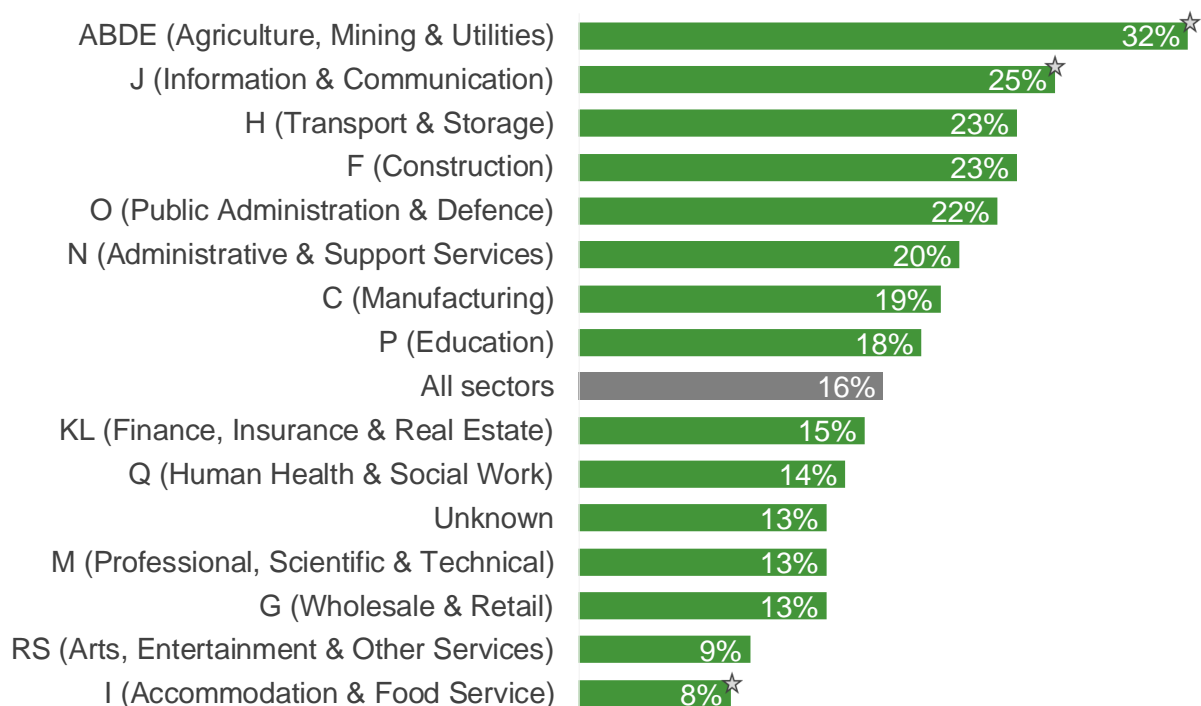
²¹ Figures reported throughout this section are rounded to the nearest £10.

²² Where a value is given as a 'median' value, this means that 50% of survey responses were higher than this value, and 50% of survey responses were lower (taking into account weighting). This value has been used for analysis here instead of the 'mean' average (calculated by adding together all responses and dividing by the number of respondents) because it is less influenced by individual cases where extreme values are given, which is often the case for questions regarding financial value.

²³ This table excludes BiKs where the base size was 25 or lower

Contrastingly, employees in the Accommodation and Food Service sector were less likely to place no financial value on the non-taxable BiK they receive (8%). This breakdown by sector is further detailed in Figure 6.2.

Figure 6.2 Proportion of each sector that placed no financial value on the non-taxable BiK they received



C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms? Unweighted base: All employees who used relevant BiK (1,492)

Across pay bands, the median financial value given by employees was broadly consistent, indicating that even though pay increases, the perceived value of non-taxable BiKs remains the same. These figures are detailed in Table 6.2.

Table 6.2 Median financial value of non-taxable BiKs by pay band (9 months)

Type of Benefit in Kind	Base	Median (including zero values)	Median (excluding zero values)
All	1,492	£120	£240
Under £7,500	231	£110	£200
£7,500 to £19,999	502	£180	£300
£20,000 to £29,999	311	£100	£200
£30,000 to £39,999	199	£100	£200
£40,000 or more	249	£200	£360

C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms?

Perceived financial value and preferences of 'top' non-taxable BiKs

This next section looks in more detail at the top five non-taxable BiKs by value, based on the perceived median value their users attribute to them. It covers their perceived financial value, whether employees would rather a cash equivalent and how often they use the non-taxable BiK in question.

Preferences and perceived financial value: Childcare vouchers

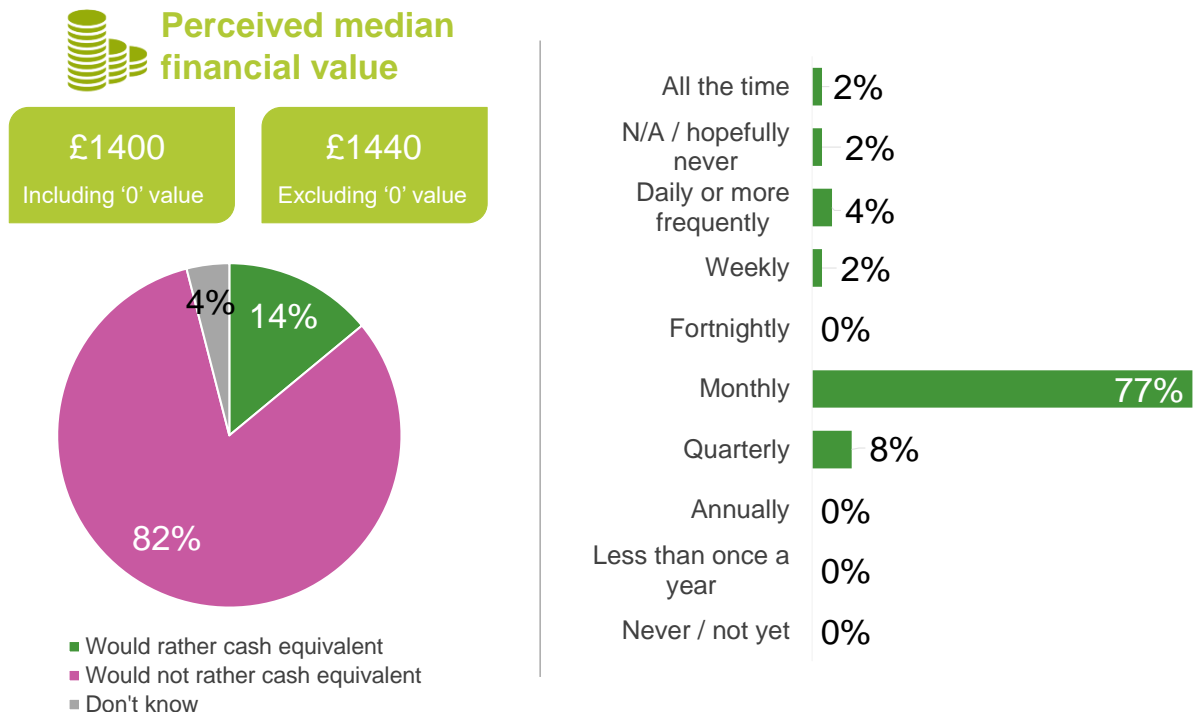
Employees using childcare vouchers are much less likely than average to give it no financial value (5% compared with 16%). The most common values given fall between £1,000 and £5,000 per year (54% compared with 9% of non-taxable BiKs overall), followed by £500 to £1,000 (19% compared with 9% of BiKs overall).

Consistent with this, the median value given to childcare vouchers by employees that use them is the highest of all non-taxable BiKs; £1,400 including values of zero and £1,440 excluding values of zero.

Whether those who use childcare vouchers would prefer a cash equivalent or not was aligned with non-taxable BiKs on average. Fourteen per cent of employees stated that they would rather have a cash equivalent which may be subject to taxation, though the majority (82%) would not, which was the same as non-taxable BiKs overall.

In terms of usage, the majority (77%) of those using childcare vouchers stated that they used it monthly, much higher than non-taxable BiKs overall (13%). This is covered in more detail in figure 6.3 below.

Figure 6.3 Perceived financial value and preferences: childcare vouchers



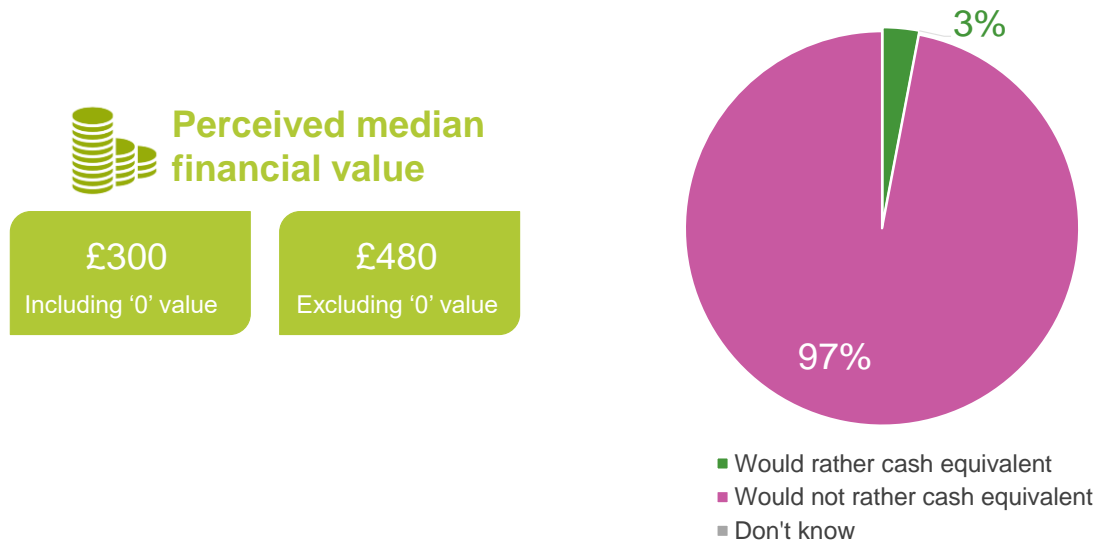
C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms? / C10: Would you rather receive a cash equivalent – which may be taxable - than <BiK_#>? / C5: Roughly, how often do you use <BiK_#>? Unweighted base: All employees who used childcare vouchers (43)

Perceptions and perceived financial value: Counselling

Provision of counselling was one of the highest valued non-taxable BiKs: respondents reported a perceived financial value of £300 (including zero values) and £480 (when excluding zero values).

A small minority (3%) of those who received counselling services would rather have a cash equivalent (significantly lower than 17% for non-taxable BiKs overall).

Figure 6.4 Perceived financial value and preferences: counselling



C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms? / C10: Would you rather receive a cash equivalent – which may be taxable - than <BiK_#>? Unweighted base: All employees who used counselling (44)

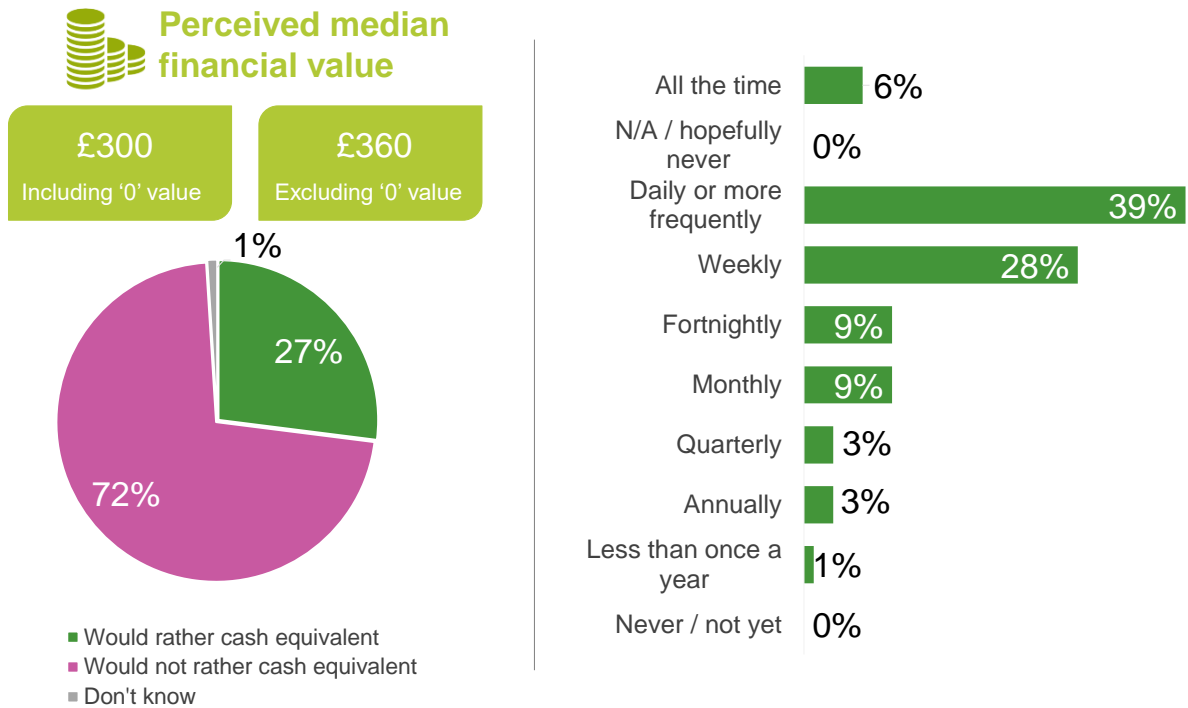
Preferences and perceived financial value: Free or subsidised meals at usual place of work

Very few (3%) employees gave a zero value to this BiK, compared to 16% overall. The median value was £300, including values of zero and £360 excluding values of zero, which is one of the highest median values.

Despite this, over a quarter (27%) would rather receive a cash equivalent which may be subject to taxation (compared with 14% of non-taxable BiKs overall).

Use of free or subsidised meals at usual place of work was fairly frequent: 39% used it daily or more frequently (compared with 25% of non-taxable BiKs overall); 28% used it weekly (compared with 13% of non-taxable BiKs overall); and 9% used it fortnightly (compared with 3% overall). This is summarised in Figure 6.5.

Figure 6.5 Perceived financial value and preferences: free or subsidised meals at usual place of work



C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms? / C10: Would you rather receive a cash equivalent – which may be taxable - than <BiK_#>? / C5: Roughly, how often do you use <BiK_#>? Unweighted base: All employees who used free or subsidised meals at usual place of work (86)

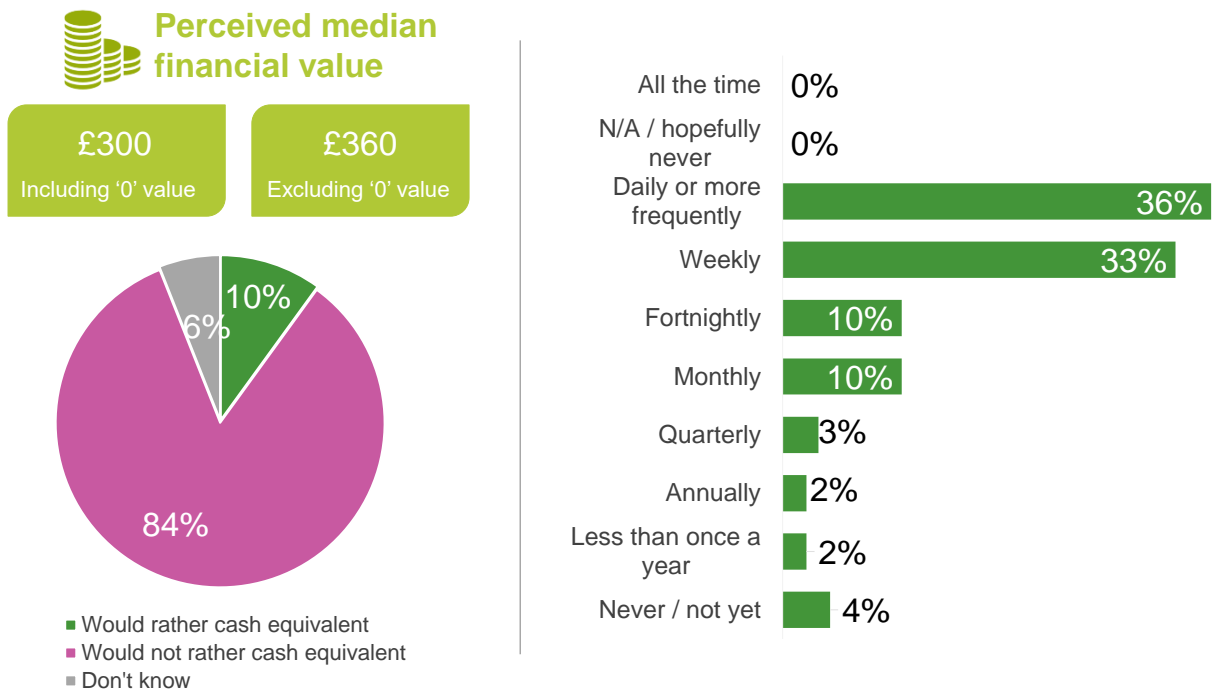
Preferences and perceived financial value: Bicycle

The median value of a bicycle was one of the higher non-taxable BiKs: £300 including values of zero, and £360 excluding values of zero. The most common value band was £500 to £1,000 (26% compared with 9% of non-taxable BiKs overall).

One in ten (10%) would rather receive a cash equivalent that may be subject to taxation, though the majority would not (84%), in line with non-taxable BiKs overall.

In terms of frequency of use, bicycles were most often used daily or more frequently (36%, compared with an average of 25%) and weekly (33%, compared with 13% on average). This is followed by one in ten using it fortnightly or monthly (both 10%, compared with an average of 3% and 13% respectively).

Figure 6.6 Perceived financial value and preferences: a bicycle



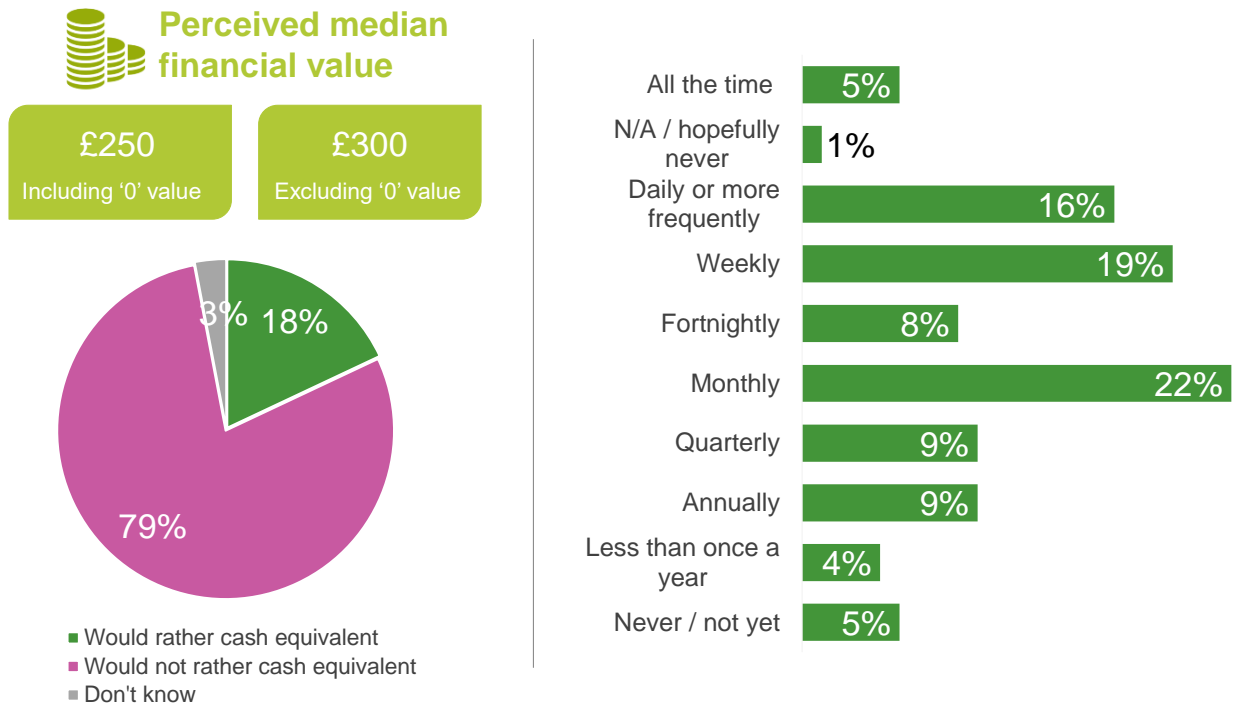
C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms? / C10: Would you rather receive a cash equivalent – which may be taxable - than <BiK_#>? / C5: Roughly, how often do you use <BiK_#>? Unweighted base: All employees who used a bicycle (34)²⁴

²⁴ Figures here should be treated with caution due to the low base size (34).

Preferences and perceived financial value: Free or discounted employer products or services

This BiK was given one of the highest financial values - although at the same level as several other non-taxable BiKs (£300 including values of zero and £250 excluding values of zero). The value given to free or discounted employer products or services varied widely; a small minority (5%) gave this BiK no value (compared with 16% overall) and the most commonly given value range was £100 to £250 per year (24% compared with 17% overall). Other employees gave this BiK a value of £1,000 to £5,000 per year (14%), £500 to £1,000 per year and £250 to £500 (both 13%).

Figure 6.7 Perceived financial value and preference: free goods and services for staff



C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms? / C10: Would you rather receive a cash equivalent – which may be taxable - than <BiK_#>? / C5: Roughly, how often do you use <BiK_#>? Unweighted base: All employees who used free or discounted employer products or services (187)

Preference for a cash equivalent, that may be taxable, was in line with the average, with 18% of employees that use free or discounted employer products or services stating that they would rather have the cash equivalent.

In terms of frequency of usage, around a fifth of employees (22%) stated that they used this BiK monthly, closely followed by 19% who used it weekly and 16% who used it daily or more frequently. Each of these significantly differed from non-taxable BiKs overall (13%, 13% and 25% respectively).

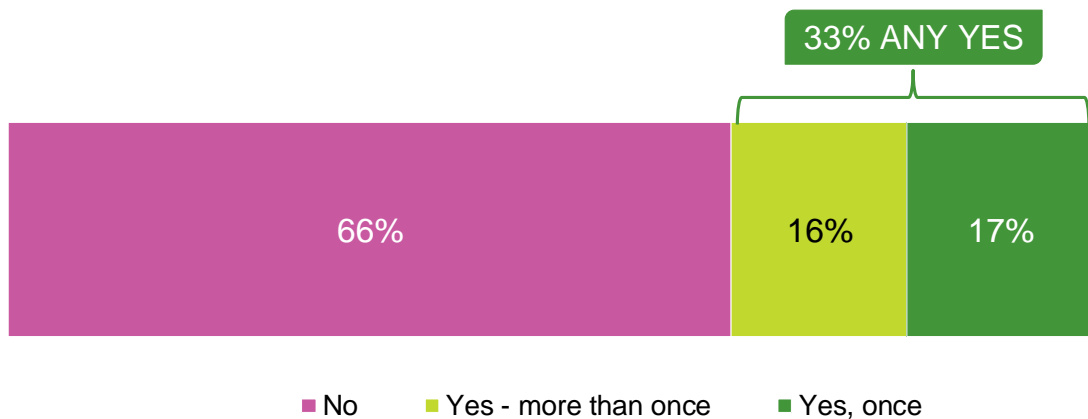
7 Negotiating BiKs

This chapter explores any negotiations employees have had with their employer regarding their pay package, with a specific focus on negotiations with regards to non-cash benefits and the changes that have been made as a result of these discussions. This chapter will also cover the importance of non-cash benefits in decisions relating to taking a job or remaining within a role.

Pay package negotiations with employer

A third (33%) of employees had negotiated with their employer over their pay package and 16% had done so more than once. Figure 7.1 shows this in more detail.

Figure 7.1 Negotiations with employer over pay package



D1: Firstly, have you ever negotiated with <COMPANY> over your pay package, whether that was at recruitment or during your employment? Unweighted base: All employees who used BiKs (1,150)

Employees working in Information and communication (53%), Construction (48%) and Administrative and Support Services (41%) were the most likely to have negotiated over their pay package. Employees in Education (23%), Human Health and Social Work (22%) and Public Administration and Defence (14%) were the least likely to have done so.

In terms of occupations, employees working in Caring, Personal Service Occupations (16%) were also least likely to have negotiated about their pay package. Occupations most likely to have negotiated over their pay package were Corporate Managers and Directors (49%) and Business and Public Service Associate Professionals (46%).

Employees working in small or micro and medium organisations were more likely than those in large organisations to have negotiated over their pay package (39% and 38% respectively compared with 30%).

Those in higher pay bands (9 months) were more likely to have negotiated their pay package (57% of those earning £40,000 or more). However, only a fifth (21%) of those earning under £7,500 (in 9 months) had done so and all other pay bands over £7,500 (in 9 months) were more likely to have negotiated than this lowest pay band.

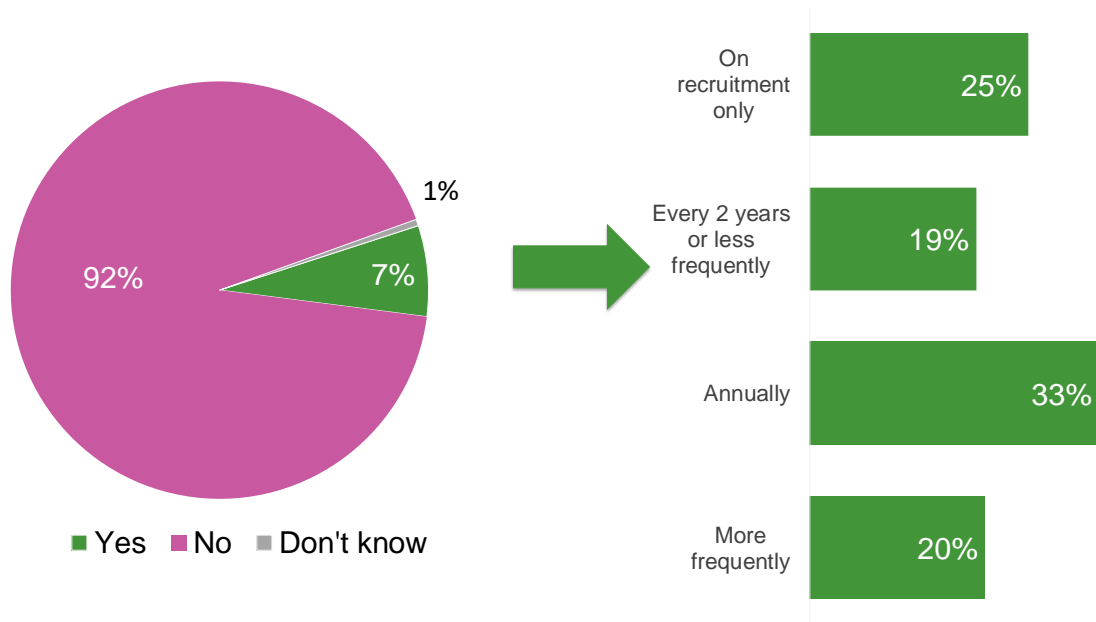
The youngest age group were the least likely to have negotiated their pay package (22% of employees aged 18 to 24 years old), with those aged 35 to 44 years old the most likely (41%).

In terms of residential location, employees working in England were most likely to negotiate their pay package (35%). Specifically, those in London were the most likely (41%). Males were more likely to have negotiated their pay package more than once (19% compared with 13% of females) but there was no significant difference between genders as to whether they had at any point or not.

Proportion that have negotiated over BiKs

A much smaller proportion of employees had specifically negotiated over non-cash benefits when negotiating their pay package (7%). This represents only 2% of the overall population in receipt of any BiKs. Figure 7.2 details the proportion of employees entering negotiations regarding their non-cash benefits and at which point.

Figure 7.2 Proportion of respondents who specifically negotiated over non-cash benefits and how often



D2: As part of this / these discussion (s), did you ever negotiate over a non-cash benefit such as those we have discussed in this survey? Unweighted base: All employees who negotiated over their pay package (404). D3: How often has this occurred at your own request? Unweighted base: All employees who negotiated over their non-cash benefits (35)²⁵

There were some significant differences between sub-groups in terms of whether they had negotiated over any non-cash benefits, relative to the average of 2%:

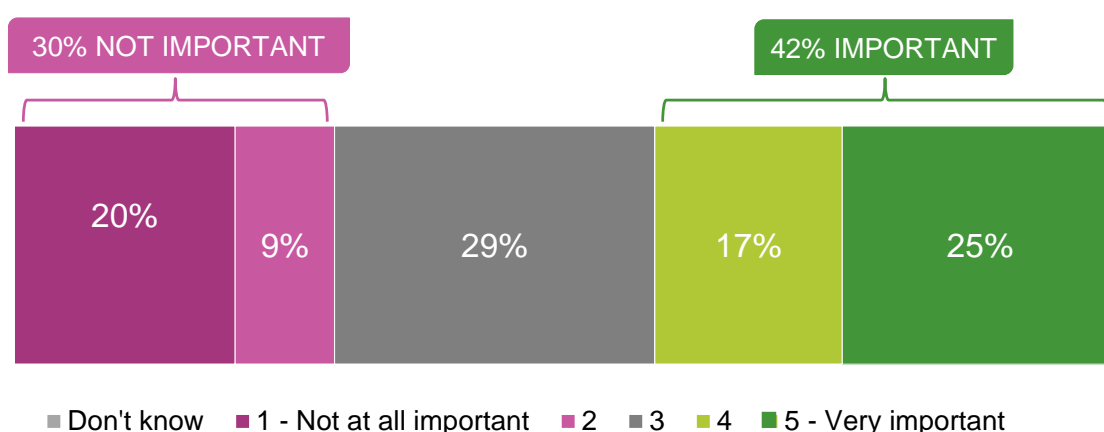
- employees in medium sized organisations were more likely than large organisations (5% compared with 2%);

²⁵ Figures in the right hand chart are indicative only and should be treated with caution due to the low base size of 34 employees.

- employees in Finance, Insurance and Real Estate (6%) and Construction, Accommodation and Food Service and Administrative and Support Services (all 5%) were more likely than those in Human Health and Social Work (1%);
- Corporate Managers and Directors were most likely to have negotiated non-cash benefits (6% compared with 2% overall);
- those in higher pay bands (9 months) (7% of those earning over £40,000 in receipt of non-taxable BiKs) were most likely to negotiate non-cash benefits; and
- employees in receipt of certain non-taxable BiKs - expenses payments for overnight trips (8%), travel arrangements for when they work late (7%), mobile phone (5%) and parking (5%) - were all more likely to have negotiated non-cash benefits.

Employees who had negotiated non-cash benefits gave mixed reviews on how important receiving the non-cash benefit was in their decision to take the job or remain in their job role. Just over four in ten (42%) felt it was important, whereas three in ten (30%) felt it was not. This is further detailed in Figure 7.3²⁶.

Figure 7.3 Importance of receiving non-cash benefit in taking job or staying in role



D4: On a scale of 1 to 5, where 1 is not at all important and 5 is very important, how important was receiving the non-cash benefit to your decision to take the job or stay in your role? Unweighted base: All employees who negotiated non-cash benefits (35).

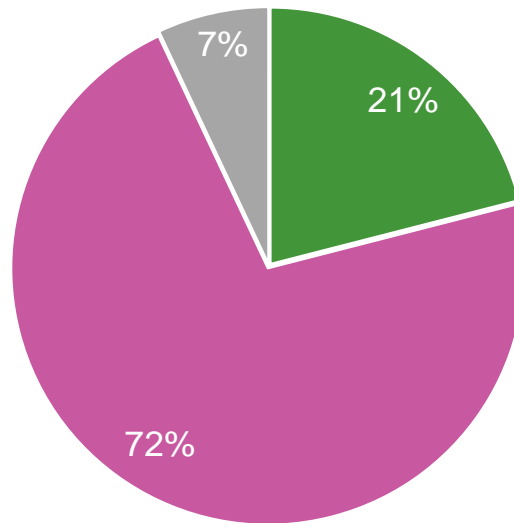
Changes made to BiKs and what these were

A fifth (20%) of all employees in receipt of non-taxable BiKs had experienced changes to the non-cash benefits that they receive, aside from any negotiations they may have had. Almost three quarters (74%) stated that they had not, and a further 7% did not know.

In total, just over a fifth (21%) of employees had experienced changes to their non-cash benefits, including both those that came about as a result of negotiations and other reasons. This is detailed in Figure 6.4.

²⁶ These figures are indicative only and should be treated with caution due to low base size of 35 employees.

Figure 7.4 Changes in provision of BiKs since working at their company



■ Yes - changes made ■ No changes made ■ Don't know

D2: As part of this / these discussion(s), did you ever negotiate over a non-cash benefit such as those we have discussed in this survey? / D5: At any point since you started working for your <COMPANY>, have they made any changes to the non-cash benefit(s) you receive (aside from any negotiations you may have had)?
 Unweighted base: All employees who are in receipt of BiKs (1,150).

The more non-taxable BiKs employees received, the more likely it was that changes had been made to them. For example, 37% of those who used six to ten non-taxable BiKs had experienced changes to their non-cash benefits, whereas only 13% of those who used one non-taxable BiK had. There were differences by type of non-taxable BiK used. Employees who used the following were more likely to have experienced changes:

- retraining sessions or payments (46%);
- counselling (45%);
- travel arrangements when working late(37%);
- expenses for overnight trips (37%);
- health check-ups and screening (36%);
- childcare vouchers (36%);
- shareholder advice (36%);
- mobile phone (35%); and
- parking (34%).

There is an upward trend from lower to higher pay bands (9 months) in terms of the proportion who have experienced changes to their non-cash benefits. This could be due to those in higher pay bands being more likely to receive more non-taxable BiKs, consequently resulting in a greater likelihood that one of them could change. Those earning under £7,500 over 9 months were significantly less likely

than all other pay bands to have had changes made to their non-cash benefits. This is shown in more detail in Figure 6.5.

Figure 7.5 Changes in cash benefits by pay band (9 months)



D2: As part of this / these discussion(s), did you ever negotiate over a non-cash benefit such as those we have discussed in this survey? / D5: At any point since you started working for your <COMPANY>, have they made any changes to the non-cash benefit(s) you receive (aside from any negotiations you may have had)?
 Unweighted base: All employees who are in receipt of BiKs (1,150).

In line with the findings relating to negotiating pay packages, employees working in London were also more likely to have had changes to their non-cash benefits (27% compared with 21% overall).

The nature of these changes was most often an increase in the number or amount of non-cash benefits. Over half (53%) of all employees who had experienced a change in non-cash benefits reported an increase. Just over a third (36%) stated that there had been a decrease in the number or amount of non-cash benefits. A small minority (6%) stated that the non-cash benefits they received had changed in another way.

There were only a small number of differences between different employee sub-groups in how their non-cash benefits have changed:

- employees at micro or small organisations were most likely to have experienced their non-cash benefits increasing (69% compared with 53% overall);
- employees who use parking provided by their employer were more likely to have experienced their non-cash benefits increasing (62%);
- those using greater numbers of BiKs were more likely to have experienced an increase in the number of non-cash benefits received;

- female employees were more likely than male employees to have experienced their non-cash benefits increasing (65% compared with 40%). Males were more likely to have experienced their non-cash benefits decreasing (45% compared with 27% of females).
- employees between 55 and 64 years old were less likely to report that their non-cash benefits have increased (37% compared with 53% overall).

8 Conclusions

What is the prevalence of non-taxable BiKs across the general population?

The majority (84%) of all employees were offered at least one non-taxable BiK by their employer (excluding those who were only offered training). However, only 67% of all employees had used a non-taxable BiK in the last 12 months.

The incidence of marginal BiKs at nil value was much lower. Only 40% were offered them, and only 26% of all employees had used them in the last 12 months. Free/discounted goods or services were more likely to be offered than use of facilities provided by the employer (37% vs. 9%).

Most employees using non-taxable BiKs used at least one of the following 'top 5' (excluding training):

- annual party (31% use);
- free or discounted employer products or services (24% use);
- mobile phone (21% use);
- parking (18% use); and
- free or subsidised meals at usual place of work (10%).

However, there are a substantial number of non-taxable BiKs which are only used by a minority of employees. In some cases, they were commonly offered by employers – such as counselling – but very rarely used (31% were offered counselling but only 3% used it).

How does the prevalence of non-taxable BiKs differ by sector and other demographics?

The sectoral pattern of employers offering non-taxable BiKs was relatively 'flat'. However, there was more variation in the usage of non-taxable BiKs by sector.

Employees in Professional, Scientific & Technical (96% of those offered non-taxable BiKs) and Finance and Real Estate (93%) sectors were the most likely to use the non-taxable BiKs they were offered. Employees in Administrative & Support Services (74%) and Public Administration and Defence (75%) were less likely to use the non-taxable BiKs offered to them.

There was a clear correlation with pay levels (over 9 months): employees in higher pay bands (9 months) were both offered more and used more non-taxable BiKs than lower paid employees.

In the opposing direction to the trend relating to pay levels, older people (despite having on average higher pay) were a little less likely to use non-taxable BiKs.

What financial value do employees assign to non-taxable BiKs and how important are they in their overall remuneration package?

Only 35% of respondents knew that benefit-in-kind are sometimes subject to income tax and NICs. Results to the follow-up question, involving identifying whether specific BiKs were taxable or non-taxable showed mixed levels of understanding.

Many non-taxable BiKs were frequently perceived to have zero value by employees, for example mobile phones (39%) and parking (34%). This suggests that these employees may have considered them to be compulsory, or to be essential tools for their job, rather than perceiving them as a benefit or 'perk'.

However, employees did place a high financial value on some non-taxable BiKs – in particular, childcare vouchers were perceived to be worth on average £1,400. The BiKs with the highest perceived financial values (when including zero values) are:

- childcare vouchers (£1,400);
- counselling (£300);
- free or subsidised meals (£300);
- bicycles (£300);
- free or discounted products or services (£250).

Furthermore, very few employees had ever negotiated over a BiK (2%) as part of negotiations over their pay package. However, certain sub-groups were more likely to have done this than others. For example, employees in medium sized organisations were more likely than those in large organisations (5% compared with 2%); and those in higher pay bands (9 months) were most likely to negotiate non-cash benefits (7% of those earning over £40,000 in 9 months). Certain sectoral, occupational and BiK-specific trends could also be observed.

Appendix 1 Methodology

Research Design and Gathering Data

A quantitative approach was taken to the research, as findings which could be generalised to the wider population were required. The research was conducted in two stages:

- A pilot telephone survey of 500 employees in the UK. This enabled an initial understanding of incidence rates of employees using non-taxable BiKs to be obtained, likely variation between sectors, and the feasibility of the research to be determined.
- A mainstage telephone survey of 1,528 employees across industry sectors in the UK. This sample size was sufficient to enable robust measurement of incidence rates of non-taxable BiKs among employees, including within sub-groups such as sectors. The approach taken in the questionnaire to the identification of non-taxable BiKs among employees is set out below. This was used to calculate incidence rates.

Coverage of BiKs and the Questionnaire

The research covered a range of the more commonly used non-taxable BiKs. However, some of the most niche or uncommon exempted BiKs were excluded, in order to reduce complexity. Conversely, some non-taxable BiKs had to be excluded due to their universality – primarily the provision of working space and work equipment.

The questionnaire asked about categories of BiKs specifically, rather than referring directly to ‘non-taxable BiKs’ as it was thought that many respondents would be unfamiliar with this terminology. The non-taxable BiKs which were covered by the survey are set out in table 2.1 in Chapter 2.

As indicated in Chapter 2, the survey also measured the incidence of internal and external training provided by employers, as well as the provision of general travel expenses. Due to their prevalence, they have not been included in non-taxable BiKs statistics throughout this report, unless otherwise stated.

The questionnaire consisted of two main sections:

1. Determining the incidence of non-taxable BiKs

The first section was asked of all respondents and aimed to identify if a participant was offered or used any BiKs, enabling the incidence of non-taxable BiKs in the population of employees to be measured. To identify which respondents received these BiKs, the questionnaire took a three-stage approach involving:

- firstly, asking if the employer **offered** access to a list of broadly defined items (e.g. “Childcare or Nurseries”);
- then following up with more detailed questions to identify which specific BiKs were offered within that category;
- finally, asking whether the employee had **used** any of the BiKs they were offered in the last 12 months;

Please see the questionnaire in Appendix 3 for further information.

Employees who had used one or more non-taxable BiKs in the previous 12 months were eligible to move on to the second part of the survey.

2. Respondents' understanding of and views on BiKs

This section of the questionnaire included questions about respondents' understanding of the taxable status of BiKs, their perception of the value of up to two specific non-taxable BiKs they used, and any negotiations they had with their employers regarding BiKs. (Note – for some of these sections, it was necessary to obtain views specifically on non-taxable BiKs, and hence two specific non-taxable BiKs that the respondent used were selected. For other topics – such as when asking about pay and negotiations – it was possible to ask about BiKs more generally.)

Key Variables

HMRC required data which could be broken down by a number of key variables useful for analysis. Those used are shown, and their sources and definitions are detailed in Table A1.1. Tables A1.2 and A1.3 show the detail of classifications used where these are too complex to include in the main table.

Table A1.1 Key break variables used for analysis

Key variable	Definition	Bands used	Sources
Size of employer	The number of employees at the organisation where the employee works, banded into 1 to 49 (Small), 50 to 249 (Medium) and 250+ (Large)	1-49 (Small) 50-249 (Medium) 250+ (Large)	HMRC internal data
Industrial Sector	The main activity of the respondent's employer, classified according to the ONS SIC2007 classification. This refers to the activity of the employer, not the employee. The classification is given in more detail below. Some categories have been merged for the purposes of this research due to their small size in employment terms.	See Table A1.2	HMRC internal data Survey data (all surveys) ²⁷
Pay Band (9 months)	The amount of pay received between April and December 2017 for a specific job recorded on HMRC RTI data, in which they were employed as of December 2017. This figure usually represents nine months' worth of pay, although if the job started during the time period, the pay shown will cover only part of that period of time.	Under £7,500 £7,500 to £19,999 £20,000 to £29,999 £30,000 to £39,999 £40,000 or more	HMRC RTI

²⁷ Where data was missing on HMRC records, or activity for agency workers. Not used in the main analysis shown.

Age Band	The age of the respondent in December 2017. Employees aged 65 or over were excluded from the research since part or all of their income may derive from a pension.	18 to 24 25 to 34 35 to 44 45 to 54 55 to 64	HMRC RTI
Location of residence	The residence of the employee in December 2017, given as a postcode on HMRC records and geocoded to ONS regions.	East Midlands East of England London North East North West South East South West West Midlands Yorkshire and the Humber Northern Ireland Scotland Wales	HMRC RTI
Gender	The gender of the employee, derived either from survey results, or imputed from the title (e.g. Mr, Ms, Mrs) given in the name field of HMRC records.	Male Female	HMRC RTI (imputed) Survey data (only for long surveys) ²⁸
Ethnicity	Ethnic group, classified according to 2011 Census categories	2011 Census categories, reported as White British vs. Other	Survey data (only for long surveys)
Occupational Sector	The activity of the employee, classified according to the ONS SOC2010 classification. This refers to the activity of the employee, not the employer. The classification is shown in more detail below.	See Table A1.3	Survey data (only for long surveys)

²⁸ Therefore, these breakdowns are not available for questions asked in short surveys, specifically for BiK prevalence statistics.

Table A1.2 SIC2007 Classification

Letter and Short Name	Full Name (ONS)
ABDE Agriculture, Utilities etc.	A – Agriculture, Forestry and Fishing B – Mining and Quarrying D – Electricity, Gas, Steam and Air Conditioning Supply E – Water Supply; Sewerage, Waste Management and Remediation Activities
C Manufacturing	Manufacturing
F Construction	Construction
G Wholesale & Retail	Wholesale and Retail Trade; Repair of Motor Vehicles and Motor Cycles
H Transport & Storage	Transport and Storage
I Accommodation & Food	Accommodation and Food Service Activities
J Information & Communication	Information and Communication
KL Finance & Real Estate	K – Financial and Insurance Activities L – Real Estate Activities
M Professional & Technical etc.	Professional, Scientific and Technical Activities
N Admin. & Support Services	Administrative and Support Service Activities
O Public Admin. & Defence	Public Administration and Defence; Compulsory Social Security
P Education	Education
Q Health & Social Work	Human Health and Social Work Activities
RS Arts and Other Services	R – Arts, Entertainment and Recreation S – Other Service Activities
Unknown	Sector not specified on HMRC RTI data

Table A1.3 SOC2010 Classification

Reference	Full Name (ONS)
11	Corporate Managers and Directors
12	Other Managers and Proprietors
21	Science, Research, Engineering and Technology Professionals
22	Health Professionals
23	Teaching and Educational Professionals
24	Business, Media and Public Service Professionals
31	Science, Engineering and Technology Associate Professionals
32	Health and Social Care Associate Professionals
33	Protective Service Occupations
34	Culture, Media and Sports Occupations
35	Business and Public Service Associate Professionals
41	Administrative Occupations
42	Secretarial and Related Occupations
51	Skilled Agriculture and Related Trades
52	Skilled Metal, Electrical and Electronic Trades
53	Skilled Construction and Building Trades
54	Textiles, Printing and Other Skilled Trades
61	Caring Personal Service Occupations
62	Leisure, Travel and Related Personal Service Occupations
71	Sales Occupations
72	Customer Service Occupations
81	Process, Plant and Machine Operatives
82	Transport and Mobile Machine Drivers and Operatives
91	Elementary Trades and Related Occupations
92	Elementary Administration and Service Occupations

Sampling and Weighting

Sampling

HMRC required a dataset which allowed findings to be generalised to the wider population of employees. Therefore, it was desirable to produce a dataset which closely reflected the distribution of the population as a whole. In order to achieve this, a profile of interviews to be achieved – by sector and size of business, as shown in Table A1.4 – was calculated which would ensure that the numbers achieved reflected the true counts in the population.

However, HMRC also required a dataset which allowed findings to be broken down by several of the key variables discussed in the previous section (sector, size, pay band (9 months) and age), with a reasonable degree of statistical accuracy. To achieve this, a minimum number of 50 interviews was required in each industrial sector to enable robust findings for small sub-groups to be generated. Therefore, in some cases some oversampling, or ‘boost’ interviews, were also required, increasing the target number of interviews for certain sectors.

The target number of interviews in Sector N (Administrative & Support Services) was also increased to allow for the fact that it was anticipated that a proportion of people working in this sector would be agency workers – who may in fact work in other sectors in their day-to-day work. In order to allow for analysis of this group as a specific sub-group, the target number of interviews was increased to 150 for Sector N.

Table A1.4 Target numbers of interviews, first stage selected in line with population

Sector (ONS SIC2007)	In line with population				Oversampling (“Boost”)				All Total
	Size of employer (employees)				Size of employer (employees)				
	1-49	50-249	250+	Total	1-49	50-249	250+	Total	
ABDE	6	2	10	18	0	4	17	32	50
C	20	19	35	74	0	0	0	0	74
F	23	6	9	38	7	2	3	12	50
G	40	16	85	141	0	0	0	0	141
H	8	5	25	39	2	1	7	11	50
I	29	10	32	70	0	0	0	0	70
J	13	6	18	38	5	2	6	12	50
KL	9	5	29	43	2	1	5	7	50
M	30	11	29	70	0	0	0	0	70
N	21	14	61	97	11	8	34	53	150
O	0	1	36	37	0	0	13	13	50
P	7	15	90	112	0	0	0	0	112
Q	24	16	83	124	0	0	0	0	124
RS	18	7	16	40	4	2	4	10	50
Unknown	15	8	36	60	0	0	0	0	60
Total	267	140	594	1,000	42	20	88	150	1,150

Source: IFF survey statistics

Sample size

In terms of sampling, the sample size required to achieve interview targets – by sector and size – for the mainstage survey was calculated using the estimate of the incidence of people receiving non-taxable BiKs by sector acquired during the pilot stage. The sample size calculation also took into account the potential for opt-outs at different stages of the recruitment process, in addition to anticipating further stratification by IFF of the final sample by size of employer. In total, 1,150 long interviews were required to achieve the required error margin, and allowing for a range of factors, a ratio of raw sample supplied to responses achieved of 30:1 was determined to be needed to achieve this response, using evidence gathered from the pilot.

Summing the required sample size for each sector gave a total of 34,600 employees for the mainstage research. HMRC analysts then looked at the RTI database and other internal data, and selected a stratified random sample based on industrial sector of employer (defined according to the ONS SIC2007 industrial sector classification). They also provided information on size of employer, pay band (9 months) of employee, age of employee and their location.

IFF then drew the final sample of 13,138 employees on which recruitment would be based, ensuring this was also stratified by size of business. An opt-out mailout was sent to this sample in the post, allowing two weeks for a response before the start of fieldwork, as shown in Table A1.5.

Table A1.5 Sampling: number of records available

	Records	% of total supplied	% of valid records
Records supplied by HMRC	34,600	100%	-
No telephone number supplied	- 12,874	37%	-
Telephone number added via telematching	+ 1,425	4%	-
Telephone number detected as invalid, overseas or duplicate	- 3,348	10%	-
Address not usable	- 37	0%	-
Sample available for mailout	19,765	57%	100%
Not sampled (not required)	- 6,627	19%	34%
Sent mailout	13,138	38%	66%
Opted out prior to fieldwork	- 535	2%	3%
Sample available for fieldwork	12,603	36%	64%

Source: IFF survey statistics

Weighting

The interview targets for sector and size that were set were achieved exactly. In terms of weighting, no weighting was required for findings across business size as interview targets were met exactly and were therefore representative of the general population. However, for findings by sector, although targets were met exactly, because certain sector targets had been boosted, weighting was required to account for this. For pay band (9 months), as no targets had been set for this variable, weighting was required to ensure alignment with population totals.

In addition, weighting was also applied for age band of employee, to correct for a greater than expected variation in response rates by this variable. Consideration was given to whether this would

impact too greatly on the weighting effect required, and ultimately on confidence intervals, and it was determined that these were within reasonable ranges.

This approach enabled statistically robust conclusions to be drawn across sector, size of business, pay band (9 months) and age within calculated confidence intervals. Analysis of the dataset showed little variation from the population on other variables where sample data was available (gender and location) and since this was a random sample there is no reason to believe there is any bias on other variables not available on HMRC data such as occupation and ethnicity, although this cannot be tested. Analysis by these variables should therefore be treated as statistically valid within the specified confidence intervals.

There is a small trade-off in statistical robustness which comes with the use of weighting. This reduces the effective sample size for statistical testing, since where a case represents more than one individual this makes the sample size smaller. This is often referred to as the weighting effect. In this case, the weighting applied resulted in an effective sample size of 1,211, from an unweighted sample of 1,528. The weighting scheme was designed specifically to minimise the weighting effect, by using wider pay bands²⁹ (9 months) than in the detailed population profiles shown. The impact of this is minimal on the distribution of the final dataset by narrow weighting bands (less than 1% in any band), since survey response rates within those wide bands were quite even.

Table A1.6 Error margins and impact of weighting (for questions with base all)

On a statistic of...	Short survey, no weighting effect	Short survey, with weighting effect	Long survey, no weighting effect	Long survey, with weighting effect
<i>Base size</i>	1,528	1,211 (effective)	1,150	915 (effective)
5% or 95%	±1.1%	±1.2%	±1.3%	±1.4%
10% or 90%	±1.5%	±1.7%	±1.7%	±1.9%
20% or 80%	±2.0%	±2.3%	±2.3%	±2.6%
30% or 70%	±2.3%	±2.6%	±2.6%	±3.0%
40% or 60%	±2.5%	±2.8%	±2.8%	±3.2%
50% (standard error)	±2.5%	±2.8%	±2.9%	±3.2%

Source: IFF survey statistics

To give an example here, in Table 1.1 in the Executive Summary it is shown that in the Manufacturing sector, 81% of employees were offered non-taxable BiKs by their employer. Consulting Table A1.7 below, the error margin for a figure of approximately 80% for this sector is shown as ±8.3%, which suggests that we can be 95% confident that the true figure for the proportion of employees offered a non-taxable BiK in the Manufacturing sector is between 72.7% and 89.3%.

²⁹ The bands were: Under £7,500; £7,500 to £19,999; £20,000 to £29,999; £30,000 to £39,999; £40,000 or more.

Table A1.7 Error margins and impact of weighting (for SIC2007 sectors, from sample) – part 1

On a statistic of...	ABDE (Agriculture, Mining & Utilities)	C (Manufacturing)	F (Construction)	G (Wholesale & Retail)	H (Transport & Storage)
<i>Base size (actual)</i>	61	102	76	177	70
<i>Base size (effective)</i>	51	89	69	159	61
5% or 95%	± 6.0%	± 4.5%	± 5.1%	± 3.4%	± 5.5%
10% or 90%	± 8.2%	± 6.2%	± 7.1%	± 4.7%	± 7.5%
20% or 80%	± 11.0%	± 8.3%	± 9.4%	± 6.2%	± 10.0%
30% or 70%	± 12.6%	± 9.5%	± 10.8%	± 7.1%	± 11.5%
40% or 60%	± 13.4%	± 10.2%	± 11.6%	± 7.6%	± 12.3%
50% (standard error)	± 13.7%	± 10.4%	± 11.8%	± 7.8%	± 12.5%

Source: IFF survey statistics

Table A1.8 Error margins and impact of weighting (for SIC2007 sectors, from sample) – part 2

On a statistic of...	I (Accomm. & Food Service)	J (Information & Comms.)	KL (Finance, Insurance & Real Estate)	M (Professional, Scientific & Technical)	N (Admin. & Support Services)
<i>Base size (actual)</i>	82	58	61	80	257
<i>Base size (effective)</i>	71	51	54	77	210
5% or 95%	± 5.1%	± 6.0%	± 5.8%	± 4.9%	± 2.9%
10% or 90%	± 7.0%	± 8.2%	± 8.0%	± 6.7%	± 4.1%
20% or 80%	± 9.3%	± 11.0%	± 10.7%	± 8.9%	± 5.4%
30% or 70%	± 10.7%	± 12.6%	± 12.2%	± 10.2%	± 6.2%
40% or 60%	± 11.4%	± 13.4%	± 13.1%	± 10.9%	± 6.6%
50% (standard error)	± 11.6%	± 13.7%	± 13.3%	± 11.2%	± 6.8%

Source: IFF survey statistics

Table A1.9 Error margins and impact of weighting (for SIC2007 sectors, from sample) – part 3

On a statistic of...	O (Public Admin. & Defence)	P (Education)	Q (Human Health & Social Work)	RS (Arts, Entertainment & Other Services)	Unknown
<i>Base size (actual)</i>	58	144	164	57	81
<i>Base size (effective)</i>	51	133	147	44	42
5% or 95%	± 6.0%	± 3.7%	± 3.5%	± 6.4%	± 6.6%
10% or 90%	± 8.2%	± 5.1%	± 4.8%	± 8.9%	± 9.1%
20% or 80%	± 11.0%	± 6.8%	± 6.5%	± 11.8%	± 12.1%
30% or 70%	± 12.6%	± 7.8%	± 7.4%	± 13.5%	± 13.9%
40% or 60%	± 13.4%	± 8.3%	± 7.9%	± 14.5%	± 14.8%
50% (standard error)	± 13.7%	± 8.5%	± 8.1%	± 14.8%	± 15.1%

Source: IFF survey statistics

Significant differences are shown in this report, to assist in interpretation of the data – this is indicated by a star next to the figure in the chart or table. Significant differences were calculated at 95% confidence, using a z-test, comparing the sub-group being considered against the average across all other sub-groups in the weighted sample. All statistical significance calculations used to produce this report take the weighting effect into account.

Fieldwork

As set out in the research design section above, fieldwork was divided into a pilot stage and mainstage research.

The Pilot Stage

The intention of the pilot was to enable BiK incidence rates across different industry sectors to be estimated for the purposes of planning the mainstage survey.

The pilot aimed to undertake 33 screening interviews per sector, across 15 sectors (500 in total). HMRC provided a random sample of 11,631 records, stratified by sector to facilitate this approach. IFF then used this sample for recruitment purposes. No further stratification was needed at this stage because statistically generalisable findings were not required. The findings from the pilot enabled a more accurate idea of the BiKs incidence rates for 'sector' to be obtained, which were then used to inform the mainstage sample calculation.

The pilot also provided an opportunity to test the questionnaire and ensure participants could understand the questions. This involved undertaking 3 full interviews per sector (45 in total) in order to test the full questionnaire and ensure it was working effectively.

The Mainstage Research

For information on how the sample for the mainstage research was specified and selected, please see 'Sampling' section above. It should be noted that when matching RTI population data at employee level against business size data – which exists in another HMRC database - around 1% of cases failed to match. It is likely that around 90% of those that didn't match were related to people receiving pension income, rather than a salary (and were therefore out of scope for this survey).

The target of 1,150 full interviews with respondents using non-taxable BiKs was achieved. In the process, an additional 378 'short' interviews were also undertaken, with respondents who did not use any non-taxable BiKs, and were therefore not eligible for the longer interview. In the long interview, up to two non-taxable BiKs were specifically asked about in Section C of the questionnaire. The two BiKs asked about for each respondent were selected automatically to maximise response for rare non-taxable BiKs. For this section, the sample size in terms of BiKs asked about was 1,583.³⁰

The findings from these interviews were then analysed and weighting was used to allow for the oversampling and stratification, as set out above. Due to significant refinements in the design of the

³⁰ Due to a scripting issue, 92 respondents who were eligible to be included were not asked the questions in Section C. This issue was not specific to any particular non-taxable BiK or combination of answers, so it should not have introduced bias into the results. Since some (but not all) respondents were to be asked about two eligible non-taxable BiKs, the overall impact of this was a reduction of 153 in the sample size – from 1,736 to 1,583, or 9% - for questions which referred to the specific non-taxable BiKs in this section.

questionnaire between pilot and mainstage, results from pilot interviews are not included in the analysis. Therefore, just the findings from the mainstage interviews are included in this report.

Analysis

Following the fieldwork, IFF undertook a rigorous analysis process including coding verbatim responses into categories for analysis, checking for and removing outliers on numeric variables, and calculating a range of derived variables. This allowed overall prevalence of non-taxable BiKs to be measured, merging sample and survey data to allow sub-group analysis, and applying the weighting.

Links between sub-groups

It is important to bear in mind that trends shown by sector (to give one example) may have their root cause in other less obvious characteristics of that sector. In particular, average pay levels vary greatly by sector, which may have an impact. When a link is shown between a variable such as sector and a survey result, it should always be considered that this might be a side-effect of that link with pay, or indeed with another unforeseen factor.

Average values

Where a value is given as a 'median' average, this means that 50% of survey responses were higher than this value, and 50% of survey responses were lower (taking into account weighting). This value has been used for analysis of survey responses regarding financial value instead of the more usual 'mean' average (calculated by adding together all responses and dividing by the number of respondents) because it is less influenced by individual cases where extreme values are given, which is often the case for questions regarding financial value.

Unknown Sector Data

HMRC data did not provide sector information for some employees. Where no sector information was available – where “unknown sector” could be seen in the data, the employee was asked which sector they worked in, and the response was then coded in from the verbatim answer. While this data is given here for completeness, it is not used for the main report.³¹

³¹ This is so that the data included in the main report can be extrapolated from in connection with other HMRC data, which contains the 'unknown' sector and classifies all agency workers in Sector N.

Table A1.10 Sector analysis from survey; comparison to sector data from HMRC, for agency workers and unknown sector

	Unknown sector	Agency workers
ABDE (Agriculture, Mining & Utilities)	3%	1%
C (Manufacturing)	6%	19%
F (Construction)	4%	1%
G (Wholesale & Retail)	5%	3%
H (Transport & Storage)	4%	9%
I (Accommodation & Food Service)	16%	6%
J (Information & Communication)	13%	3%
KL (Finance, Insurance & Real Estate)	8%	7%
M (Professional, Scientific & Technical)	0%	1%
N (Administrative & Support Services)	1%	4%
O (Public Administration & Defence)	3%	2%
P (Education)	6%	14%
Q (Human Health & Social Work)	2%	6%
RS (Arts, Entertainment & Other Services)	29%	19%
Unknown	n/a	n/a
Total	100%	100%

Base: Agency workers within Sector N (59); Unknown Sector (81)

Appendix 2 Supporting demographic and other analysis

The following section sets out areas of analysis which are supplementary to the main analysis in the body of this report. This analysis covers the following areas:

- BiKs by sector, organisation size, pay band (9 months), age band and location (including training data and bicycles)
- Understanding of taxation of BiKs: additional detail
- BiKs not shown in the main report: sub-group prevalence information (in addition to information shown in Chapter 4)
- Expectations that the BiK would be offered in a similar role: additional detail
- Experience of changes to BiK package: additional detail
- Perceived financial value of BiKs not shown in the main report (in addition to information shown in Chapter 6)
- Perceptions and perceived financial value: all BiKs – additional detail

BiKs by sector, organisation size, pay band (9 months), age band and location

The Top 3 BiKs used within each sector are shown in Table A2.1.

Table A2.1 Top 3 BiKs used within each sector

Sector	BiK 1	% used	BiK 2	% used	BiK 3	% used
ABDE (Agriculture, Mining, Public Utilities)	Annual party	41%	Parking	27%	Mobile phone	27%
C (Manufacturing)	Annual party	36%	Parking	32%	Mobile phone	27%
F (Construction)	Mobile phone	33%	Annual party	28%	Parking	25%
G (Wholesale and Retail)	Discounted / free goods or services	49%	Annual party	36%	Parking	17%
H (Transport and Storage)	Discounted / free goods or services	29%	Mobile phone	27%	Parking	26%
I (Accommodation & Food Service)	Discounted / free goods or services	59%	Annual party	40%	Free / subsidised meals	17%
J (Information & Communication)	Annual party	58%	Mobile phone	39%	Parking	38%
KL (Finance, Insurance & Real Estate)	Annual party	45%	Mobile phone	40%	Discounted / free goods or services	17%
M (Professional, Scientific & Technical)	Annual party	61%	Mobile phone	37%	Parking	30%
N (Administrative & Support Services)	Annual party	23%	Mobile phone	16%	Parking	11%
O (Public Administration & Defence)	Private sports facilities / gym operated by employer	28%	Parking	27%	Health check-ups and/or screening	24%
P (Education)	Parking	18%	Mobile phone	13%	Free / subsidised meals	11%
Q (Human Health & Social Work)	Annual party	23%	Mobile phone	15%	Free / subsidised meals	9%
RS (Arts, Entertainment & Other Services)	Annual party	48%	Discounted / free goods or services	43%	Free / subsidised meals	15%
Unknown	Annual party	25%	Discounted / free goods or services	20%	Mobile phone	17%

The offering of individual non-taxable BiKs by key report breaks (income, size of organisation, age band (9 months), sector and region / devolved nation) is shown in Tables A2.2 to A2.10. The tables also include the 'external training' and 'internal training' BiKs which are not included in totals in the report due to their widespread nature.

Table A2.2 Non-taxable BiKs offered within each pay band (9 months)

BiK name	Under £7,500	£7,500 to £19,999	£20,000 to £29,999	£30,000 to £39,999	£40,000 or more	Total
<i>Base size</i>	335	564	272	167	190	1,528
Annual party	*35%	42%	49%	50%	*61%	44%
Free or discounted employer products or services	*44%	*33%	35%	41%	36%	37%
Counselling	*11%	30%	*37%	*43%	*55%	31%
Mobile phone	*11%	*21%	*33%	*44%	*61%	27%
Meals or entertainment provided by third parties	*21%	*20%	29%	*34%	*49%	26%
Parking	*9%	24%	*32%	*31%	*45%	25%
Gifts received from third parties	*19%	22%	24%	*33%	*30%	24%
Bicycle	*6%	*14%	*30%	*28%	*41%	19%
Awards for exceptional achievement	17%	*17%	24%	25%	*30%	20%
Awards for long service	*14%	17%	23%	24%	*29%	19%
Health screening or check-ups	*4%	*15%	*24%	*29%	*37%	18%
Childcare vouchers	*7%	*14%	*22%	22%	*40%	17%
Incidental overnight expenses	*7%	*11%	*19%	*20%	*24%	14%
Awards for suggestions	*9%	12%	17%	16%	*19%	13%
Free or subsidised meals at usual place of work	*8%	*16%	13%	12%	16%	13%
Shareholder advice	*4%	10%	*15%	*17%	13%	10%
Retraining provision for redundancy	*6%	*7%	*15%	*19%	*14%	10%
Medical help while outside UK	*2%	*5%	10%	*16%	*33%	10%
Private sports facilities or gym	*3%	*5%	11%	*24%	*15%	9%
Work-to-home travel when working late	*3%	7%	11%	*13%	*14%	8%
Free access to employer facilities	8%	8%	9%	*4%	5%	8%
Subsidised buses	*2%	8%	*11%	7%	6%	7%
Living accommodation	4%	3%	4%	3%	4%	4%
Support for commuting for disabled people	*1%	3%	*5%	*6%	2%	3%
Loans	*1%	*1%	3%	*6%	*6%	2%
Free childcare provision on your employer's property	1%	2%	*3%	1%	0%	1%
Free childcare provision off-site	1%	1%	*3%	2%	2%	1%
Internal training	*44%	60%	*65%	*72%	*75%	60%
External training	*35%	52%	*67%	*77%	*72%	55%

Table A2.3 Non-taxable BiKs offered for each size of business

BiK name	Small (1-49)	Medium (50-249)	Large (250+)	Total
<i>Base size</i>	431	219	878	1,528
Annual party	48%	*56%	*40%	44%
Free or discounted employer products or services	*33%	*28%	*42%	37%
Counselling	*6%	30%	*44%	31%
Mobile phone	*23%	29%	29%	27%
Meals or entertainment provided by third parties	*30%	32%	*23%	26%
Parking	*12%	24%	*31%	25%
Gifts received from third parties	26%	28%	*21%	24%
Bicycle	*4%	17%	*28%	19%
Awards for exceptional achievement	*9%	17%	*27%	20%
Awards for long service	*5%	15%	*28%	19%
Health screening or check-ups	*4%	17%	*25%	18%
Childcare vouchers	*4%	20%	*23%	17%
Incidental overnight expenses	13%	13%	14%	14%
Awards for suggestions	*5%	11%	*18%	13%
Free or subsidised meals at usual place of work	*7%	12%	*17%	13%
Shareholder advice	*5%	*5%	*15%	10%
Retraining provision for redundancy	*5%	11%	*13%	10%
Medical help while outside UK	*6%	11%	*11%	10%
Private sports facilities or gym	*1%	6%	*14%	9%
Work-to-home travel when working late	7%	6%	9%	8%
Free access to employer facilities	9%	6%	7%	8%
Subsidised buses	*2%	*3%	*10%	7%
Living accommodation	2%	5%	4%	4%
Support for commuting for disabled people	2%	*1%	*4%	3%
Loans	2%	3%	3%	2%
Free childcare provision on your employer's property	0%	0%	*2%	1%
Free childcare provision off-site	0%	1%	*2%	1%
Internal training	*34%	65%	*72%	60%
External training	*39%	*63%	*62%	55%

Table A2.4 Non-taxable BiKs offered by age band of employee

BiK name	18 to 24	25 to 34	35 to 44	45 to 54	55 to 64	Total
<i>Base size</i>	82	318	395	413	320	1,528
Annual party	49%	*49%	45%	43%	*35%	44%
Free or discounted employer products or services	*56%	42%	39%	*29%	*29%	37%
Counselling	24%	29%	34%	31%	33%	31%
Mobile phone	*14%	25%	31%	*31%	29%	27%
Meals or entertainment provided by third parties	32%	*33%	28%	*22%	*17%	26%
Parking	23%	25%	26%	27%	21%	25%
Gifts received from third parties	28%	*32%	26%	*18%	*12%	24%
Bicycle	13%	*25%	*24%	17%	*13%	19%
Awards for exceptional achievement	*29%	*26%	21%	*16%	*10%	20%
Awards for long service	24%	*24%	20%	17%	*13%	19%
Health screening or check-ups	14%	20%	18%	16%	19%	18%
Childcare vouchers	12%	17%	*24%	19%	*9%	17%
Incidental overnight expenses	13%	15%	16%	13%	*9%	14%
Awards for suggestions	18%	15%	15%	12%	*7%	13%
Free or subsidised meals at usual place of work	15%	15%	14%	10%	11%	13%
Shareholder advice	9%	12%	11%	10%	8%	10%
Retraining provision for redundancy	9%	11%	11%	9%	10%	10%
Medical help while outside UK	7%	8%	11%	11%	9%	10%
Private sports facilities or gym	9%	10%	*12%	7%	*5%	9%
Work-to-home travel when working late	6%	*11%	*10%	*5%	*5%	8%
Free access to employer facilities	11%	10%	*10%	*4%	*4%	8%
Subsidised buses	8%	9%	8%	5%	5%	7%
Living accommodation	*10%	4%	3%	3%	*1%	4%
Support for commuting for disabled people	3%	3%	3%	3%	3%	3%
Loans	2%	3%	2%	2%	2%	2%
Free childcare provision on your employer's property	*4%	1%	1%	2%	*0%	1%
Free childcare provision off-site	2%	2%	1%	1%	1%	1%
Internal training	61%	64%	60%	56%	57%	60%
External training	50%	58%	55%	59%	*50%	55%

Table A2.5 Non-taxable BiKs offered within each sector (Sectors ABDE to H)

BiK name	ABDE Agriculture, Utilities etc.	C Manu- facturing	F Cons- truction	G Wholesal e & Retail	H Transport & Storage	Total
<i>Base size</i>	61	102	76	177	70	1,528
Annual party	*59%	48%	36%	*52%	33%	44%
Free or discounted employer products or services	30%	36%	*21%	*62%	43%	37%
Counselling	40%	27%	*20%	25%	25%	31%
Mobile phone	32%	31%	*38%	24%	34%	27%
Meals or entertainment provided by third parties	32%	27%	28%	22%	26%	26%
Parking	29%	*36%	27%	21%	33%	25%
Gifts received from third parties	22%	17%	22%	21%	*34%	24%
Bicycle	22%	25%	14%	16%	16%	19%
Awards for exceptional achievement	22%	24%	*7%	*27%	23%	20%
Awards for long service	28%	21%	*6%	*28%	26%	19%
Health screening or check-ups	27%	*28%	19%	15%	19%	18%
Childcare vouchers	*31%	18%	12%	17%	17%	17%
Incidental overnight expenses	17%	*20%	16%	12%	8%	14%
Awards for suggestions	*24%	19%	*5%	*19%	15%	13%
Free or subsidised meals at usual place of work	8%	10%	*5%	14%	11%	13%
Shareholder advice	16%	15%	13%	*16%	*28%	10%
Retraining provision for redundancy	6%	*16%	3%	10%	13%	10%
Medical help while outside UK	11%	13%	10%	7%	6%	10%
Private sports facilities or gym	11%	10%	3%	5%	5%	9%
Work-to-home travel when working late	9%	8%	*14%	6%	9%	8%
Free access to employer facilities	*15%	4%	8%	11%	8%	8%
Subsidised buses	*14%	5%	2%	7%	6%	7%
Living accommodation	0%	1%	1%	*1%	4%	4%
Support for commuting for disabled people	*8%	5%	1%	2%	3%	3%
Loans	3%	1%	1%	2%	0%	2%
Free childcare provision on your employer's property	0%	2%	2%	1%	1%	1%
Free childcare provision off-site	0%	2%	1%	*4%	0%	1%
Internal training	63%	62%	*37%	*53%	56%	60%
External training	61%	55%	47%	*44%	*44%	55%

Table A2.6 Non-taxable BiKs offered within each sector (Sectors I to N)

BiK name	I Accommodation & Food	J Info. & Comms.	KL Finance & Real Estate etc.	M Professional & Technical etc.	N Admin. & Support Services	Total
<i>Base size</i>	82	58	61	80	257	1,528
Annual party	54%	*73%	*59%	*75%	*36%	44%
Free or discounted employer products or services	*74%	36%	33%	28%	*20%	37%
Counselling	*11%	41%	*46%	36%	*18%	31%
Mobile phone	*15%	*50%	*48%	*50%	*18%	27%
Meals or entertainment provided by third parties	25%	34%	*39%	*42%	22%	26%
Parking	*15%	*40%	*39%	*39%	*17%	25%
Gifts received from third parties	30%	27%	31%	31%	*17%	24%
Bicycle	*9%	*39%	*36%	*36%	*11%	19%
Awards for exceptional achievement	27%	*32%	*35%	26%	16%	20%
Awards for long service	19%	*31%	*33%	25%	*14%	19%
Health screening or check-ups	*3%	22%	*35%	*27%	*12%	18%
Childcare vouchers	*6%	*32%	*34%	*36%	*9%	17%
Incidental overnight expenses	9%	*28%	18%	*27%	11%	14%
Awards for suggestions	11%	*23%	*27%	15%	10%	13%
Free or subsidised meals at usual place of work	*23%	16%	11%	13%	*5%	13%
Shareholder advice	8%	18%	*21%	*18%	10%	10%
Retraining provision for redundancy	4%	14%	*20%	10%	*5%	10%
Medical help while outside UK	*2%	*21%	16%	*20%	*4%	10%
Private sports facilities or gym	6%	9%	13%	13%	6%	9%
Work-to-home travel when working late	4%	*17%	14%	*16%	7%	8%
Free access to employer facilities	9%	*20%	4%	5%	6%	8%
Subsidised buses	4%	11%	10%	7%	*3%	7%
Living accommodation	*11%	1%	2%	3%	2%	4%
Support for commuting for disabled people	2%	*9%	5%	1%	2%	3%
Loans	0%	5%	5%	*7%	4%	2%
Free childcare provision on your employer's property	1%	0%	1%	0%	*0%	1%
Free childcare provision off-site	1%	0%	*7%	0%	1%	1%
Internal training	53%	65%	71%	67%	*38%	60%
External training	*43%	66%	66%	*74%	*31%	55%

Table A2.7 Non-taxable BiKs offered within each sector (Sectors O to RS and Unknown)

BiK name	O Public Admin. & Defence	P Education	Q Health & Social Work	RS Arts & Other Services	Unknown	Total
<i>Base size</i>	58	144	164	57	81	1,528
Annual party	*15%	*21%	*36%	*60%	35%	44%
Free or discounted employer products or services	32%	32%	*14%	*53%	40%	37%
Counselling	*64%	*48%	*44%	*17%	*8%	31%
Mobile phone	25%	*18%	22%	29%	20%	27%
Meals or entertainment provided by third parties	34%	*18%	*17%	32%	34%	26%
Parking	*42%	25%	20%	*12%	*5%	25%
Gifts received from third parties	18%	28%	18%	26%	23%	24%
Bicycle	27%	21%	17%	17%	*4%	19%
Awards for exceptional achievement	28%	*9%	*12%	22%	*11%	20%
Awards for long service	27%	*11%	*12%	15%	12%	19%
Health screening or check-ups	*42%	12%	18%	14%	*4%	18%
Childcare vouchers	22%	13%	19%	11%	*4%	17%
Incidental overnight expenses	16%	*7%	9%	6%	18%	14%
Awards for suggestions	17%	*5%	9%	6%	8%	13%
Free or subsidised meals at usual place of work	20%	14%	14%	15%	13%	13%
Shareholder advice	*1%	*0%	*3%	4%	4%	10%
Retraining provision for redundancy	*27%	10%	*4%	15%	10%	10%
Medical help while outside UK	*22%	9%	*4%	8%	11%	10%
Private sports facilities or gym	*46%	11%	6%	6%	3%	9%
Work-to-home travel when working late	9%	*2%	6%	6%	9%	8%
Free access to employer facilities	3%	7%	5%	9%	11%	8%
Subsidised buses	13%	8%	10%	8%	*1%	7%
Living accommodation	*19%	2%	*8%	1%	1%	4%
Support for commuting for disabled people	6%	1%	3%	0%	6%	3%
Loans	4%	2%	2%	0%	0%	2%
Free childcare provision on your employer's property	*7%	2%	1%	3%	0%	1%
Free childcare provision off-site	0%	1%	1%	0%	1%	1%
Internal training	*79%	*80%	*75%	60%	*30%	60%
External training	*71%	*78%	*70%	60%	*26%	55%

Table A2.8 Non-taxable BiKs offered within each region (part 1)

BiK name	East of England	East Midlands	London	North East	Total
<i>Base size</i>	157	101	230	52	1,528
Annual party	49%	51%	49%	39%	44%
Free or discounted employer products or services	43%	35%	38%	40%	37%
Counselling	28%	31%	26%	33%	31%
Mobile phone	25%	30%	29%	*12%	27%
Meals or entertainment provided by third parties	21%	30%	*36%	27%	26%
Parking	24%	*35%	20%	28%	25%
Gifts received from third parties	19%	28%	28%	23%	24%
Bicycle	18%	21%	23%	12%	19%
Awards for exceptional achievement	16%	20%	24%	*9%	20%
Awards for long service	21%	23%	19%	16%	19%
Health screening or check-ups	13%	17%	17%	23%	18%
Childcare vouchers	16%	18%	17%	11%	17%
Incidental overnight expenses	13%	15%	13%	16%	14%
Awards for suggestions	12%	13%	14%	8%	13%
Free or subsidised meals at usual place of work	14%	11%	*17%	14%	13%
Shareholder advice	9%	14%	12%	9%	10%
Retraining provision for redundancy	13%	13%	10%	6%	10%
Medical help while outside UK	13%	17%	17%	23%	10%
Private sports facilities or gym	9%	9%	10%	16%	9%
Work-to-home travel when working late	*3%	*16%	*12%	11%	8%
Free access to employer facilities	10%	5%	*12%	4%	8%
Subsidised buses	7%	11%	7%	1%	7%
Living accommodation	2%	3%	3%	7%	4%
Support for commuting for disabled people	3%	4%	2%	0%	3%
Loans	3%	2%	*4%	0%	2%
Free childcare provision on your employer's property	2%	2%	1%	*7%	1%
Free childcare provision off-site	1%	2%	2%	0%	1%
Internal training	55%	57%	59%	58%	60%
External training	59%	54%	56%	54%	55%

Table A2.9 Non-taxable BiKs offered within each region (part 2)

BiK name	North West	South East	South West	West Midlands	Yorkshire & Humber	Total
Base size	149	227	142	135	107	1,528
Annual party	38%	*53%	*57%	*24%	41%	44%
Free or discounted employer products or services	35%	32%	43%	39%	37%	37%
Counselling	34%	34%	*23%	35%	38%	31%
Mobile phone	25%	*39%	*19%	31%	25%	27%
Meals or entertainment provided by third parties	26%	28%	*18%	24%	25%	26%
Parking	23%	29%	19%	29%	27%	25%
Gifts received from third parties	22%	24%	20%	22%	26%	24%
Bicycle	18%	23%	14%	22%	16%	19%
Awards for exceptional achievement	24%	*25%	16%	21%	21%	20%
Awards for long service	22%	23%	*11%	26%	17%	19%
Health screening or check-ups	19%	*23%	13%	15%	19%	18%
Childcare vouchers	15%	*24%	*11%	18%	18%	17%
Incidental overnight expenses	14%	*18%	*4%	11%	16%	14%
Awards for suggestions	16%	15%	*8%	15%	13%	13%
Free or subsidised meals at usual place of work	11%	15%	11%	9%	12%	13%
Shareholder advice	8%	*14%	*4%	9%	11%	10%
Retraining provision for redundancy	10%	8%	*4%	12%	10%	10%
Medical help while outside UK	19%	*23%	13%	15%	19%	10%
Private sports facilities or gym	7%	9%	7%	5%	10%	9%
Work-to-home travel when working late	8%	8%	*3%	6%	11%	8%
Free access to employer facilities	10%	7%	*3%	5%	9%	8%
Subsidised buses	5%	9%	3%	5%	11%	7%
Living accommodation	5%	6%	3%	2%	3%	4%
Support for commuting for disabled people	3%	3%	2%	5%	3%	3%
Loans	2%	3%	1%	2%	1%	2%
Free childcare provision on your employer's property	2%	1%	0%	2%	2%	1%
Free childcare provision off-site	2%	2%	0%	1%	0%	1%
Internal training	64%	60%	60%	62%	63%	60%
External training	*63%	59%	*47%	59%	55%	55%

Table A2.10 Non-taxable BiKs offered within each devolved nation

BiK name	Northern Ireland	Scotland	Wales	Total
<i>Base size</i>	34	125	69	1,528
Annual party	*14%	40%	38%	44%
Free or discounted employer products or services	34%	39%	33%	37%
Counselling	34%	30%	29%	31%
Mobile phone	23%	28%	20%	27%
Meals or entertainment provided by third parties	31%	24%	23%	26%
Parking	14%	25%	22%	25%
Gifts received from third parties	34%	21%	22%	24%
Bicycle	11%	24%	17%	19%
Awards for exceptional achievement	18%	19%	12%	20%
Awards for long service	13%	17%	14%	19%
Health screening or check-ups	19%	19%	19%	18%
Childcare vouchers	*4%	19%	20%	17%
Incidental overnight expenses	18%	18%	10%	14%
Awards for suggestions	12%	15%	11%	13%
Free or subsidised meals at usual place of work	12%	15%	8%	13%
Shareholder advice	9%	*16%	7%	10%
Retraining provision for redundancy	7%	*17%	9%	10%
Medical help while outside UK	19%	19%	19%	10%
Private sports facilities or gym	6%	8%	10%	9%
Work-to-home travel when working late	2%	10%	2%	8%
Free access to employer facilities	7%	5%	7%	8%
Subsidised buses	4%	10%	*0%	7%
Living accommodation	2%	3%	5%	4%
Support for commuting for disabled people	0%	5%	5%	3%
Loans	2%	3%	1%	2%
Free childcare provision on your employer's property	0%	1%	0%	1%
Free childcare provision off-site	*7%	0%	0%	1%
Internal training	63%	60%	58%	60%
External training	62%	*45%	46%	55%

The usage of individual non-taxable BiKs by key report breaks (income, sector, size of organisation and region) is shown in Tables A2.11 to A2.19. The tables also include the 'external training' BiK which was not included in totals in the report due to its widespread nature. Usage of 'internal training' was not covered in the survey questionnaire.

Table A2.11 Non-taxable BiKs used within each pay band (9 months)

BiK name	Under £7,500	£7,500 to £19,999	£20,000 to £29,999	£30,000 to £39,999	£40,000 or more	Total
Base size	335	564	272	167	190	1,528
Annual party	*24%	29%	35%	33%	*48%	31%
Free or discounted employer products or services	*30%	21%	20%	25%	21%	24%
Mobile phone	*9%	*14%	*27%	*36%	*50%	21%
Parking	*5%	18%	*24%	24%	*37%	18%
Free or subsidised meals at usual place of work	*6%	11%	10%	9%	*15%	10%
Health screening or check-ups	*2%	*4%	*12%	*14%	*16%	7%
Incidental overnight expenses	*2%	*4%	9%	*15%	*16%	7%
Free access to employer facilities	5%	5%	5%	2%	4%	5%
Private sports facilities or gym	*1%	*2%	*6%	*10%	*8%	4%
Work-to-home travel when working late	*0%	3%	*6%	*6%	*7%	4%
Counselling	*1%	4%	4%	4%	*7%	3%
Shareholder advice	*1%	4%	3%	6%	4%	3%
Childcare vouchers	*1%	2%	3%	4%	*8%	3%
Retraining provision for redundancy	2%	*2%	*5%	4%	3%	3%
Bicycle	1%	2%	3%	*5%	3%	2%
Subsidised buses	1%	2%	4%	3%	2%	2%
Medical help while outside UK	1%	0%	1%	2%	2%	1%
Living accommodation	1%	1%	*3%	2%	1%	1%
Loans	*0%	0%	1%	2%	*3%	1%
Support for commuting for disabled people	0%	0%	0%	*1%	1%	0%
Free childcare provision off-site	0%	0%	*1%	0%	0%	0%
Free childcare provision on your employer's property	0%	0%	0%	0%	0%	0%
External training	*19%	33%	38%	*53%	*45%	34%

Table A2.12 Non-taxable BiKs used for each size of business

BiK name	Small (1-49)	Medium (50-249)	Large (250+)	Total
<i>Base size</i>	431	219	878	1,528
Annual party	*38%	*43%	*25%	31%
Free or discounted employer products or services	22%	*17%	*26%	24%
Mobile phone	20%	24%	21%	21%
Parking	*11%	20%	*22%	18%
Free or subsidised meals at usual place of work	*5%	10%	*13%	10%
Health screening or check-ups	*2%	8%	*10%	7%
Incidental overnight expenses	6%	7%	7%	7%
Free access to employer facilities	*6%	4%	4%	5%
Private sports facilities or gym	0%	2%	*6%	4%
Work-to-home travel when working late	4%	2%	4%	4%
Counselling	0%	*1%	*6%	3%
Shareholder advice	2%	*1%	*5%	3%
Childcare vouchers	*1%	*5%	3%	3%
Retraining provision for redundancy	2%	3%	3%	3%
Bicycle	1%	1%	*3%	2%
Subsidised buses	*1%	*0%	*4%	2%
Medical help while outside UK	1%	0%	1%	1%
Living accommodation	1%	0%	*2%	1%
Loans	1%	1%	1%	1%
Support for commuting for disabled people	0%	0%	0%	0%
Free childcare provision off-site	0%	0%	0%	0%
Free childcare provision on your employer's property	0%	0%	0%	0%
External training	*25%	*41%	*36%	34%

Table A2.13 Non-taxable BiKs used by age band of employee

BiK name	18 to 24	25 to 34	35 to 44	45 to 54	55 to 64	Total
<i>Base size</i>	82	318	395	413	320	1,528
Annual party	37%	*37%	31%	31%	*21%	31%
Free or discounted employer products or services	*40%	26%	24%	*16%	*18%	24%
Mobile phone	*10%	18%	24%	*26%	24%	21%
Parking	12%	17%	18%	*24%	17%	18%
Free or subsidised meals at usual place of work	11%	13%	10%	8%	10%	10%
Health screening or check-ups	6%	8%	6%	7%	9%	7%
Incidental overnight expenses	7%	7%	8%	6%	6%	7%
Free access to employer facilities	8%	*7%	4%	3%	*2%	5%
Private sports facilities or gym	5%	5%	5%	2%	*1%	4%
Work-to-home travel when working late	5%	5%	5%	*2%	*1%	4%
Counselling	3%	2%	4%	4%	4%	3%
Shareholder advice	3%	4%	5%	2%	4%	3%
Childcare vouchers	0%	3%	*8%	1%	*0%	3%
Retraining provision for redundancy	4%	2%	4%	2%	2%	3%
Bicycle	1%	3%	3%	3%	1%	2%
Subsidised buses	5%	2%	3%	*1%	2%	2%
Medical help while outside UK	1%	1%	1%	1%	1%	1%
Living accommodation	*4%	1%	1%	1%	0%	1%
Loans	0%	1%	1%	0%	2%	1%
Support for commuting for disabled people	0%	0%	0%	0%	0%	0%
Free childcare provision off-site	0%	0%	0%	0%	0%	0%
Free childcare provision on your employer's property	0%	0%	0%	0%	0%	0%
External training	31%	36%	33%	37%	*27%	34%

Table A2.14 Non-taxable BiKs used within each sector (Sectors ABDE to H)

BiK name	ABDE Agriculture, Utilities etc.	C Manu- facturing	F Cons- truction	G Wholesale & Retail	H Transport & Storage	Total
<i>Base size</i>	61	102	76	177	70	1,528
Annual party	41%	36%	28%	36%	*16%	31%
Free or discounted employer products or services	21%	21%	*7%	*49%	28%	24%
Mobile phone	27%	27%	*33%	17%	27%	21%
Parking	27%	*32%	25%	17%	26%	18%
Free or subsidised meals at usual place of work	8%	7%	*2%	10%	9%	10%
Health screening or check-ups	11%	*13%	13%	4%	6%	7%
Incidental overnight expenses	10%	9%	10%	6%	4%	7%
Free access to employer facilities	4%	1%	6%	7%	7%	5%
Private sports facilities or gym	3%	2%	1%	*1%	2%	4%
Work-to-home travel when working late	6%	2%	*8%	4%	5%	4%
Counselling	6%	3%	2%	1%	4%	3%
Shareholder advice	0%	*8%	1%	*7%	*8%	3%
Childcare vouchers	6%	3%	2%	2%	3%	3%
Retraining provision for redundancy	0%	1%	0%	2%	3%	3%
Bicycle	5%	4%	2%	1%	4%	2%
Subsidised buses	*10%	3%	1%	1%	1%	2%
Medical help while outside UK	11%	*13%	13%	4%	6%	1%
Living accommodation	0%	0%	1%	0%	3%	1%
Loans	0%	0%	0%	1%	0%	1%
Support for commuting for disabled people	0%	1%	0%	0%	0%	0%
Free childcare provision off-site	0%	0%	0%	0%	0%	0%
Free childcare provision on your employer's property	0%	0%	0%	0%	0%	0%
External training	34%	25%	38%	*20%	24%	34%

Table A2.15 Non-taxable BiKs used within each sector (Sectors I to N)

BiK name	I Accommodation & Food	J Information & Communications	KL Finance & Real Estate etc.	M Professional and Technical etc.	N Admin. & Support Services	Total
<i>Base size</i>	82	58	61	80	257	1,528
Annual party	40%	*58%	*45%	*61%	*23%	31%
Free or discounted employer products or services	*59%	23%	17%	15%	*10%	24%
Mobile phone	*12%	*39%	*40%	*37%	*16%	21%
Parking	*10%	*38%	24%	*30%	*11%	18%
Free or subsidised meals at usual place of work	*17%	14%	9%	13%	*4%	10%
Health screening or check-ups	3%	13%	*17%	10%	5%	7%
Incidental overnight expenses	3%	*15%	*15%	*17%	7%	7%
Free access to employer facilities	5%	8%	3%	4%	3%	5%
Private sports facilities or gym	6%	4%	7%	4%	*1%	4%
Work-to-home travel when working late	3%	7%	7%	*9%	4%	4%
Counselling	1%	3%	*8%	*7%	2%	3%
Shareholder advice	3%	*9%	5%	5%	1%	3%
Childcare vouchers	1%	4%	*7%	5%	2%	3%
Retraining provision for redundancy	1%	*9%	4%	3%	3%	3%
Bicycle	1%	1%	0%	4%	1%	2%
Subsidised buses	1%	6%	5%	0%	1%	2%
Medical help while outside UK	3%	13%	*17%	10%	5%	1%
Living accommodation	*5%	0%	0%	0%	0%	1%
Loans	0%	*4%	3%	3%	1%	1%
Support for commuting for disabled people	0%	0%	0%	0%	0%	0%
Free childcare provision off-site	0%	0%	*2%	0%	0%	0%
Free childcare provision on your employer's property	0%	0%	0%	0%	0%	0%
External training	*21%	31%	30%	*53%	*13%	34%

Table A2.16 Non-taxable BiKs used within each sector (Sectors O to RS and Unknown)

BiK name	O Public Admin. & Defence	P Education	Q Health & Social Work	RS Arts & Other Services	Unknown	Total
<i>Base size</i>	58	144	164	57	81	1,528
Annual party	*7%	*11%	*23%	*48%	25%	31%
Free or discounted employer products or services	*12%	*11%	*7%	*43%	23%	24%
Mobile phone	16%	*13%	*15%	23%	17%	21%
Parking	27%	18%	*13%	*6%	*3%	18%
Free or subsidised meals at usual place of work	15%	11%	9%	15%	9%	10%
Health screening or check-ups	*24%	5%	5%	6%	2%	7%
Incidental overnight expenses	8%	*1%	*3%	1%	8%	7%
Free access to employer facilities	2%	3%	3%	9%	7%	5%
Private sports facilities or gym	*28%	4%	1%	6%	1%	4%
Work-to-home travel when working late	2%	*1%	2%	2%	3%	4%
Counselling	4%	4%	5%	1%	1%	3%
Shareholder advice	0%	*0%	*0%	0%	3%	3%
Childcare vouchers	3%	5%	3%	0%	0%	3%
Retraining provision for redundancy	*8%	3%	2%	2%	4%	3%
Bicycle	2%	4%	4%	3%	0%	2%
Subsidised buses	2%	3%	*5%	3%	0%	2%
Medical help while outside UK	*24%	5%	5%	6%	2%	1%
Living accommodation	*16%	0%	1%	1%	0%	1%
Loans	2%	0%	1%	0%	0%	1%
Support for commuting for disabled people	*1%	0%	0%	0%	0%	0%
Free childcare provision off-site	0%	*1%	0%	0%	0%	0%
Free childcare provision on your employer's property	0%	0%	0%	0%	0%	0%
External training	44%	*56%	*49%	45%	*16%	34%

Table A2.17 Non-taxable BiKs used within each region (part 1)

BiK name	East of England	East Midlands	London	North East	Total
<i>Base size</i>	157	101	230	52	1,528
Annual party	36%	34%	36%	23%	31%
Free or discounted employer products or services	29%	16%	25%	23%	24%
Mobile phone	20%	21%	22%	*10%	21%
Parking	19%	*27%	*10%	16%	18%
Free or subsidised meals at usual place of work	11%	8%	13%	5%	10%
Health screening or check-ups	5%	6%	8%	11%	7%
Incidental overnight expenses	6%	7%	5%	5%	7%
Free access to employer facilities	7%	1%	*8%	1%	5%
Private sports facilities or gym	2%	2%	*7%	4%	4%
Work-to-home travel when working late	1%	4%	*7%	*10%	4%
Counselling	3%	*9%	6%	2%	3%
Shareholder advice	2%	3%	2%	2%	3%
Childcare vouchers	1%	5%	3%	3%	3%
Retraining provision for redundancy	3%	2%	2%	3%	3%
Bicycle	1%	0%	2%	0%	2%
Subsidised buses	*0%	3%	*4%	1%	2%
Medical help while outside UK	0%	0%	1%	0%	1%
Living accommodation	0%	3%	1%	*7%	1%
Loans	1%	1%	2%	0%	1%
Support for commuting for disabled people	0%	0%	0%	0%	0%
Free childcare provision off-site	0%	0%	0%	0%	0%
Free childcare provision on your employer's property	0%	0%	0%	0%	0%
External training	36%	33%	35%	23%	34%

Table A2.18 Non-taxable BiKs used within each region (part 2)

BiK name	North West	South East	South West	West Midlands	Yorkshire & Humber	Total
Base size	149	227	142	135	107	1,528
Annual party	26%	37%	*41%	*15%	28%	31%
Free or discounted employer products or services	24%	22%	28%	22%	21%	24%
Mobile phone	19%	*31%	18%	26%	18%	21%
Parking	19%	*24%	13%	24%	21%	18%
Free or subsidised meals at usual place of work	9%	11%	9%	9%	8%	10%
Health screening or check-ups	9%	10%	4%	7%	7%	7%
Incidental overnight expenses	7%	9%	*3%	6%	7%	7%
Free access to employer facilities	6%	3%	2%	2%	5%	5%
Private sports facilities or gym	4%	4%	4%	1%	2%	4%
Work-to-home travel when working late	4%	4%	1%	1%	3%	4%
Counselling	3%	3%	*0%	2%	3%	3%
Shareholder advice	3%	5%	2%	1%	5%	3%
Childcare vouchers	4%	3%	3%	3%	3%	3%
Retraining provision for redundancy	5%	2%	2%	1%	2%	3%
Bicycle	2%	3%	2%	2%	*7%	2%
Subsidised buses	1%	2%	1%	3%	*5%	2%
Medical help while outside UK	0%	1%	1%	1%	0%	1%
Living accommodation	2%	0%	2%	0%	1%	1%
Loans	0%	2%	1%	1%	0%	1%
Support for commuting for disabled people	0%	0%	0%	1%	0%	0%
Free childcare provision off-site	*1%	0%	0%	*1%	0%	0%
Free childcare provision on your employer's property	0%	0%	0%	0%	0%	0%
External training	40%	35%	29%	40%	31%	34%

Table A2.19 Non-taxable BiKs used within each devolved nation

BiK name	Northern Ireland	Scotland	Wales	Total
<i>Base size</i>	34	125	69	1,528
Annual party	*10%	29%	30%	31%
Free or discounted employer products or services	23%	25%	16%	24%
Mobile phone	14%	18%	16%	21%
Parking	9%	20%	17%	18%
Free or subsidised meals at usual place of work	12%	10%	8%	10%
Health screening or check-ups	12%	5%	7%	7%
Incidental overnight expenses	4%	*16%	3%	7%
Free access to employer facilities	6%	4%	5%	5%
Private sports facilities or gym	0%	5%	4%	4%
Work-to-home travel when working late	2%	5%	1%	4%
Counselling	2%	3%	3%	3%
Shareholder advice	5%	*7%	4%	3%
Childcare vouchers	0%	3%	0%	3%
Retraining provision for redundancy	0%	*8%	0%	3%
Bicycle	5%	2%	4%	2%
Subsidised buses	0%	3%	0%	2%
Medical help while outside UK	0%	1%	*4%	1%
Living accommodation	0%	1%	3%	1%
Loans	0%	1%	0%	1%
Support for commuting for disabled people	0%	1%	0%	0%
Free childcare provision off-site	0%	0%	0%	0%
Free childcare provision on your employer's property	0%	0%	0%	0%
External training	24%	30%	26%	34%

Understanding of taxation on BiKs: additional detail

Table A2.20 shows how employee understanding of the general status of BiKs regarding taxation varies by industrial sector. As can be seen, two sectors (Accommodation and Food Service, 18%; Arts, Entertainment and Other Services, 22%) are less likely than average (35%) to give the correct answer that BiKs are sometimes subject to income tax and National Insurance. Those in Finance, Insurance and Real Estate (54%) and Professional, Scientific and Technical sectors (60%) were more likely than average to give the correct answer.

Table A2.20 Employee understanding of taxation of BiKs by sector

Sector (SIC2007 banded, HMRC data)	Base	Always subject to income tax and NI	Sometimes subject to income tax and NI (correct answer)	Never subject to income tax and NI	Don't know
ABDE (Agriculture, Mining & Utilities)	50	30%*	43%	11%	16%*
C (Manufacturing)	74	22%	41%	11%	26%
F (Construction)	50	20%	32%	13%	35%
G (Wholesale & Retail)	140	21%	31%	15%	33%
H (Transport & Storage)	50	16%	34%	11%	39%
I (Accommodation & Food Service)	70	23%	18%*	14%	46%*
J (Information & Communication)	50	18%	38%	18%	27%
KL (Finance, Insurance & Real Estate)	50	28%	54%*	7%	12%*
M (Professional, Scientific & Technical)	70	14%	60%*	7%	19%*
N (Administrative & Support Services)	150	24%	30%	14%	32%
O (Public Administration & Defence)	50	18%	34%	14%	34%
P (Education)	112	10%*	39%	12%	39%
Q (Human Health & Social Work)	124	12%*	34%	12%	42%*
RS (Arts, Entertainment & Other Services)	50	16%	22%*	18%	44%
Unknown	60	32%*	27%	13%	28%
Total	1,150	19%	35%	13%	33%

B1: Thinking in general about benefits and perks provided by employers to employees, do you think that they are: Always subject to income tax and national insurance, never subject to income tax and national insurance or sometimes subject to income tax and national insurance? Unweighted base: all eligible for long survey (1,150)

Certain occupations were more likely to have a better understanding of on the tax treatment of BiKs. For example, employees who were Corporate Managers and Directors (56%), Business and Public Service Associate Professionals (52%) and Teaching and Educational Professionals (48%) were more likely than others to correctly state that BiKs are *sometimes* subject to income tax and national insurance. Whereas, those in Caring, Personal Service and Elementary Administration and Service occupations were less likely to state this (20% and 16%)³² and the former were also more likely to state that they don't know (66% compared with 33% overall).

Demographically, females were more likely than males to state that they "don't know" and less likely to state that BiKs are *always* subject to income tax (37% compared with 27% and 15% compared with 23% respectively). However, there were no gender differences in those giving the correct answer. By ethnicity, white employees were more likely to correctly identify that BiKs are *sometimes* subject to income tax and national insurance, than BAME employees (37% compared with 31%). Finally, there was no obvious pattern by age group, though 18 to 24 year olds were more likely to state that they don't know, and 55 to 64 year olds were less likely to (46% and 27% respectively). Employees aged between 25 and 34 years old were less likely to correctly identify that BiKs are *sometimes* subject to income tax and national insurance (30%).

BiKs not shown in the main report: sub-group prevalence information

Non-taxable BiKs: Health screening or check-ups

Health screening or check-ups were offered to 18% of employees, and used by 7% of employees.

Proportions offered and used by sector

Employees working in *Public Administration & Defence* (42% offered, 24% used), *Finance, Insurance & Real Estate* (35% offered, 17% used) and *Manufacturing* (28% offered, 13% used) were more likely to both be offered and use health screening or check-ups. Those working in *Professional, Scientific & Technical* were more likely than average to be offered this BiK, but not necessarily use it (27% offered, 10% used), Employees working in *Administration & Support Services, Accommodation & Food Service* and *Unknown* sectors were much less likely than average to be offered health screening or check-ups (12%, 3% and 4% respectively).

Proportions offered and used by age band

There were no significant differences by age band.

Proportions offered and used by pay band (9 months)

Employees in higher pay bands were more likely to be offered and have used this BiK than average, for example, more than a third (37%) of those earning £40,000 (in 9 months) or more were offered health screening or check-ups and 16% used them.

Proportions offered and used by size band

Employees at micro / small companies were less likely to be offered and have used health screenings or check-ups than average (4% offered, 2% used), and those at large companies were more likely than average (25% offered, 10% used).

³² Caution required due to low base size.

Proportions offered and used by gender

There was no difference by gender in terms of likelihood to be offered health screenings or check-ups. However, male employees were more likely to use this BiK than female employees (10% compared with 6%).

Table A2.21 Health screening or check-ups BiK: Prevalence in key sub-groups

Sector (SIC2007)	Base	Offered	Used	Age	Base	Offered	Used
Agriculture, Mining & Utilities	61	27%	11%	18 to 24	82	14%	6%
Manufacturing	102	28%*	13%*	25 to 34	318	20%	8%
Construction	76	19%	13%	35 to 44	395	18%	6%
Wholesale & Retail	177	15%	4%	45 to 54	413	16%	7%
Transport & Storage	70	19%	6%	55 to 64	320	19%	9%
Accom. & Food Service	82	3%*	3%	Pay Band (9 months)	Base	Offered	Used
Information & Comms.	58	22%	13%	Under £7,500	335	4%*	2%*
Finance & Insurance, etc.	61	35%*	17%*	£7,500 to £19,999	564	15%*	4%*
Professional & Technical, etc.	80	27%*	10%	£20,000 to £29,999	272	24%*	12%*
Admin. & Support Services	257	12%*	5%	£30,000 to £39,999	167	29%*	14%*
Public Admin. & Defence	58	42%*	24%*	£40,000 or more	190	37%*	16%*
Education	144	12%	5%	Organisation size	Base	Offered	Used
Human Health & Social Work	164	18%	5%	Small / Micro	431	4%*	2%*
Arts, Ents. & Other Services	57	14%	6%	Medium	219	17%	8%
Unknown	81	4%*	2%	Large	878	25%*	10%*
				Gender	Base	Offered	Used
				Female	778	16%	6%*
All sectors	1,528	18%	7%	Male	732	19%	10%*

A1-A4: see Appendix 3 for question text.

Non-taxable BiKs: Incidental overnight expenses

Incidental overnight expenses were offered to 14% of employees and used by 7%. It is important to note that this non-taxable BiK is not synonymous with general business travel expenses, which are taxable; please see the definitions of the BiKs for more information.

Proportions offered and used by sector

Employees working in 'white collar' sectors, such as *Information & Communication* (28% offered, 15% used) and *Professional, Scientific & Technical* (27% offered, 17% used) were more likely than average to both be offered and to use incidental overnight expenses. In addition, despite the proportion offered this BiK in *Finance, Insurance & Real Estate* being in line with employees overall, they were more likely than average to use it (18% offered, 15% used). Those in *Manufacturing* were more likely than average to be offered this BiK, though not necessarily use it (20% offered, 9% used). The *Education* sector were less likely to both be offered and use incidental overnight expenses than average (7% offered, 1% used).

Proportions offered and used by age band

Employees aged between 55 and 64 years old were less likely to be offered incidental overnight expenses than average (9%). There were no differences in usage by age band.

Proportions offered and used by pay band (9 months)

Employees in higher pay bands were more likely to be offered and have used this BiK than average, for example, almost a quarter (24%) of those earning £40,000 or more in 9 months were offered incidental overnight expenses and 16% used it.

Proportions offered and used by size band

There were no significant differences by size band.

Proportions offered and used by gender

Male employees were more likely to both be offered and use incidental overnight expenses than female employees (17% compared with 11% offered, 10% compared with 4%).

Table A2.22 Incidental overnight expenses BiK: Prevalence in key sub-groups

Sector (SIC2007)	Base	Offered	Used	Age	Base	Offered	Used
Agriculture, Mining & Utilities	61	17%	10%	18 to 24	82	13%	7%
Manufacturing	102	20%*	9%	25 to 34	318	15%	7%
Construction	76	16%	10%	35 to 44	395	16%	8%
Wholesale & Retail	177	12%	6%	45 to 54	413	13%	6%
Transport & Storage	70	8%	4%	55 to 64	320	9%*	6%
Accom. & Food Service	82	9%	3%	Pay Band (9 months)	<i>Base</i>	Offered	Used
Information & Comms.	58	28%*	15%*	Under £7,500	335	7%*	2%*
Finance & Insurance, etc.	61	18%	15%*	£7,500 to £19,999	564	11%*	4%*
Professional & Technical, etc.	80	27%*	17%*	£20,000 to £29,999	272	19%*	9%
Admin. & Support Services	257	11%	7%	£30,000 to £39,999	167	20%*	15%*
Public Admin. & Defence	58	16%	8%	£40,000 or more	190	24%*	16%*
Education	144	7%*	1%*	Organisation size	<i>Base</i>	Offered	Used
Human Health & Social Work	164	9%	3%*	Small / Micro	431	13%	6%
Arts, Ents. & Other Services	57	6%	1%	Medium	219	13%	7%
Unknown	81	18%	8%	Large	878	14%	7%
				Gender	<i>Base</i>	Offered	Used
				Female	778	11%*	4%*
All sectors	1,528	14%	7%	Male	732	17%*	10%*

A1-A4: see Appendix 3 for question text.

Non-taxable BiKs: Free access to employer facilities

Free access to employer facilities was offered to 8% of employees and used by 5%.

Proportions offered and used by sector

Employees working in *Information & Communication* (20%) and *Agriculture, Mining & Utilities* (15%) were more likely to be offered free access to employer facilities than average. There were no significant differences in usage of this BiK by sector.

Proportions offered and used by age band

Employees aged 35 to 44 years old were more likely to be offered free access to employer facilities (10%) than average and those aged 45 to 54 years old and 55 to 64 years old were less likely to be offered this than average (both 4%). In terms of usage, those aged 25 to 34 years old were more likely to use this BiK than average (7%) and those aged 55 to 64 years old were less likely to (2%) than average.

Proportions offered and used by pay band (9 months)

Employees in the £30,000 to £39,999 pay band in 9 months were less likely than average to be offered free access to employer facilities (4%).

Proportions offered and used by size band

Employees working at micro / small companies were more likely than average to use free access to employer facilities (6%). There were no differences by size band in terms of proportion offered this BiK.

Proportions offered and used by gender

Female employees were less likely to be offered (6%) and use (4%) free access to employer facilities than male employees.

Table A2.23 Free access to employer facilities BiK: Prevalence in key sub-groups

Sector (SIC2007)	Base	Offered	Used	Age	Base	Offered	Used
Agriculture, Mining & Utilities	61	15%*	4%	18 to 24	82	11%	8%
Manufacturing	102	4%	1%	25 to 34	318	10%	7%*
Construction	76	8%	6%	35 to 44	395	10%*	4%
Wholesale & Retail	177	11%	7%	45 to 54	413	4%*	3%
Transport & Storage	70	8%	7%	55 to 64	320	4%*	2%*
Accom. & Food Service	82	9%	5%	Pay Band (9 months)	<i>Base</i>	Offered	Used
Information & Comms.	58	20%*	8%	Under £7,500	335	8%	5%
Finance & Insurance, etc.	61	4%	3%	£7,500 to £19,999	564	8%	5%
Professional & Technical, etc.	80	5%	4%	£20,000 to £29,999	272	9%	5%
Admin. & Support Services	257	6%	3%	£30,000 to £39,999	167	4%*	2%
Public Admin. & Defence	58	3%	2%	£40,000 or more	190	5%	4%
Education	144	7%	3%	Organisation size	<i>Base</i>	Offered	Used
Human Health & Social Work	164	5%	3%	Small / Micro	431	9%	6%*
Arts, Ents. & Other Services	57	9%	9%	Medium	219	6%	4%
Unknown	81	11%	7%	Large	878	7%	4%
				Gender	<i>Base</i>	Offered	Used
				Female	778	6%*	4%*
All sectors	1,528	8%	5%	Male	732	9%	5%

A1-A4: see Appendix 3 for question text.

Non-taxable BiKs: Private sports facilities or gyms

Private sports facilities or gyms were offered to 9% of employees and used by 4% employees.

Proportions offered and used by sector

Employees working in Public Administration and Defence were more likely to be offered (46%) and to use (28%) private sports facilities or gyms.

Proportions offered and used by age band

Employees aged 35 to 44 were significantly more likely to be offered private sports facilities or gyms (12%). In contrast, employees in the oldest age band (55 to 64) were less likely to be offered (5%) and to use (1%) private sports facilities or gyms.

Proportions offered and used by pay band (9 months)

Employees in the £30,000-£39,999 pay band (over 9 months) were more likely than average and the most likely to be offered (24%) and to use (10%) private sports facilities or gyms. Those in the £40,000 or more pay band were also more likely than average to be offered (15%) and to use (8%) them.

Proportions offered and used by size band

Employees working for large employers were more likely to be offered (14%) private sports facilities or gyms.

Proportions offered and used by gender

By gender, females were less likely to use (2%) private sports facilities and gyms and less likely to be offered (7%) private sports facilities and gyms.

Table A2.24 Private sports facilities or gym BiK: Prevalence in key sub-groups

Sector (SIC2007)	Base	Offered	Used	Age	Base	Offered	Used
Agriculture, Mining & Utilities	61	11%	3%	18 to 24	82	9%	5%
Manufacturing	102	10%	2%	25 to 34	318	10%	5%
Construction	76	3%	1%	35 to 44	395	12%*	5%
Wholesale & Retail	177	5%	1%*	45 to 54	413	7%	2%
Transport & Storage	70	5%	2%	55 to 64	320	5%*	1%*
Accom. & Food Service	82	6%	6%	Pay Band (9 months)	<i>Base</i>	Offered	Used
Information & Comms.	58	9%	4%	Under £7,500	335	3%*	1%*
Finance & Insurance, etc.	61	13%	7%	£7,500 to £19,999	564	5%*	2%*
Professional & Technical, etc.	80	13%	4%	£20,000 to £29,999	272	11%	6%*
Admin. & Support Services	257	6%	1%*	£30,000 to £39,999	167	24%*	10%*
Public Admin. & Defence	58	46%*	28%*	£40,000 or more	190	15%*	8%*
Education	144	11%	4%	Organisation size	<i>Base</i>	Offered	Used
Human Health & Social Work	164	6%	1%	Small / Micro	431	1%*	<1%*
Arts, Ents. & Other Services	57	6%	6%	Medium	219	6%	2%
Unknown	81	3%	1%	Large	878	14%*	6%*
				Gender	<i>Base</i>	Offered	Used
				Female	778	7%*	2%*
All sectors	1,528	9%	4%	Male	732	10%	5%*

A1-A4: see Appendix 3 for question text.

Non-taxable BiKs: Work-to-home travel when working late

Work-to-home travel when working late was offered to 8% of employees and used by 4%.

Proportions offered and used by sector

Employees in 'white collar' and generally private sectors including Information and Communications (17%) and Professional and Technical (16%) were more likely to be offered work-to-home travel when working late. Employees in Professional and Technical were also more likely to use (9%) this BiK, as were employees working in Construction (8%).

Proportions offered and used by age band

Employees aged 25 to 34 (11%) and 35 to 44 (10%) were more likely to be offered work-to-home travel when working late, whilst those employees in older age bands were less likely to be offered this (45 to 54 and 55 to 64 both 5%).

Proportions offered and used by pay band (9 months)

Employees in the highest pay band (£40,000 or more in 9 months) were more likely to be offered (14%) and to use (7%) work-to-home travel when working late, as were employees in the second highest pay band earning £30,000 to £39,999 over 9 months (13% offered, 6% used).

Proportions offered and used by size band

There were no significant difference by size band.

Proportions offered and used by gender

Males were more likely to be offered (11%) and to use (6%) work-to-home travel when working late, whilst females were less likely to be offered (6%) and to use (2%) this.

Table A2.25 Work-to-home travel when working late BiK: Prevalence in key sub-groups

Sector (SIC2007)	Base	Offered	Used	Age	Base	Offered	Used
Agriculture, Mining & Utilities	61	9%	6%	18 to 24	82	6%	5%
Manufacturing	102	8%	2%	25 to 34	318	11%*	5%
Construction	76	14%*	8%*	35 to 44	395	10%*	5%
Wholesale & Retail	177	6%	4%	45 to 54	413	5%*	2%*
Transport & Storage	70	9%	5%	55 to 64	320	5%*	1%*
Accom. & Food Service	82	4%	3%	Pay Band (9 months)	<i>Base</i>	Offered	Used
Information & Comms.	58	17%*	7%	Under £7,500	335	3%*	<1%
Finance & Insurance, etc.	61	14%	7%	£7,500 to £19,999	564	7%	3%
Professional & Technical, etc.	80	16%*	9%*	£20,000 to £29,999	272	11%	6%*
Admin. & Support Services	257	7%	4%	£30,000 to £39,999	167	13%*	6%*
Public Admin. & Defence	58	9%	2%	£40,000 or more	190	14%*	7%*
Education	144	2%*	1%*	Organisation size	<i>Base</i>	Offered	Used
Human Health & Social Work	164	6%	2%	Small / Micro	431	7%	4%
Arts, Ents. & Other Services	57	6%	2%	Medium	219	6%	2%
Unknown	81	9%	3%	Large	878	9%	4%
				Gender	<i>Base</i>	Offered	Used
				Female	778	6%*	2%*
All sectors	1,528	8%	4%	Male	732	11%*	6%*

A1-A4: see Appendix 3 for question text.

Non-taxable BiKs: Childcare vouchers

Childcare vouchers were offered to 17% of employees, but only used by 3%, less than a fifth.

Proportions offered and used by sector

Childcare vouchers were also offered more frequently than average in specific sectors; *Agriculture, Mining & Utilities* (31% offered, 6% used), *Information & Communications* (32% offered, 4% used), *Finance, Insurance & Real Estate* (34% offered, 7% used), and *Professional, Scientific and Technical* (36% offered, 5% used). With the exception of Agriculture, these are generally 'white collar' and associated with the private sector.

Proportions offered and used by age band

The low proportion of employees that use childcare vouchers (3%) reflects the fact that most employees do not have young children. It follows that this BiK was found to be particularly prevalent among employees aged 35 to 44, both in terms of being offered (24%) and used (8%).

Proportions offered and used by pay band (9 months)

It was also particularly likely to be offered to those in higher pay bands, and not purely due to the age distribution. Those in the pay band of £40,000 or more (over 9 months) were most likely to be offered and to use childcare vouchers (40% offered, 8% used), even though 86% of those aged 35 to 44 in the survey were paid less than this³³.

Proportions offered and used by size band

Small and micro companies were less likely than average (4% offered, 1% used) to provide childcare vouchers.

Proportions offered and used by gender

There were no significant differences by gender.

³³ This may be because childcare vouchers are often delivered through salary sacrifice arrangements, so may be less available for those in lower pay bands.

Table A2.26 Childcare vouchers BiK: Prevalence in key sub-groups

Sector (SIC2007)	Base	Offered	Used	Age	Base	Offered	Used
Agriculture, Mining & Utilities	61	31%*	6%	18 to 24	82	12%	0%
Manufacturing	102	18%	3%	25 to 34	318	17%	3%
Construction	76	12%	2%	35 to 44	395	24%*	8%*
Wholesale & Retail	177	17%	2%	45 to 54	413	19%	1%
Transport & Storage	70	17%	3%	55 to 64	320	9%*	0%*
Accom. & Food Service	82	6%*	1%	Pay Band (9 months)	Base	Offered	Used
Information & Comms.	58	32%*	4%	Under £7,500	335	7%*	1%*
Finance & Insurance, etc.	61	34%*	7%*	£7,500 to £19,999	564	14%*	2%
Professional & Technical, etc.	80	36%*	5%	£20,000 to £29,999	272	22%*	3%
Admin. & Support Services	257	9%*	2%	£30,000 to £39,999	167	22%	4%
Public Admin. & Defence	58	22%	3%	£40,000 or more	190	40%*	8%*
Education	144	13%	5%	Organisation size	Base	Offered	Used
Human Health & Social Work	164	19%	3%	Small / Micro	431	4%*	1%*
Arts, Ents. & Other Services	57	11%	0%	Medium	219	20%	5%*
Unknown	81	4%*	0%	Large	878	23%*	3%
				Gender	Base	Offered	Used
				Female	778	18%	3%
All sectors	1,528	17%	3%	Male	732	17%	2%

A1-A4: see Appendix 3 for question text.

Non-taxable BiKs: Bicycle

Bicycles were not a commonly used BiK and were only used by 2% of employees. However, they are quite widely offered – 19% of employees reported being offered a bicycle.

Proportions offered and used by sector

Again, the ‘white collar’ sectors (*Information & Communications* (39% offered, 1% used), *Finance, Insurance & Real Estate* (36% offered, 0% used), and *Professional, Scientific & Technical* (36% offered, 4% used) were most likely to offer bicycles to employees, although it is notable that no employee interviewed in the *Finance, Insurance & Real Estate* sector actually used the bicycle offered.

Proportions offered and used by age band

Bicycles were more likely to be offered to those aged 25 to 34 (25%) and 35 to 44 (24%), however, they were no significant differences by age band, with similar proportions within each age band actually using the bicycles they were offered.

Proportions offered and used by pay band (9 months)

In general, as shown in Table A2.20, bicycles tended to be offered to employees in higher pay bands, particularly those in pay bands over £20,000 (in 9 months), and usage was highest in the £30,000 to £39,999 pay band (over 9 months) (5%).

Proportions offered and used by size band

Employees of large employers were much more likely (28%) to be offered and to use (3%) bicycles than employees of other sizes of organisation.

Proportions offered and used by gender

Female employees were slightly less likely to both be offered (17%) and to use (2%) a bicycle provided by their employer.

Table A2.27 Bicycle BiK: Prevalence in key sub-groups

Sector (SIC2007)	Base	Offered	Used	Age	Base	Offered	Used
Agriculture, Mining & Utilities	61	22%	5%	18 to 24	82	13%	1%
Manufacturing	102	25%	4%	25 to 34	318	25%*	3%
Construction	76	14%	2%	35 to 44	395	24%*	3%
Wholesale & Retail	177	16%	1%	45 to 54	413	17%	3%
Transport & Storage	70	16%	4%	55 to 64	320	13%*	1%
Accom. & Food Service	82	9%*	1%	Pay Band (9 months)	<i>Base</i>	Offered	Used
Information & Comms.	58	39%*	1%	Under £7,500	335	6%*	1%
Finance & Insurance, etc.	61	36%*	0%	£7,500 to £19,999	564	14%*	2%
Professional & Technical, etc.	80	36%*	4%	£20,000 to £29,999	272	30%*	3%
Admin. & Support Services	257	11%*	1%	£30,000 to £39,999	167	28%*	5%*
Public Admin. & Defence	58	27%	2%	£40,000 or more	190	41%*	3%
Education	144	21%	4%	Organisation size	<i>Base</i>	Offered	Used
Human Health & Social Work	164	17%	4%	Small / Micro	431	4%*	1%
Arts, Ents. & Other Services	57	17%	3%	Medium	219	17%	1%
Unknown	81	4%*	0%	Large	878	28%*	3%*
				Gender	<i>Base</i>	Offered	Used
				Female	778	17%*	2%*
All sectors	1,528	19%	2%	Male	732	21%	3%

A1-A4: see Appendix 3 for question text.

Non-taxable BiKs: Counselling

Counselling was not a commonly used BiK (3%), despite being offered to almost a third (31%) of employees. However, given its potentially sensitive nature, it is possible that its usage is under-reported. Additionally, it is likely that only a relatively small proportion of staff need to access the counselling services they are offered in a 12 month period.

Proportions offered and used by sector

White collar and public-sector employees were most likely to be offered counselling, including *Public Administration and Defence* (64% offered, 4% used), *Education* (48% offered, 4% used), *Finance, Insurance and Real Estate* (46% offered, 8% used) and also *Human Health and Social Work* (44% offered, 5% used). Among the employees in sectors more likely to be offered counselling than

average, only those employees in *Finance, Insurance and Real Estate* were more likely to use it than average (8%).

Proportions offered and used by age band

There were no significant differences by age band.

Proportions offered and used by pay band (9 months)

Employees in higher pay bands (as shown in Table A2.28) were more likely than average to be offered counselling, with those in pay bands over £40,000 (over 9 months) most likely both to be offered (55%) and to use (7%) this BiK.

Proportions offered and used by size band

Employees of larger employers were more likely than average to be offered (44%) and to use (6%) counselling.

Table A2.28 Counselling BiK: Prevalence in key sub-groups

Sector (SIC2007)	Base	Offered	Used	Age	Base	Offered	Used
Agriculture, Mining & Utilities	61	40%	6%	18 to 24	82	24%	3%
Manufacturing	102	27%	3%	25 to 34	318	29%	2%
Construction	76	20%*	2%	35 to 44	395	34%	4%
Wholesale & Retail	177	25%	1%	45 to 54	413	31%	4%
Transport & Storage	70	25%	4%	55 to 64	320	33%	4%
Accom. & Food Service	82	11%*	1%	Pay Band (9 months)	<i>Base</i>	Offered	Used
Information & Comms.	58	41%	3%	Under £7,500	335	11%*	1%*
Finance & Insurance, etc.	61	46%*	8%*	£7,500 to £19,999	564	30%	4%
Professional & Technical, etc.	80	36%	7%*	£20,000 to £29,999	272	37%*	4%
Admin. & Support Services	257	18%*	2%	£30,000 to £39,999	167	43%*	4%
Public Admin. & Defence	58	64%*	4%	£40,000 or more	190	55%*	7%*
Education	144	48%*	4%	Organisation size	<i>Base</i>	Offered	Used
Human Health & Social Work	164	44%*	5%	Small / Micro	431	6%*	<0.5%
Arts, Ents. & Other Services	57	17%*	1%	Medium	219	30%	1%*
Unknown	81	8%*	1%	Large	878	44%*	6%*
				Gender	<i>Base</i>	Offered	Used
				Female	778	32%	4%
All sectors	1,528	31%	3%	Male	732	29%	3%

A1-A4: see Appendix 3 for question text.

Views on whether BiK is part of a pay package: additional detail

Employees were more likely than average to view certain BiKs as part of their pay package than others; those who used childcare vouchers (45%), work-to-home travel (44%) and retraining provision for redundancy (38%) were more likely to view these as part of their pay package, whereas employees who used a mobile phone, parking or annual party were less likely to view these as part of their pay package (14%, 12% and 9% respectively). These BiKs and others are detailed in table A2.29.

Table A2.29 Whether BiKs are viewed as part of a pay package or not

BiK Name	Base	Part of pay package
Childcare vouchers	43	45%*
Work-to-home travel when working late	40	44%*
Retraining provision for redundancy	33	38%*
Counselling	44	30%
Health screenings or check-ups	74	28%
Shareholder advice	41	28%
Bicycle	34	27%
Free access to employer facilities	42	24%
Free or discounted employer products or services	193	20%
Free or subsidised meals at usual place of work	86	19%
Subsidised buses	25	19%
Incidental overnight expenses	79	17%
Mobile phone	185	14%*
Parking	176	12%*
Private sports facilities or gym	39	12%
Annual party	205	9%*
Total	1,583	20%

Expectations that the BiK would be offered in a similar role: additional detail

Findings by BiK with regards to whether employees expect it to be offered in a similar role mirror those regarding perception that BiKs are part of pay package in some ways; for example, those that receive childcare vouchers (90%) were more likely than average to strongly agree that they would expect this in a similar role to theirs and those who got an annual party were less likely than average to expect this (35%). However, despite being less likely to view it as part of their pay package, those that had a mobile phone were more likely than average to strongly agree that they would expect this in a similar role to theirs (75%).

Other differences by BiK included that those who received incidental overnight expenses (87%) were more likely to strongly agree that they would expect this in a similar role to theirs than average (61%) and those that received the free access to facilities from their employer were less likely to expect this than average (39%).

Experience of changes to BiK package: additional detail

Employees working in the Professional, Scientific and Technical (44%), Finance, Insurance and Real Estate (38%), Information and Communication (38%) and Public Administration and Defence (35%) sectors were more likely to have experienced changes to the non-cash benefits they receive. Contrastingly, those in the Education (13%) and Human Health and Social Work (9%) were less likely to have experienced these changes. In keeping with this, Teaching and Educational Professionals were less likely to have had changes to their non-cash benefits (11%) as well as those in Elementary Administration and Service Occupations (7%). However, occupations including; Corporate Managers and Directors (39%), Other Managers and Proprietors (36%), Business and Public Service Associate Professionals (33%) and Business, Media and Public Service Professionals (32%) were most likely to have experienced changes to their non-cash benefits.

Employees at both large and medium sized organisations were more likely than those at micro or small organisations to have experienced changes to their non-cash benefits (26% and 19% compared with 12%).

In terms of demographics, white employees were more likely than BAME employees to have experienced these changes (23% compared with 13%). The youngest age group (18 to 24 year olds) were less likely than those aged 25 or older to have had changes to their non-cash benefits (9%). There were no differences by gender.

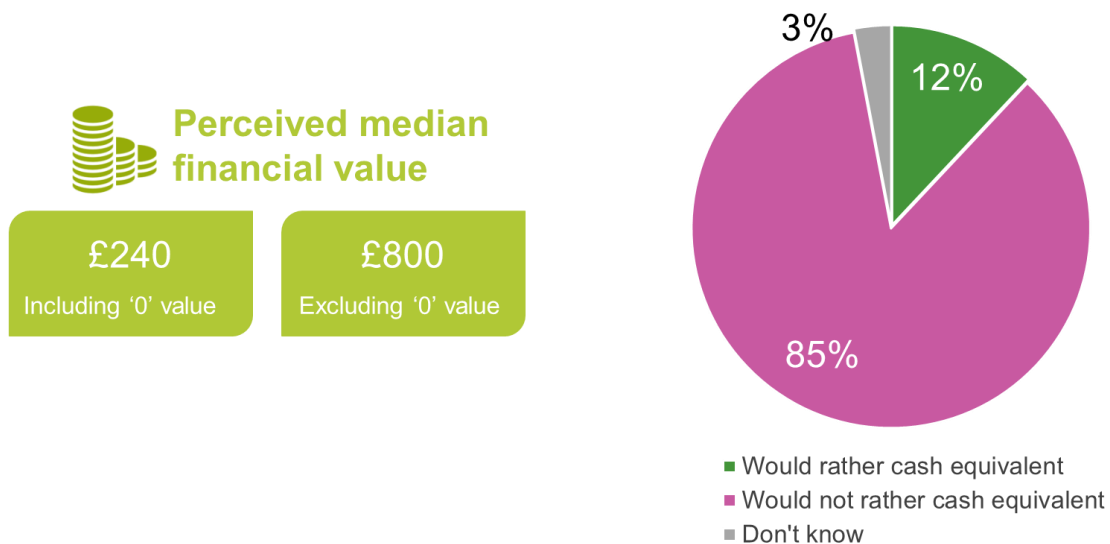
Perceived financial value of BiKs not shown in the main report

Perceived financial value and preferences: Retraining provision for redundancy

Employees who had signed up for retraining provision for redundancy gave a median value of £240 to this particular non-taxable BiK (including values of zero), and £800 when excluding zero. They were in line with the average BiK in terms of the proportion of employees placing no value on it (14% compared with 16% overall). A minority of employees (5%) signed up for retraining provision for redundancy placed a high value of £5,000 to £20,000 per year on this BiK, significantly higher than BiKs overall (1%). Though there was also a reasonable level of uncertainty around the value of retraining provision for redundancy given by those signed up for it; almost a third (31%) did not know the financial value they would attribute to it (compared with 17% of BiKs overall).

The proportion of employees who would rather a cash equivalent to retraining provision for redundancy is in line with BiKs overall (12% compared with 14%). Figure A2.1 details this further.

Figure A2.1 Perceived financial value and preferences: Retraining provision for redundancy



C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms? / C10: Would you rather receive a cash equivalent – which may be taxable - than <BiK_#>? Unweighted base: All employees who had signed up for retraining provision for redundancy (33)

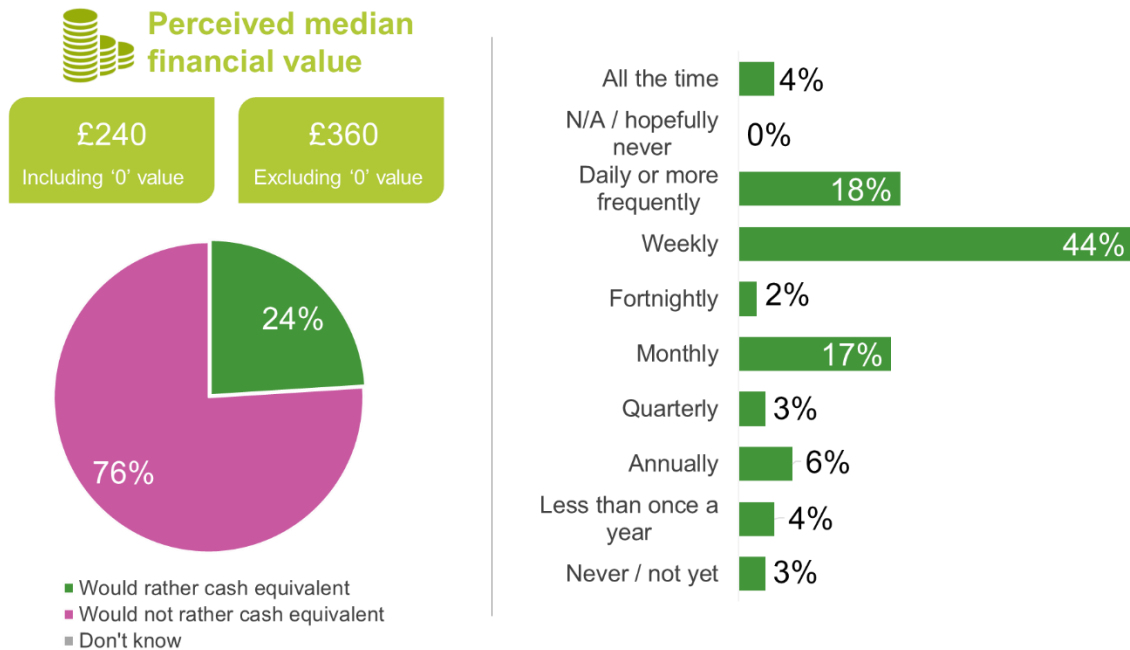
Perceived financial value and preferences: Private sports facilities or gyms

The median value given by employees who used private sports facilities or gym provided by their employer was £240 (including zero), and £360 when those that give no value were removed from the calculation. The financial value most commonly given to this BiK was between £250 to £500 (22% compared with 9% of BiKs overall).

Around a quarter (24%) of employees who used private sports facilities or gym provided by their employer would rather receive a cash equivalent, although slightly higher than BiKs on average, this was not significant.

Use of private sports facilities or gym was most commonly weekly (44% compared with 13% overall), followed by daily or more frequently (18%) and monthly (17%), both of the latter in line with frequency of use of the average BiK.

Figure A2.2 Perceived financial value and preferences: private sports facilities or gyms



C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms? / C10: Would you rather receive a cash equivalent – which may be taxable - than <BiK>? C5: Roughly, how often do you use <BiK_#>? Unweighted base: All employees who used private sports facilities or gym provided by their employer (39)

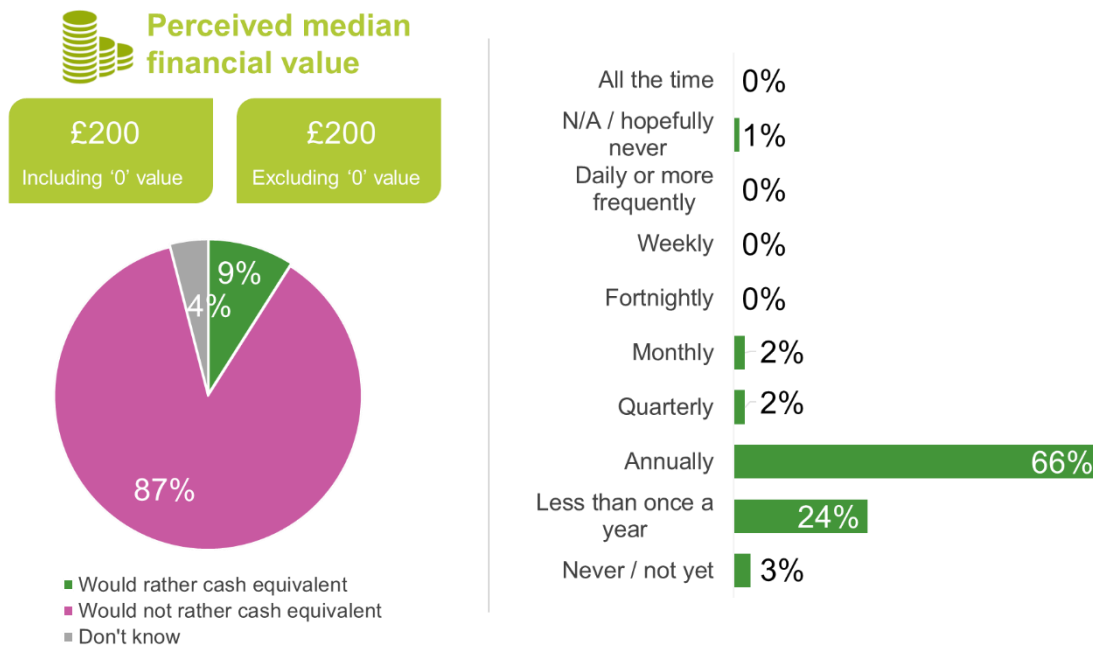
Perceived financial value and preferences: Health screening or check-ups

There was a higher level of uncertainty around the financial value of health check-ups and screenings than with other BiKs, with over a quarter (27%) of those provided with this by their employer stating that they don't know how much it is worth to them (compared with 17% overall). Where employees were able to estimate a value, the median value given was £200 including values of zero and £200 excluding values of zero.

Just under one in ten (9%) employees provided with health check-ups or screenings would rather receive a cash equivalent that may be subject to taxation. The majority (87%) would not. This does not significantly differ from BiKs overall.

Perhaps unsurprisingly, health check-ups or screenings were used less frequently than the average BiK, two thirds (66%) used this BiK annually (compared with 17% of BiKs overall) and a quarter (24%) used this BiK less than once a year (compared with 24% of BiKs overall). Figure A2.3 details this further.

Figure A2.3 Perceived financial value and preferences: Health screening and check-ups



C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms? / C10: Would you rather receive a cash equivalent – which may be taxable - than <BiK>? C5: Roughly, how often do you use <BiK_#>? Unweighted base: All employees who used health screening and check-ups (74)

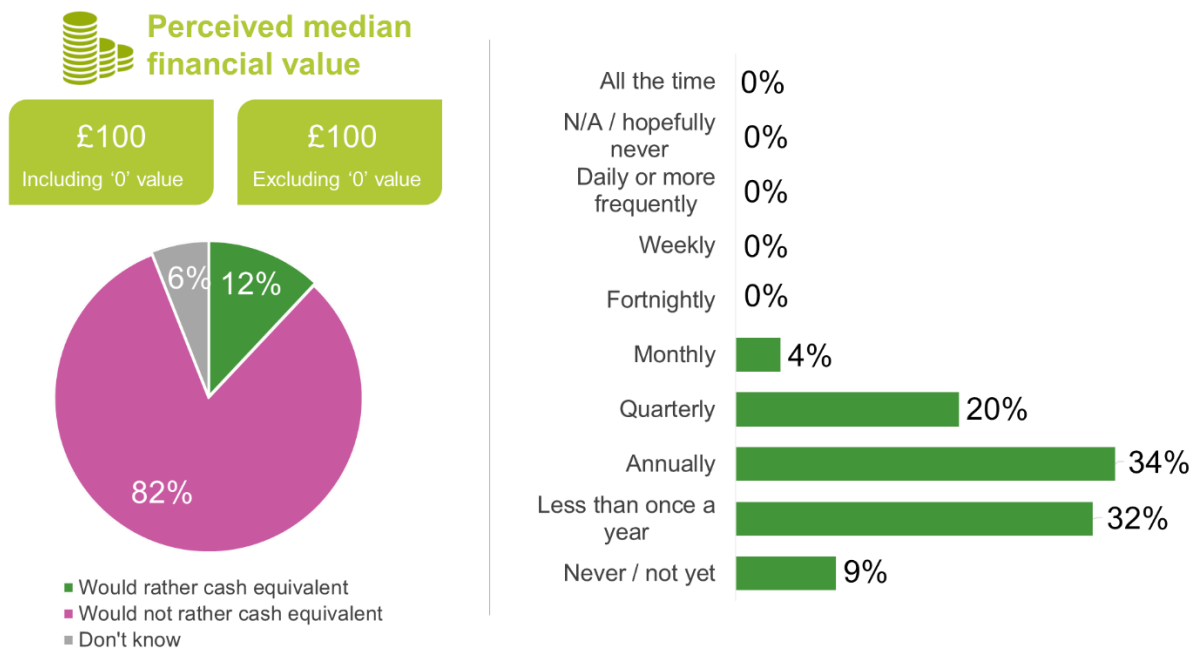
Perceived financial value and preferences: Shareholder advice

Employees who used shareholder advice gave a median value of £100, both including and excluding values of zero. There was a particularly high level of uncertainty from those that used this BiK as to how much it is worth to them, almost four in ten (37%) of these employees stated that they don't know how much they would say it is worth (compared with 17% of BiKs on average).

Just over one in ten (12%) of employees who used shareholder advice stated that they would rather receive a cash equivalent, consistent with BiKs overall (14%).

This particular BiK was not frequently used, around two-thirds used it annually (34%) or less than once a year (32%) compared with 11% and 17% respectively across all BiKs. Figure A2.4 details this breakdown further.

Figure A2.4 Perceived financial value and preferences: Shareholder advice



C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms? / C10: Would you rather receive a cash equivalent – which may be taxable - than <BiK>? C5: Roughly, how often do you use <BiK_#>? Unweighted base: All employees who used shareholder advice (41)

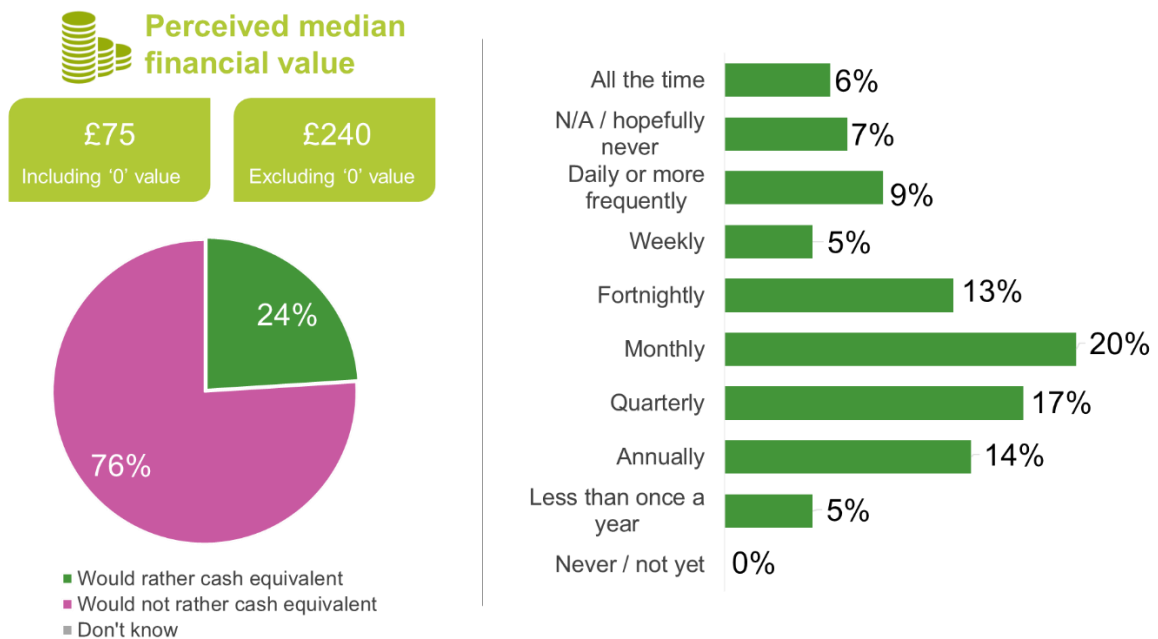
Perceived financial value and preferences: Work-to-home travel when working late

The median value given to work-to-home travel when working late by employees who had used this was £75 per year, including values of zero, and £240, excluding zero values. Generally, the distribution of employees selecting each value range was consistent with BiKs overall.

Almost a quarter (24%) of employees who used work-to-home travel when working late stated that they would rather receive a cash equivalent, although slightly higher than BiKs on average, this was not significant.

Regularity of use of work-to-home travel when working late varied, and this is detailed in Figure A2.5. Employees using this BiK were more likely to use it fortnightly than the average BiK (13% compared with 3% overall) and less likely to use it daily (9% compared with 25% overall)

Figure A2.5 Perceived financial value and preferences: Work-to-home travel when working late



C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms? / C10: Would you rather receive a cash equivalent – which may be taxable - than <BiK>? C5: Roughly, how often do you use <BiK_#>? Unweighted base: All employees who used work-to-home travel when working late (40)

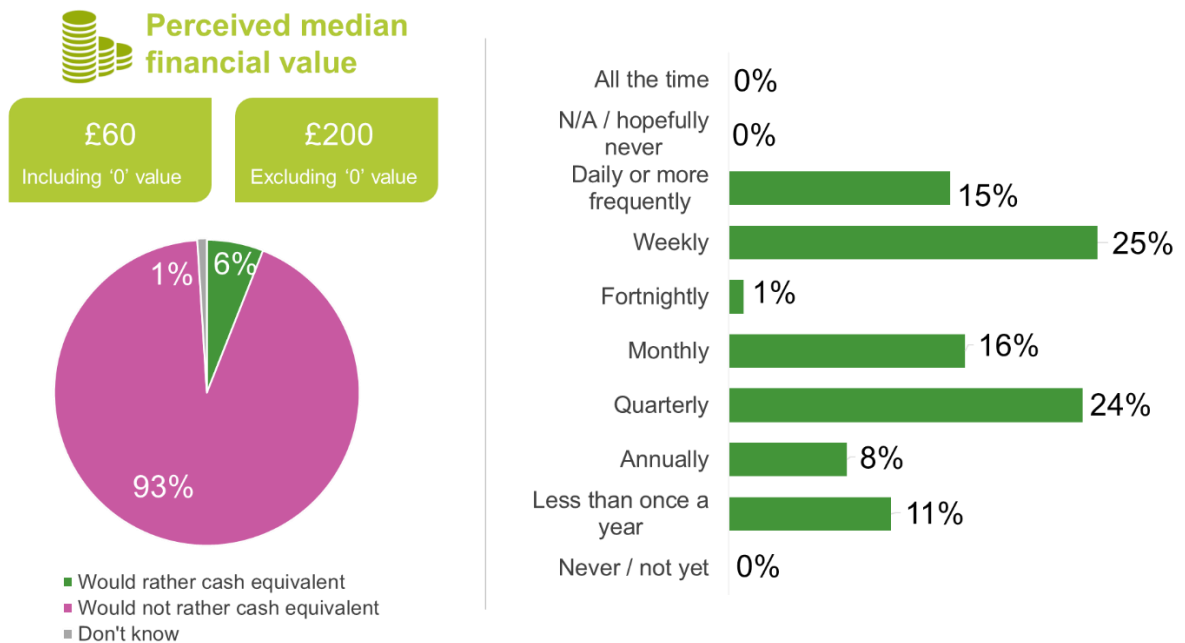
Perceptions and perceived financial value: Parking

Employees who used parking offered by their employer were more likely than average to give no value to this BiK (34% compared with 16% overall). Including zero values, this BiK was given one of the lowest financial values (£60). However, when excluding zero values, the median was higher at £400.

Employees were much less likely to state that they would rather be given a cash equivalent than average (8% compared with 14% overall).

In terms of usage, over six in ten (61%) used the parking provided by their employer daily or more frequently, compared with 25% of non-taxable BiKs overall. A further two in ten (18%) stated that they used the parking weekly and a minority gave other time periods. Perceptions and use of parking are summarised in Figure A2.6.

Figure A2.6 Perceived financial value and preferences: Parking



C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms? / C10: Would you rather receive a cash equivalent – which may be taxable - than <BiK_#>? / C5: Roughly, how often do you use <BiK_#>? Unweighted base: All employees who used parking (176)

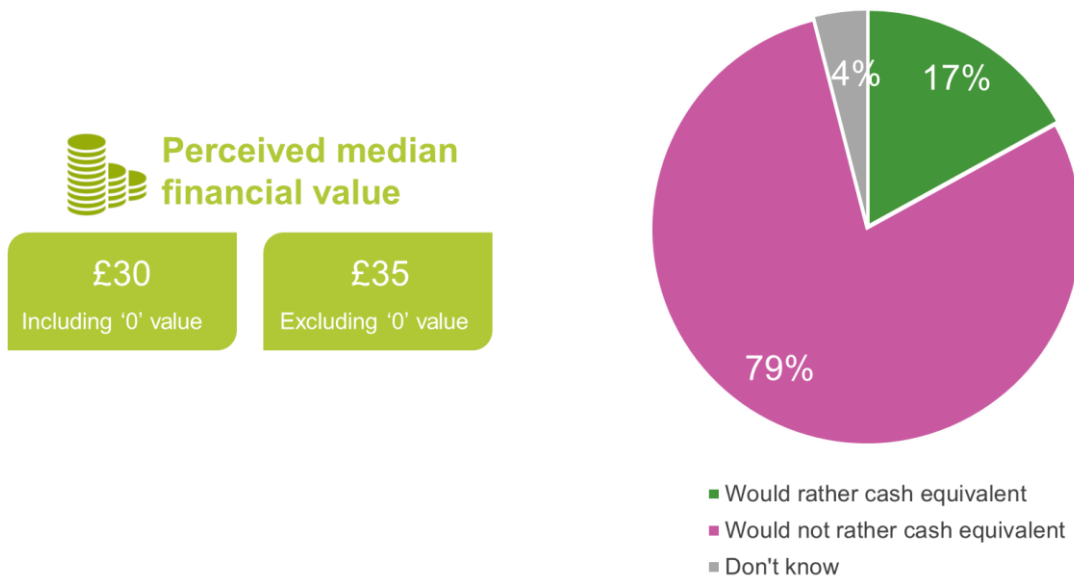
Perceived financial value and preferences: Annual Party

Where employers provided an annual party as a non-taxable BiK, this was given one of the lowest financial values by employees: including those giving a value of zero, the median was £30 and excluding those giving a value of zero, the median was £35.

However, just under one in ten (9%) employees gave no financial value to this BiK, which was significantly lower than the overall figure (16%). Most commonly, a value of £20-£50 was given. this was significantly higher than the proportion of all employees giving this value band (35% compared with 8%).

17% of employees who were provided with an annual party stated that they would rather receive a cash equivalent, which is in line with average for non-taxable BiKs overall. This information is summarised in Figure A2.7.

Figure A2.7 Perceived financial value and preferences: Annual Party



C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms? / C10: Would you rather receive a cash equivalent – which may be taxable - than <BiK>? Unweighted base: All employees who were provided with an annual party (205)

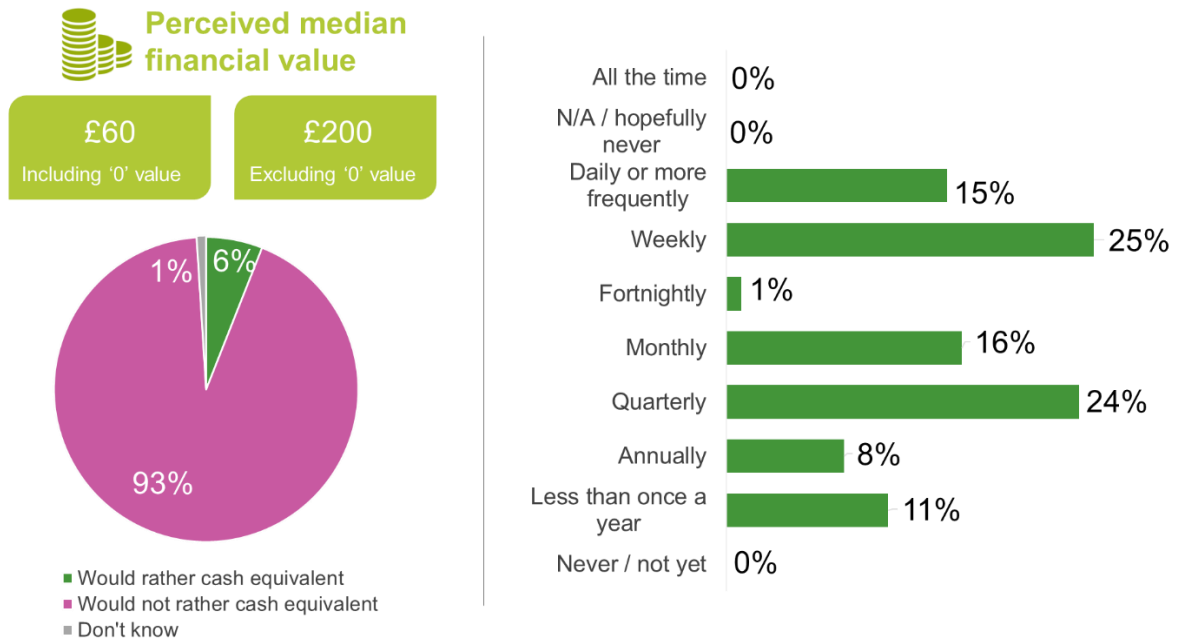
Perceptions and perceived financial value: Free access to employer facilities

The median perceived financial value attributed to free access to employer facilities by its users was £60 (including those that gave no value) and £200 (excluding zero values). This BiK was more likely than BiKs overall to be given a low perceived financial value of less than £20 per year (21% compared with 6% overall). Contrastingly, access to employer facilities was also more likely to be given a value of over £20,000 than BiKs overall (3% compared with less than 1% overall).

Frequency of usage of this BiK varied, though it was more likely than BiKs overall to be used weekly (25% compared with 13%) and quarterly (24% compared with 11%). This is further detailed in figure A2.8.

A minority (6%) of employees who used free access to employer facilities stated that they would rather receive a cash equivalent, which is slightly but not significantly lower than BiKs overall (14%).

Figure A2.8 Perceived financial value and preferences: Free access to employer facilities



C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms? / C10: Would you rather receive a cash equivalent – which may be taxable - than <BiK_#>? / C5: Roughly, how often do you use <BiK_#>? Unweighted base: All employees who used free employer facilities (42)

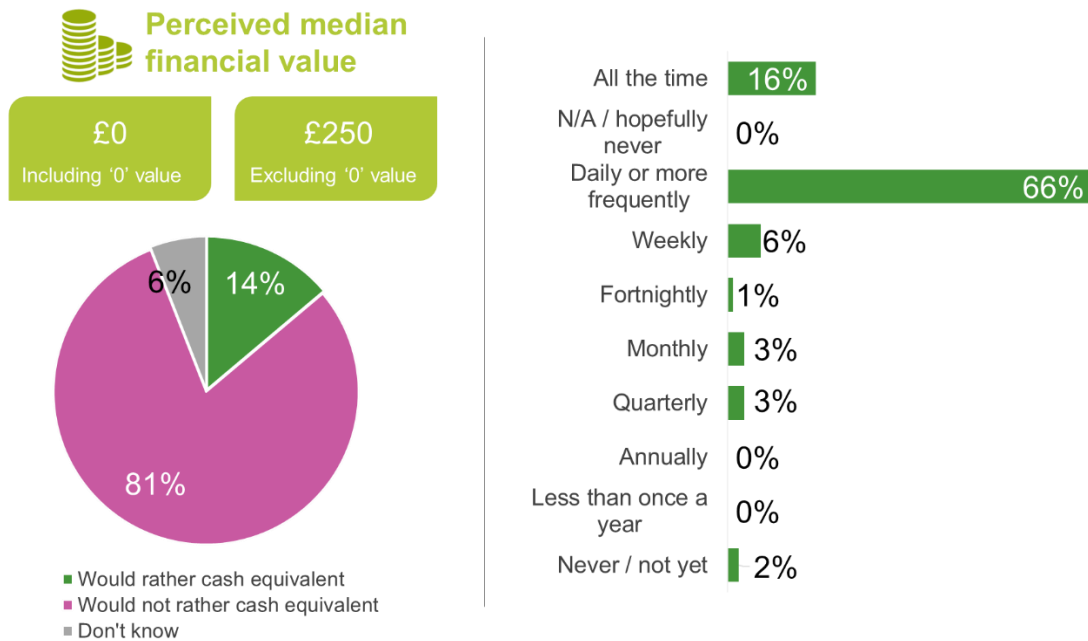
Perceptions and perceived financial value: Mobile phone

Employees who used a mobile phone provided by their employer were more likely than average to give no value to this BiK (39% compared with 16% overall). When including these responses, the median value given to mobile phones was £0, however, when excluding zero values, the median was £250.

Despite a low financial value being placed on mobile phones by employees who receive this BiK, the usage was frequent. Two-thirds (66%) of employees who used a mobile phone did so daily or more frequently, significantly higher than average non-taxable BiK usage (25%). Employees who used a mobile phone were also more likely than average to state that they use this BiK all the time (16% compared with 5% overall).

A small proportion of those who used a mobile phone (14%) would rather receive a cash equivalent, and this is in line with non-taxable BiKs overall.

Figure A2.9 Perceived financial value and preferences: Mobile phone



C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms? / C10: Would you rather receive a cash equivalent – which may be taxable - than <BiK_#>? / C5: Roughly, how often do you use <BiK_#>? Unweighted base: All employees who used mobile phone (185)

Perceptions and perceived financial value: all BiKs – additional detail

The tables below show the banded perceived financial value of all BiKs for which this information is available. So that only useful data is shown, only BiKs with a sample size of greater than 25 at this question in the survey questionnaire are shown. Please note that respondents to the survey were given the option of providing absolute values per year, per month, or ranges (labelled in the survey with both annual and monthly figures). Figures below represent the responses given via all of these options combined. Absolute values given per month have been converted to values per year by multiplying by a factor of 12.

Table A2.30 Perceived value per year of non-taxable BiKs: detail, part 1

Value per year	Childcare vouchers	Bicycle	Counselling	Free or subsidised meals at usual place of work	Free or discounted employer products or services
<i>Base size</i>	43	34	44	86	193
No value	5%	6%	9%	3%	5%
£0 - £19	0%	8%	0%	9%	5%
£20 - £49	0%	2%	9%	6%	3%
£50 - £99	2%	7%	6%	10%	10%
£100 - £249	14%	28%	18%	24%	24%
£250 - £499	3%	8%	13%	9%	13%
£500 - £999	19%	26%	10%	14%	13%
£1,000 - £4,999	54%	11%	15%	13%	14%
£5,000 - £19,999	0%	0%	0%	0%	1%
Over £20,000	0%	0%	0%	0%	0%
Don't know	0%	4%	20%	11%	11%
Refused	2%	0%	0%	0%	0%
Median (inc. zero)	£1,400	£300	£300	£300	£250
Median (exc. zero)	£1,440	£360	£480	£360	£300

C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms?

Table A2.31 Perceived value per year of non-taxable BiKs: detail, part 2

Value per year	Private sports facilities or gym	Retraining provision for redundancy	Health screening or check-ups	External training	Shareholder advice
Base size	39	33	74	203	41
No value	23%	14%	9%	16%	15%
£0 - £19	4%	2%	1%	7%	6%
£20 - £49	2%	2%	11%	2%	13%
£50 - £99	5%	6%	12%	7%	2%
£100 - £249	22%	15%	13%	15%	20%
£250 - £499	22%	2%	6%	9%	4%
£500 - £999	14%	8%	10%	7%	0%
£1,000 - £4,999	7%	14%	8%	9%	1%
£5,000 - £19,999	0%	5%	0%	1%	2%
Over £20,000	0%	0%	1%	0%	0%
Don't know	1%	31%	27%	26%	37%
Refused	0%	0%	0%	0%	0%
Median (inc. zero)	£240	£240	£200	£200	£100
Median (exc. zero)	£360	£800	£240	£400	£100

C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms?

Table A2.32 Perceived value per year of non-taxable BiKs: detail, part 3

Value per year	Work-to-home travel when working late	Free access to employer facilities	Parking	Annual party	Mobile phone
Base size	40	42	176	205	185
No value	16%	21%	34%	9%	39%
£0 - £19	3%	15%	1%	11%	4%
£20 - £49	10%	3%	2%	35%	1%
£50 - £99	13%	6%	5%	19%	2%
£100 - £249	8%	15%	13%	13%	13%
£250 - £499	6%	7%	8%	1%	12%
£500 - £999	12%	6%	10%	0%	5%
£1,000 - £4,999	6%	3%	12%	0%	1%
£5,000 - £19,999	2%	0%	0%	0%	0%
Over £20,000	0%	3%	1%	0%	0%
Don't know	26%	20%	13%	11%	22%
Refused	0%	0%	0%	0%	0%
Median (inc. zero)	£75	£60	£60	£30	£0
Median (exc. zero)	£240	£200	£400	£35	£250

C4: In a typical year or month, how much would you say <BiK> is worth to you, in financial terms?

Appendix 3 Questionnaire

S Screener

ASK PERSON WHO ANSWERS PHONE

S1 **Good morning / afternoon / evening. My name is <NAME> and I'm calling from IFF Research, an independent research company, on behalf of HMRC. Please can I speak to <CONTACT>?**

IF NECESSARY: We're conducting a survey on behalf of HMRC, who are seeking to understand and gather more information regarding 'benefits' or 'perks' (known as Benefits in Kind) that employees are offered by their employers.

Respondent answers phone	1	CONTINUE
Transferred to respondent	2	
Referred to another phone number – must be for <CONTACT> PHONE _____	3	TRANSFER AND RE-INTRODUCE AT S1 DS: WRITE TO SAMPLE
Hard appointment	4	MAKE APPOINTMENT
Soft Appointment	5	
Engaged	6	CALL BACK
No reply / Answerphone	15	
Refusal	7	CLOSE
Not available in deadline	8	
Fax Line	9	
Business Number	10	
Dead line	11	
Wrong number	14	
Request reassurances	12	SHOW REASSURANCES AND RETURN
Request reassurance email	13	COLLECT EMAIL ADDRESS THEN CONTINUE OR MAKE APPOINTMENT (SEE APPENDIX FOR EMAIL TEXT)

ASK ALL (S1 = 1 OR 2)

S2 [IF A1 ≠ 1 (NOT ALREADY SAID):**Good morning / afternoon, my name is <NAME>, calling from IFF Research, an independent market research company.]We’re conducting a survey on behalf of HMRC, about non-cash benefits that some employers offer, such as Christmas parties, workplace nurseries or free work parking. We’re also asking what employees think about these non-cash benefits. IF NECESSARY: You do not have to be receiving any of these benefits now to take part.**

You may remember recently receiving a letter from HMRC regarding this research. Your participation is voluntary and would help HMRC to understand how employers remunerate their staff and employees’ preferences in this area.

Is now a good time to run through some questions with you? It would usually take no longer than 15 minutes, and could be shorter depending on your circumstances.

PROMPT AS NECESSARY. SINGLE CODE.

Yes, continue	1	CONTINUE
Referred to another phone number – must be for <CONTACT> PHONE _____	2	TRANSFER AND RE-INTRODUCE AT S1 DS: WRITE TO SAMPLE
Hard appointment	3	MAKE APPOINTMENT
Soft appointment	4	
Refusal	5	THANK AND CLOSE
Not available in deadline	6	THANK AND CLOSE
Request reassurances	7	SHOW REASSURANCES AND RETURN
Request reassurance email	8	SEND EMAIL AND RETURN

IF AGREE TO TAKE PART (S2 = 1)

S2A **Before we begin, I should reassure you that all information collected will be treated in the strictest confidence. We will store your responses securely and will pass them in anonymised format to HMRC for internal research use only. Under data protection law, you also have the right to have a copy of your data or to change your data.**

You can withdraw from the research at any point by just letting me know during this interview or visiting our website at iffresearch.com/gdpr. As part of our quality control procedures, all interviews are recorded automatically.

Are you willing to continue on this basis?

Yes	1	CONTINUE TO A1A
No (Refused)	2	THANK AND CLOSE
Request reassurances / details of how to request / delete data	3	SHOW REASSURANCES AND RETURN
Request reassurance email	4	SEND EMAIL AND RETURN

REASSURANCES TO USE IF NECESSARY

The interview should usually take no longer than 15 minutes to complete, and could be shorter depending on your circumstances.

HMRC are aiming to get a better understanding of the range of non-cash benefits that employers offer, to help us understand how employers remunerate their staff and employees' preferences in this area. These can come in a variety of forms, such as Christmas parties or events, workplace nurseries and free work parking.

You were randomly selected for this research by HMRC, who supplied your contact details to us. IFF Research have no access whatsoever to your tax records, and are legally bound to use your details only for this specific piece of research.

HMRC has the power to share information with contractors acting on its behalf, such as IFF Research, for the purpose of conducting research, provided the research project is for the benefit or enhances one of HMRC's functions, such as developing policy to make HMRC more efficient.

If you wish to confirm this is a genuine HMRC study, you can Google "HMRC Genuine Contact", which should take you to a page on the HMRC website listing genuine HMRC projects taking place. The research is currently item 1.5 on the HMRC list; "Benefits in kind research: a survey of employees – second phase".

Your answers are anonymous and confidential, and will not affect your tax affairs or dealings with HMRC or your employer in any way. All data will be reported in aggregate form and your individual answers will not be reported to anyone, including HMRC, in any way that would allow you to be identified.

We are an independent research company, which HMRC have commissioned to carry out this research. We are members of the Market Research Society, and regulated by their code of conduct.

Your data will be stored securely on our premises at IFF Research. We are ISO27001 accredited for data security.

If you have a question about the research:

- **IFF: Naomi Morrice (naomi.morrice@iffresearch.com) or Helen Rossiter (helen.rossiter@iffresearch.com) on 020 7250 3035.**

If you want to ask any questions relating to data storage and processing, including requests to amend or delete data, go to www.iffresearch.com/gdpr. You can also call:

- **IFF: Sam Morris (sam.morris@iffresearch.com), 020 7250 3035**, Fifth Floor, St. Magnus House, 3 Lower Thames Street, London, EC3R 6HD.

If you wish to confirm IFF is a genuine research company:

- **MRS: Market Research Society on 0800 975 9596 or at <https://www.mrs.org.uk/>**

If you wish to confirm this is a genuine HMRC study:

- **HMRC: Matilda Kinnersly (matilda.kinnersly@hmrc.gsi.gov.uk): 03000 514582**

A Screening section – Benefits in Kind

ASK ALL

A1A **Firstly, we'd like to ask a few questions regarding your employment status. Thinking back to December 2017, were you employed by <COMPANY>?**

INTERVIEWER: ONLY CODE INFORMATION ABOUT CURRENT EMPLOYER IF MENTIONED. DO NOT PROMPT FOR THIS.

PROMPT AS NECESSARY. SINGLECODE.

Yes	1	CONTINUE
Yes, but I now work for a different employer	2	CONTINUE
No, a different employer	3	THANK AND CLOSE
I was not employed in December 2017	4	THANK AND CLOSE

ASK IF SECTOR = N OR UNKNOWN (IN ADMIN / SUPPORT SERVICES, OR UNKNOWN SECTOR)

A1D **Is <COMPANY> a recruitment agency?**

PROMPT AS NECESSARY. SINGLECODE

Yes	1	
No	2	
Don't know	3	

IF A1D = 1 (IF A RECRUITMENT AGENCY)

A1E **In December 2017, did you work for the agency as a member of staff, or as a worker placed by the agency with an employer?**

PROMPT AS NECESSARY. SINGLECODE

Staff	1	
Worker placed with employer	2	
Don't know	3	

IF A1E = 2 OR SECTOR = UNKNOWN (IF AN AGENCY WORKER OR IN AN UNKNOWN SECTOR)

A1C **How would you describe the industry sector that you were working in during December 2017?**

WRITE IN. PROVIDE INFO FOR 1-DIGIT SIC CLASSIFICATION.

<i>WRITE IN</i>		
Don't know	1	
Prefer not to say	2	

SHOW TO ALL

A1G **For this survey, we'd like you to answer questions regarding your employment at <COMPANY> only, even if you are no longer working there.**

ASK ALL

A1 **We'd like to run through, in no particular order, a list of things that <COMPANY> may provide to you. Does that employer offer you any of the following, even if you haven't used it?**

SINGLE CODE PER ROW. READ OUT.

	Yes	No	Don't know	Prefer not to say	
_1 Childcare or nurseries	1	2	3	4	ASK A2D
_2 Mobile phone	1	2	3	4	BIK 35
_3 Food, meals or accommodation while travelling for business reasons	1	2	3	4	BIK 39
_4 Up to £5 to spend on small personal expenses, such as newspapers, when travelling overnight on business <i>IF YES TO PREVIOUS ITEM: in addition to covering essential food and accommodation costs</i>	1	2	3	4	BIK 14
_5 Free or subsidised meals when at your usual place of work	1	2	3	4	ASK A2E
_6 Living accommodation or housing	1	2	3	4	BIK12
_7 Anything relating to travel or transport, including cars and cycling	1	2	3	4	ASK A2B
_8 Training	1	2	3	4	ASK A2F
_9 Healthcare or counselling	1	2	3	4	ASK A2G
_10 Sports facilities or gym membership	1	2	3	4	ASK A2H
_11 Rewards, prizes or gifts relating to your employment	1	2	3	4	ASK A2I
_12 Annual parties paid for by your employer	1	2	3	4	BIK 29
_13 Loans	1	2	3	4	ASK A2J
_14 Advice regarding buying the company's own shares	1	2	3	4	BIK 38
_15 <u>Free or discounted</u> access to the company's own products or services, or those of linked companies	1	2	3	4	BIK 41 – ASK A2K
_16 <u>Free</u> access to any facilities owned or managed by the employer	1	2	3	4	BIK 43 – ASK A2J

IF A1_1 OR A1_6 OR A1_3 OR A1_7 OR A1_8 OR A1_9 OR A1_10 OR A1_12 OR A1_14 OR A1_15 OR A1_16 = 1 (BIK REQUIRING FURTHER QUESTIONS)

A2A **We'd now like to ask you about some of those benefits in more detail.**

IF A1_1 = 1

A2D **You said your employer offers benefits relating to childcare or nurseries. Would this include...**

SINGLE CODE PER ROW. READ OUT.

	Yes	No	Don't know	Prefer not to say	
_1 Childcare vouchers	1	2	3	4	BIK 10
_2 Free nursery or playscheme provision on your employer's property	1	2	3	4	BIK 9
_3 ...or off-site but bought directly by the employer	1	2	3	4	BIK 11

IF A1_6 = 1

A2E **You said your employer offers free or subsidised meals when at your usual place of work . Does this include...**

SINGLE CODE PER ROW. READ OUT.

	Yes	No	Don't know	Prefer not to say	
_2 Free or subsidised food or meals in a staff canteen <i>IF NECESSARY</i>: or staff café or staff restaurant	1	2	3	4	BIK 3
_1 ...Free or subsidised meals at the café or restaurant that you work in	1	2	3	4	BIK 41

IF A1_3 = 1

A2B **You said your employer offers benefits relating to travel or transport. Do these include...**
SINGLE CODE PER ROW. READ OUT.

	Yes	No	Don't know	Prefer not to say	
_1 Free or discounted travel on public services provided by your employer where you work in the transport sector	1	2	3	4	BIK 41
_2 Work buses and subsidies to public buses, where you work in another sector	1	2	3	4	BIK 28
_3 Loan of a bicycle, such as through a Cycle to Work scheme	1	2	3	4	BIK 36
_4 Company car or company vehicle	1	2	3	4	(taxable)
_5 Parking for motor vehicles or bicycles	1	2	3	4	BIK 25
_6 Work to home travel provided when you work late or when sharing arrangements are disrupted	1	2	3	4	BIK 27
_7 Specific support for disabled people to travel between home and work, including adapted cars	1	2	3	4	BIK 18

IF A1_7 = 1

A2F **You said your employer offers training. Does this include any of the following...**
SINGLE CODE PER ROW. READ OUT.

	Yes	No	Don't know	Prefer not to say	
_1 Retraining provided which relates to leaving employment - for example under a redundancy deal	1	2	3	4	BIK 19
_2 Any other training sessions paid for by your employer, and delivered by an external provider	1	2	3	4	BIK 20
_3 ...or delivered by your employer's staff	1	2	3	4	BIK 40

IF A1_8 = 1

A2G **You said your employer offers healthcare or counselling. Does this include access to any of the following, whether or not you've actually needed it yourself...**
SINGLE CODE PER ROW. READ OUT.

	Yes	No	Don't know	Prefer not to say	
_1 Medical help while you're outside the UK, via insurance or directly	1	2	3	4	BIK 6
_2 Other health insurance benefits, covering you when in the UK	1	2	3	4	(taxable)
_3 Counselling IF YES TO PREVIOUS ITEM: excluding via the health insurance benefits you just mentioned	1	2	3	4	BIK 34
_4 Health screening or routine check-ups	1	2	3	4	BIK 8

IF A1_9 = 1

A2H **You said your employer offers sports facilities or gym membership. Are any of the gym or sports facilities you have access to...**
SINGLE CODE PER ROW. READ OUT.

	Yes	No	Don't know	Prefer not to say	
_1 Owned or operated by your employer and not available to the general public – for example, an on-site gym	1	2	3	4	BIK 30
_2 Owned or operated by your employer, but also available to the general public, for example if your employer is a sports company	1	2	3	4	BIK 41
_3 Other sports or gym facilities which are free or subsidised for staff, including with vouchers	1	2	3	4	(taxable)

IF A1_10 = 1

A2I **You said your employer offers rewards, gifts or prizes related to your employment. Do these include...**
SINGLE CODE PER ROW. READ OUT.

	Yes	No	Don't know	Prefer not to say	
_1 Awards for long service	1	2	3	4	BIK 21
_2 Awards for making useful suggestions	1	2	3	4	BIK 22
_3 Bonuses or performance related pay	1	2	3	4	(taxable)
_4 Other awards for exceptional achievement or effort	1	2	3	4	BIK 23

IF A1_12 = 1

A2J **You said your employer offers loans to employees, in some circumstances. Would they be...**

SINGLE CODE PER ROW. READ OUT.

	Yes	No	Don't know	Prefer not to say	
_1 Worth £10,000 or less in total	1	2	3	4	BIK 37 if both selected only
_2 Have an interest rate of less than 2.5% per annum	1	2	3	4	

IF A1_14 = 1 OR A1_15 = 1 (DISCOUNT/FREE PRODUCT BIK)

A2K **You said your employer offers some form of discount or special deal on their own products or services, or those of linked companies, or offers some for free. Could you briefly describe what that involves, whether or not you actually take advantage of it?**

INTERVIEWER: IF YOU'VE ALREADY INCLUDED WHAT THEY DESCRIBE HERE IN AN A2 QUESTION, PLEASE FILL IN DETAILS, BUT ALSO TICK "ALREADY MENTIONED"

<i>WRITE IN</i>		
Don't know	1	
Prefer not to say	4	
Already mentioned	2	
Refused	3	

IF A1_16 = 1 (ACCESS TO FACILITIES BIK)

A2L **You said your employer offers free access to facilities they own or manage. Could you briefly describe what those facilities are?**

INTERVIEWER: IF YOU'VE ALREADY INCLUDED WHAT THEY DESCRIBE HERE IN AN A2 QUESTION, PLEASE FILL IN DETAILS, BUT ALSO TICK "ALREADY MENTIONED"

<i>WRITE IN</i>		
Don't know	1	
Prefer not to say	4	
Already mentioned	2	
Refused	3	

ASK ALL

A3 **Does your employer allow you to receive and keep any of the following from third parties as part of your work, for example from clients, customers or suppliers...**

SINGLE CODE PER ROW. READ OUT.

	Yes	No	Don't know	Prefer not to say	
_1 Meals	1	2	3	4	BIK 24
_2 Corporate entertainment, such as being given tickets to sporting events or concerts	1	2	3	4	BIK 24
_3 Gifts	1	2	3	4	BIK 26

BIK_ALL_OFFER DUMMY VARIABLE, DO NOT ASK
MULTICODE

Note: this variable shows a list of all non-taxable BiKs the employer offers to the respondent

BIK_OFFER DUMMY VARIABLE, DO NOT ASK
MULTICODE

Offered at least one exempted BiK	1	At least one BIK numbered 1 to 40 selected BIK_ALL_OFFER = 1-40
Offered at least one marginal BiK at nil value	2	At least one BIK numbered 41 to 43 selected BIK_ALL_OFFER = 41-43
Neither	3	No BIKs selected, and not (all A1_# = (3 or 4)) (not DK / Prefer not to say to all) NO VALUE AT BIK_ALL_OFFER
Don't know	4	All A1_# = (3 or 4) (DK / Prefer not to say)

Note: this variable classifies respondents by whether their employer offers any non-taxable BiK.

IF BIK_OFFER = 1 OR 2 AND BIK ELIGIBLE FOR A4 (SEE SPREADSHEET)

A4 **You mentioned that <COMPANY> offers you some benefits as an employee. For each of them, I'd like you to tell me if you actually used the benefit during the most recent 12 months in which you worked for the employer. For example, this would include being signed up for a counselling service or gym membership or parking your car in a space that your employer makes available.**

IF NECESSARY: Or for as long as you have worked there, if this is/was less than 12 months.

SINGLE CODE. READ OUT.

	Used	Not used	Don't know
SHOW EACH ITERATION OF BIK_ALL_OFFER ELIGIBLE FOR A4 (SEE SPREADSHEET)	1	2	3

BIK_USED DUMMY VARIABLE, DO NOT ASK MULTICODE

Used at least one exempted BiK	1	At least one A4_1 to A4_40 = 1
Used at least one marginal BiK at nil value	2	At least one of A4_41 to A4_43 = 1
Neither	3	No A4_# = 1, and not (all A4_# = (3 or 4))
Don't know / Prefer not to say	4	All A4_# = (3 or 4) or not asked, but some A4 iterations asked
Not asked about use of any BiKs	5	No iterations of A4 asked

Note: this variable classifies respondents by whether they have used any non-taxable BiK in the specified time period.

BIK_ASK DUMMY VARIABLE, DO NOT ASK
SINGLE CODE

Use at least one BIK eligible for Section C	1	At least one BIK selected at BIK_USED which is shown in spreadsheet as eligible for Section C
No / Don't know	2	All others

Note: this variable is a simple yes/no flag as to whether they have used in the specified time period any non-taxable BiK about which we could ask the questions in Section C.

BIK_ASK_2 DUMMY VARIABLE, DO NOT ASK
SINGLE CODE

Use at least one BIK eligible for Sections B, D and E	1	At least one BIK selected at BIK_USED which is shown in spreadsheet as eligible for A4 and/or Section C
No / Don't know	2	All others

Note: this variable is a simple yes/no flag as to whether they have used in the specified time period any non-taxable BiK which is relevant for a full interview.

BIK_FINAL DUMMY VARIABLE, DO NOT ASK
MULTICODE

Use same code text as BIK_ALL_OFFER	1 to 43	A4_# = 1 and shown in spreadsheet as eligible for further questions
-------------------------------------	---------	---

Note: this variable is a list of all the non-taxable BiKs the respondent has used in the specified time period about which we could ask the questions in Section C – this is used as the source for the random selection of non-taxable BiKs to ask about in this section.

CALCULATE IF BIK_ASK = 1

BIK_1 DUMMY VARIABLE, DO NOT ASK

SINGLE CODE

DS: POPULATE WITH THE BIK FROM BIK_FINAL (CODES 1 TO 43) WHICH HAS THE LOWEST VALUE IN MONITORING QUOTA VARIABLE "BIKS_SURVEYED". IF THERE IS A JOINT LOWEST VALUE, SELECT AT RANDOM BETWEEN THESE.

Code text same as BIK_FINAL	1	
-----------------------------	---	--

Note: this variable contains the name of the first BiK to ask about in Section C

POPULATE IF NUMBER OF CODES SELECTED AT BIK_ALL_ASK >= 2

BIK_2 DUMMY VARIABLE, DO NOT ASK

SINGLE CODE

DS: POPULATE WITH THE BIK FROM BIK_FINAL (CODES 1 TO 43) WHICH HAS THE SECOND LOWEST VALUE IN MONITORING QUOTA VARIABLE "BIKS_SURVEYED". IF THERE IS A JOINT SECOND LOWEST VALUE, SELECT AT RANDOM BETWEEN THESE.

Code text same as BIK_FINAL	1	
-----------------------------	---	--

Note: this variable contains the name of the second BiK to ask about in Section C

DS INSTRUCTION:

PILOT AND MAINSTAGE: IF BIK_ASK_2 = 2 THEN GO TO SECTION F (RE-CONTACT PERMISSIONS, THANK AND CLOSE)

PILOT: IF BIK_ASK_2 = 1 THEN 3% OF SURVEYS CONTINUE TO B1, OTHERS GO TO SECTION F (RE-CONTACT PERMISSIONS, THANK AND CLOSE)

MAINSTAGE: IF BIK_ASK_2 = 1 AND IN QUOTA, THEN SURVEY CONTINUES TO B1.

B Awareness of tax on BIKs

ASK IF HAVE USED BIK IN SPECIFIED TIME PERIOD (BIK_ASK_2 = 1)

B1 **Thinking in general about benefits and perks provided by employers to employees, do you think that they are...**

READ OUT. SINGLE CODE.

DS: RANDOMISE CODES 1 TO 3

Always subject to income tax and national insurance,	1	
Never subject to income tax and national insurance	2	
Sometimes subject to income tax and national insurance, depending on the specific benefit	3	
Don't know	4	

IF THINK SOME BIKS ARE BOTH TAXABLE AND NON-TAXABLE (B1 = 3)

B2 **Which of the following items do you think income tax and national insurance might apply to?**

READ OUT. MULTICODE.

DS: RANDOMISE LIST

	Yes	No	Don't know
_1 Randomly selected option from <BIK_ALL_OFFER>	1	2	3
IF BIK_ALL_OFFER has 2 or more codes selected: _2 Randomly selected option from <BIK_ALL_OFFER>	1	2	3
IF BIK_ALL_OFFER has 3 or more codes selected: _3 Randomly selected option from <BIK_ALL_OFFER>	1	2	3
_4 Financial support from employer to complete Masters / PhD TAXABLE	1	2	3
_5 UNLESS A2DUM=MOBILE PHONE: Mobile phone NON-TAXABLE	1	2	3
_6 UNLESS A2DUM=29: Christmas party NON-TAXABLE	1	2	3
_7 Company car TAXABLE	1	2	3
_8 Work uniform TAXABLE³⁴	1	2	3
_9 Health insurance TAXABLE	1	2	3

³⁴ Please note this was not used for analysis, because it came to light during the analysis phase of the research that work uniforms' taxable status varies depending on the detail of the case.

B1dum DUMMY VARIABLE, DO NOT ASK

Count of correct guesses at B1_# ³⁵	1	Count of: B1_1 = 2 B1_2 = 2 B1_3 = 2 B1_4 = 1 B1_5 = 2 B1_6 = 2 B1_7 = 1 B1_8 = 1 B1_9 = 1
--	---	---

³⁵ Please note this was not used for analysis, because it came to light during the analysis phase of the research that work uniforms' taxable status varies depending on the detail of the case.

C Personal experience of receiving BiKs

LOOP C1 TO C10 FOR EACH OF THE FIRST TWO ITERATIONS OF <BIK> POPULATED.

ASK IF USE RELEVANT BIK (BIK_ASK = 1)

- C1 **We'd like you to focus on <BIK_#> that you used or signed up for during [IF A1A ≠ 1:the most recent 12 months in which you worked for <COMPANY>][IF A1A = 1:the last 12 months] for the questions in this next section.**

IF NECESSARY: Or for as long as you worked for the employer we discussed/or for as long as you have worked there, if this is/was less than 12 months.

Do you see <BIK_#>as part of your pay package?

READ OUT. SINGLECODE.

Yes	1	
No	2	
Don't know	3	

C2 THERE IS NO C2

C3 THERE IS NO C3

ASK IF USE RELEVANT BIK (BIK_ASK = 1)

- C4 **In a typical year or month, how much would you say <BIK_#> [IF BIK_#_T = 1:is][IF BIK_#_T = 2:are] worth to you, in financial terms?**

ADD IF NECESSARY: You can answer per year or month depending on which is easier for you.

INTERVIEWER: For 'nothing' enter 0 in either box.

DS: ALLOW EITHER YEAR OR MONTH INPUT, BUT NOT BOTH. ALLOW INTEGER 0 TO 999999.

Per year: <i>WRITE IN</i>		
Per month: <i>WRITE IN</i>		
Don't know	1	
Refused	2	

IF C4 = CODE 1

C4RAN **Could you say roughly how much it would be worth, per year or per month?**

SINGLE CODE. PROMPT AS NECESSARY.

Under £20 per year (Under £2 per month)	1
£20-£50 per year (£2 to £4 per month)	2
£50-£100 per year (£5 to £8 per month)	3
£100-£250 per year (£9 to £20 per month)	4
£250-£500 per year (£21 to £40 per month)	5
£500-£1,000 per year (£41 to £80 per month)	6
£1,000-£5,000 per year (£81 to £400 per month)	7
£5,000-£20,000 per year (£401 to £1,700 per month)	8
Over £20,000 per year (More than £1,700 per month)	9
Don't know	10
Refused	11

ASK IF USE A RELEVANT BIK (BIK_ASK = 1, AND BIK_# SHOWN AS BEING ASKED C5 ON SPREADSHEET)

C5 **Roughly, how often do you <C5_VERB> <BIK_#>?**
 PROMPT IF NECESSARY. SINGLECODE.

All the time (e.g. housing subsidy)	1	
Not applicable / "hopefully never" (e.g. health insurance)	2	
Daily or more frequently	3	
Weekly	4	
Fortnightly	5	
Monthly	6	
Quarterly	7	
Annually	8	
Less than once a year	9	
Never / Not yet	10	
Don't know	11	

ASK IF USE RELEVANT BIK (BIK_ASK = 1)

C3 **Thinking about <BIK_#>, to what extent do you agree or disagree that you would expect a similar employer to yours to provide this in a similar role to yours?**
 READ OUT. SINGLECODE.

Strongly agree – I would definitely expect the employer to offer this	1	
Slightly agree	2	
Neither agree nor disagree	3	
Slight disagree	4	
Strongly disagree – I would definitely not expect the employer to offer this	5	
Don't know	6	

- C6 THERE IS NO C6
- C7 THERE IS NO C7
- C8 THERE IS NO C8
- C9 THERE IS NO C9

ASK IF USE RELEVANT BIK (BIK_ASK = 1)

C10 **Would you rather receive a cash equivalent – which may be taxable - than <BIK_#>?**

Yes	1	
No	2	
Don't know	3	

D Pay packages

ASK IF HAVE USED BIK IN SPECIFIED TIME PERIOD (BIK_ASK_2 = 1)

- D1 **We'd now like to ask you some more general questions about your pay package. Firstly, have you ever negotiated with <COMPANY> over your pay package, whether that was at recruitment or during your employment?**

READ OUT. SINGLECODE.

Yes, once	1	
Yes, more than once	2	
No	3	
Don't know	4	

ASK IF NEGOTIATED OVER PAY PACKAGE (D1 = 1 OR 2)

- D2 **As part of [IF DISCUSSED ONCE (D1=1):this discussion][IF DISCUSSED MORE THAN ONCE (D1=2): any of these discussions], did you ever negotiate over a non-cash benefit such as those we have discussed in this survey?**

READ OUT. SINGLECODE.

Yes	1	
No	2	
Don't know	3	

ASK IF NEGOTIATED OVER ANY BIK(S) (D2 = 1)

- D3 **How often has this occurred at your own request? IF NECESSARY: that would be excluding times your employer (or union) decided to discuss it?**

PROMPT AS NECESSARY. SINGLE CODE.

On recruitment only	1	
Every five years or less frequently	2	
Every two to five years	3	
Annually	4	
More frequently	5	
Don't know	6	

ASK IF NEGOTIATED OVER ANY BIK(S) (D2 = 1)

D4 **On a scale of 1 to 5, where 1 is not at all important and 5 is very important, how important was receiving the non-cash benefit to your decision to take the job or stay in your role?**

READ OUT. SINGLE CODE.

1 – not at all important	1	
2	2	
3	3	
4	4	
5 – very important	5	
Don't know	6	

ASK IF HAVE USED BIK IN SPECIFIED TIME PERIOD (BIK_ASK_2 = 1)

D5 **At any point since you started working for your <COMPANY>, have they made any changes to the non-cash benefit(s) you receive[IF D2 = 1.; aside from any negotiations you may have had]?**

READ OUT. SINGLECODE.

Yes	1	
No	2	
Don't know	3	

ASK IF BIKS CHANGED AT SOME POINT (D5 = 1)

D6 **Which of the following describes the changes that have been made to the non-cash benefit(s) you receive, made more generally by your employer rather than as a result of any negotiations you may have had?**

READ OUT. MULTICODE

The number / amount of non-cash benefit(s) I receive has increased	1	
The number / amount of non-cash benefit(s) I receive has decreased	2	
DO NOT READ OUT: Changed in another way (please specify).	3	
Don't know	6	

ASK IF HAVE USED BIK IN SPECIFIED TIME PERIOD (BIK_ASK_2 = 1)

D7 **Overall, on a scale of 1 to 5, where 1 is not at all satisfied and 5 is very satisfied, how satisfied are you with the non-cash benefits you receive as part of your pay package?**

READ OUT. SINGLE CODE.

1 – Not at all satisfied	1	
2	2	
3	3	
4	4	
5 – Very satisfied	5	
Don't know	6	

E Demographics

ASK IF HAVE USED BIK IN SPECIFIED TIME PERIOD (BIK_ASK_2 = 1)

E1 **The next few questions we'd like to ask you are just for background, so that we can compare results for different types of employer or employee.**

Firstly, what is your current job role?

WRITE IN. PROMPT FOR FULL DETAILS E.G. IF MANAGER PROBE: WHAT TYPE OF MANAGER. CODE TO 2 DIGIT SOC.

<i>WRITE IN</i>		
Don't know	1	
Refused	2	

E2 THERE IS NO E2

E3 THERE IS NO E3

ASK IF HAVE USED BIK IN SPECIFIED TIME PERIOD (BIK_ASK_2 = 1)
E4 In which nation, or region within England is your workplace located?
 PROMPT AS NECESSARY. SINGLECODE.

INTERVIEWER: IF UNCERTAIN ABOUT BOUNDARIES, PICK ONE THAT SEEMS PROBABLE. IF THEY ARE A MOBILE WORKER (e.g. aviation, truck driving) CHECK IF THEY HAVE A FIXED BASE WHICH THEY RETURN TO. IF THEY WORK FROM HOME, CODE THEIR HOME LOCATION.

East of England	1	England
East Midlands	2	England
London	3	England
North East	4	England
North West	5	England
South East	6	England
South West	7	England
West Midlands	8	England
Yorkshire and the Humber	9	England
Northern Ireland	10	Northern Ireland
Scotland	11	Scotland
Wales	12	Wales
Any others, including Isle of Man, Channel Islands, Republic of Ireland	13	Other
Work in multiple regions / nations, with no base	14	Other
Don't know	15	Other

ASK IF E4 = 1 TO 9 (ENGLAND)

E4A **And which county – or city – do you work in?**

PROMPT AS NECESSARY. SINGLE CODE.

IF E4 = 2: Derbyshire	1	East Midlands
IF E4 = 2: Leicestershire	2	East Midlands
IF E4 = 1 OR 2: Lincolnshire (except North and North East)	3	East Midlands
IF E4 = 1 OR 2: Northamptonshire	4	East Midlands
IF E4 = 2: Nottinghamshire	5	East Midlands
IF E4 = 1 OR 2: Rutland	6	East Midlands
IF E4 = 2 OR 8: Burton-upon-Trent	7	East Midlands
IF E4 = 1 OR 2 OR 6: Bedfordshire	8	East of England
IF E4 = 1: Cambridgeshire	9	East of England
IF E4 = 1 OR 2: Peterborough	10	East of England
IF E4 = 1 OR 2: Huntingdonshire	11	East of England
IF E4 = 1: Isle of Ely	12	East of England
IF E4 = 1 OR 6: Essex (outside Greater London)	13	East of England
IF E4 = 1 OR 6: Hertfordshire	14	East of England
IF E4 = 1: Norfolk	15	East of England
IF E4 = 1 OR 6: Suffolk	16	East of England
IF E4 = 1 OR 3 OR 6: Essex (inside Greater London)	17	London
IF E4 = 3 OR 6: Greater London	18	London
IF E4 = 3 OR 6: Kent (inside Greater London)	19	London
IF E4 = 3 OR 6: London	20	London
IF E4 = 3 OR 6: Croydon	21	London
IF E4 = 3 OR 6: Middlesex	22	London
IF E4 = 3 OR 6: Surrey (inside Greater London)	23	London
IF E4 = 4: County Durham	24	North East
IF E4 = 4: Northumberland	25	North East
IF E4 = 4: Tyne and Wear	26	North East
IF E4 = 4: Newcastle-upon-Tyne	27	North East
IF E4 = 4: Sunderland	28	North East
IF E4 = 4: Hartlepool	29	North East
IF E4 = 4 OR 9: Middlesbrough	30	North East
IF E4 = 4 OR 9: Darlington	31	North East
IF E4 = 4: Stockton-on-Tees	32	North East
IF E4 = 4 OR 9: Cleveland	33	North East
IF E4 = 4 OR 9: Teesside	34	North East
IF E4 = 5: Cheshire	35	North West
IF E4 = 5: Cumbria	36	North West

IF E4 = 5: Westmorland	37	North West
IF E4 = 5: Cumberland	38	North West
IF E4 = 5: Furness	39	North West
IF E4 = 5: Greater Manchester	40	North West
IF E4 = 5: Manchester	41	North West
IF E4 = 5: Lancashire	42	North West
IF E4 = 5: Merseyside	43	North West
IF E4 = 5: Liverpool	44	North West
IF E4 = 6: Berkshire	45	South East
IF E4 = 1 OR 6: Buckinghamshire	46	South East
IF E4 = 1 OR 2 OR 6: Milton Keynes	47	South East
IF E4 = 6: East Sussex	48	South East
IF E4 = 6 OR 7: Hampshire (except Bournemouth)	49	South East
IF E4 = 6 OR 3: Watford	50	South East
IF E4 = 6 OR 7: Isle of Wight	51	South East
IF E4 = 6: Kent (outside Greater London)	52	South East
IF E4 = 6 OR 8: Oxfordshire	53	South East
IF E4 = 6: Surrey (outside Greater London)	54	South East
IF E4 = 6: West Sussex	55	South East
IF E4 = 6: Southampton	56	South East
IF E4 = 6: Portsmouth	57	South East
IF E4 = 7: Avon	58	South West
IF E4 = 7: Bristol	59	South West
IF E4 = 7: Cornwall	60	South West
IF E4 = 7: Devon	61	South West
IF E4 = 7 OR 6: Dorset	62	South West
IF E4 = 7 OR 6: Bournemouth	63	South West
IF E4 = 7 OR 8: Gloucestershire	64	South West
IF E4 = 7: Somerset	65	South West
IF E4 = 7: Bath / BANES	66	South West
IF E4 = 7 OR 8: Wiltshire	67	South West
IF E4 = 7 OR 8: Herefordshire	68	South West
IF E4 = 8 OR 5: Shropshire	69	West Midlands
IF E4 = 8 OR 5 OR 2: Staffordshire	70	West Midlands
IF E4 = 8: Warwickshire	71	West Midlands
IF E4 = 8: West Midlands	72	West Midlands
IF E4 = 8: Worcestershire	73	West Midlands
IF E4 = 8: Birmingham	74	West Midlands
IF E4 = 9: East Riding of Yorkshire	75	Yorkshire and the Humber

IF E4 = 9 OR 1 OR 2: Lincolnshire (North and North East)	76	Yorkshire and the Humber
IF E4 = 9: North Yorkshire	77	Yorkshire and the Humber
IF E4 = 9: South Yorkshire	78	Yorkshire and the Humber
IF E4 = 9: West Yorkshire	79	Yorkshire and the Humber
IF E4 = 9: Humberside	80	Yorkshire and the Humber
Don't know	81	(none)

REGDUM DUMMY VARIABLE, DO NOT ASK

East of England	1	E5 = 8 TO 16
East Midlands	2	E5 = 1 TO 7
London	3	E5 = 17 TO 23
North East	4	E5 = 24 TO 34
North West	5	E4 = 35 TO 44
South East	6	E5 = 45 TO 57
South West	7	E5 = 58 TO 67
West Midlands	8	E5 = 68 TO 74
Yorkshire and the Humber	9	E5 = 75 TO 80
Northern Ireland	10	E4 = 10
Scotland	11	E4 = 11
Wales	12	E4 = 12
Any others, including Isle of Man, Channel Islands, Republic of Ireland	13	E4 = 13
Work in multiple regions / nations, with no base	14	E4 = 14
Don't know	15	E4 = 15 or E5 = 81

ASK IF HAVE USED BIK IN SPECIFIED TIME PERIOD (BIK_ASK_2 = 1)

- E5 **The final few questions, about gender, age and ethnicity, will help put your answers into context, but no information you provide will allow you to be identified. All responses will be anonymous, and you may skip any of these questions when we ask about them. Would you be happy to be asked these questions?**

Yes	1	
No	2	
Show reassurances	3	

IF E5 = 1

- E6 **Which of the following describes how you think of yourself?**
READ OUT. SINGLECODE.

Male	1	
Female	2	
Another way	3	
Prefer not to say	4	

IF E5 = 1

- E7 **Which of the following age bands do you fall into?**
PROMPT AS NEEDED. SINGLECODE.

Under 18	1	
18-24	2	
25-34	3	
35-44	4	
45-54	5	
55-64	6	
65+	7	
Prefer not to say	8	

IF E5 = 1

E8 **What is your ethnic group?**
 PROMPT IF NECESSARY. SINGLE CODE.

White	English/Welsh/Scottish/Northern Irish/British	1	
	Irish	2	
	Gypsy or Irish Traveller	3	
	Any other White background	4	
Mixed/multiple ethnic groups	White and Black Caribbean	5	
	White and Black African	6	
	White and Asian	7	
	Any other Mixed/multiple ethnic background	8	
Asian/Asian British	Indian	9	
	Pakistani	10	
	Bangladeshi	11	
	Chinese	12	
	Any other Asian background	13	
Black/African/Caribbean/Black British	African	14	
	Caribbean	15	
	Any other Black/African/Caribbean background	16	
Other ethnic group	Arab	17	
	Any other Ethnic background	18	
Prefer not to say		19	

F Thank and Close

ASK ALL

- F1 **Thank you very much for taking the time to speak to us today. [IF HAVE NOT USED BIK IN SPECIFIED TIME PERIOD (BIK_USED = 3): Since you have not used or are not offered any benefits in kind by your employer, we have no further questions for you today.][IF DON'T KNOW IF USED BIK IN SPECIFIED TIME PERIOD (BIK_USED = 4): Since you're unsure if you are offered any benefits in kind by your employer, we have no further questions for you today.] Your answers will contribute to HMRC's understanding of non-cash benefits provided by employers. Would you be willing for us to call you back regarding this particular study, if we need to clarify any of the information? If you say 'yes', we may re-contact you at some point before the end of the project, which is expected to be in January 2019.**

Yes	1	
No	2	

IF CONSENT TO RECONTACT (F1 = 1)

- F2 **And could I just check, is <PHONENUMBER> the best number to call you on?**

Yes	1	
No - write in number	2	

READ TO ALL

- F3 **Just to confirm, all the answers you've given us will be anonymised and will not contain your name or the name of your employer. If you'd like a copy of your data, to change your data, or for your data to be deleted, then please go to our website (www.iffresearch.com/gdpr). If you have any questions about the research, you can call Sam Morris or Helen Rossiter on 020 7250 3035. IF NECESSARY: sam.morris@iffresearch.com, helen.rossiter@iffresearch.com.**

ASK ALL

- COC **Finally, I would just like to confirm that this survey has been carried out under IFF instructions and within the rules of the MRS Code of Conduct. On behalf of HMRC and IFF Research, thank you very much for your time today.**

Read out	1	
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THANK RESPONDENT AND CLOSE INTERVIEW

“

IFF Research illuminates the world for organisations businesses and individuals helping them to make better-informed decisions.”

Our Values:

1. Being human first:

Whether employer or employee, client or collaborator, we are all humans first and foremost. Recognising this essential humanity is central to how we conduct our business, and how we lead our lives. We respect and accommodate each individual's way of thinking, working and communicating, mindful of the fact that each has their own story and means of telling it.

2. Impartiality and independence:

IFF is a research-led organisation which believes in letting the evidence do the talking. We don't undertake projects with a preconception of what "the answer" is, and we don't hide from the truths that research reveals. We are independent, in the research we conduct, of political flavour or dogma. We are open-minded, imaginative and intellectually rigorous.

3. Making a difference:

At IFF, we want to make a difference to the clients we work with, and we work with clients who share our ambition for positive change. We expect all IFF staff to take personal responsibility for everything they do at work, which should always be the best they can deliver.



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