

SecondSight Insight Report

Understanding your current
employee benefits



Employee Benefits

Employees are now the biggest asset within most organisations. Retaining and attracting the best employees can make a huge difference to the success of your business, and the employee benefits you provide play a crucial role in motivating your existing workforce and prospective employees.

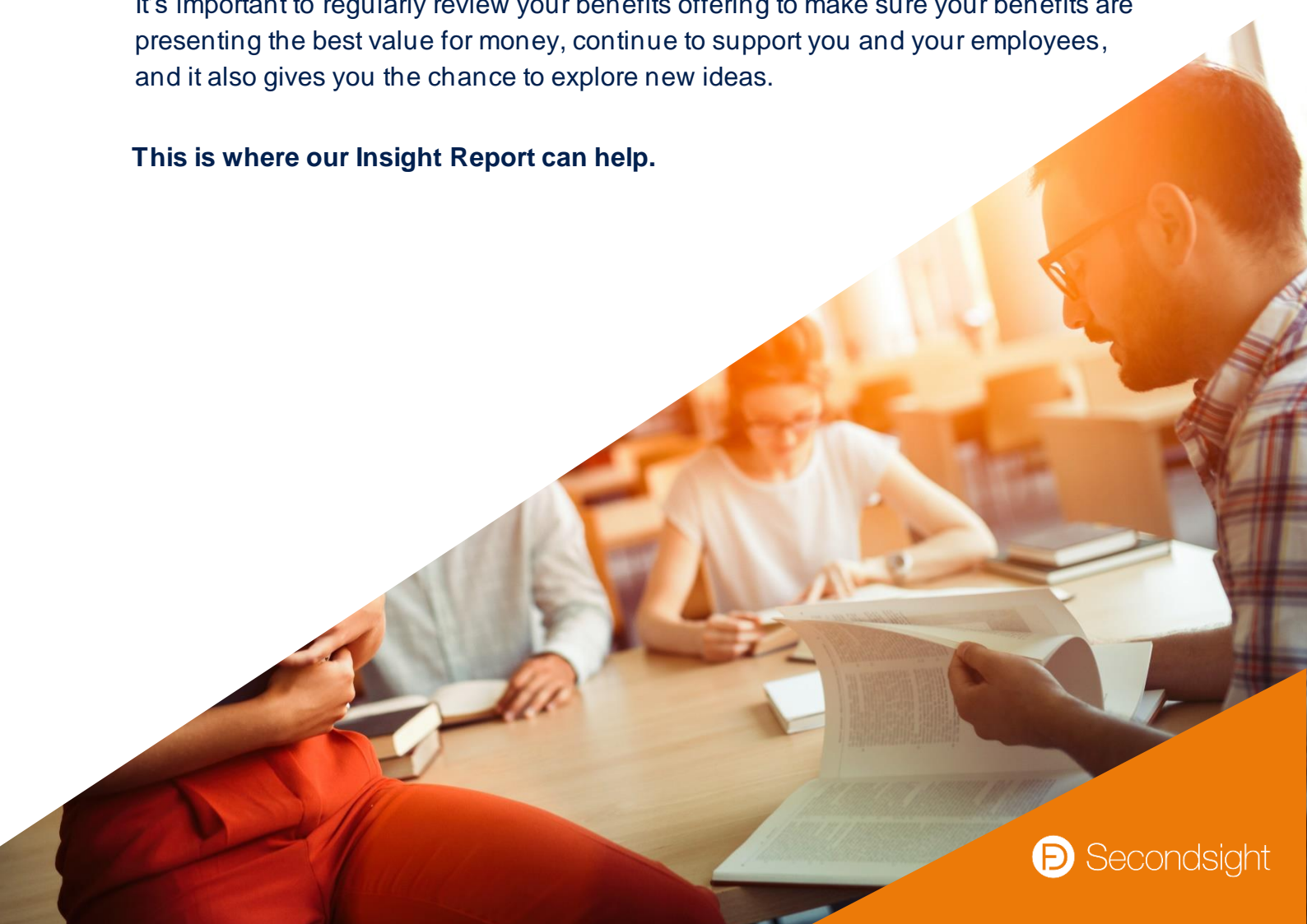


How long ago did you review your current employee benefits package?

If you have an employee benefits package in place, it can often be tempting to simply leave it alone. However, it can be difficult to measure its value or know if alternative options might provide better results.

It's important to regularly review your benefits offering to make sure your benefits are presenting the best value for money, continue to support you and your employees, and it also gives you the chance to explore new ideas.

This is where our Insight Report can help.











The Insight Report

The Insight Report provides a unique snapshot of your existing employee benefits.

Not only do we look at traditional metrics such as cost, rates, governance options and administration, we also look at them from a financial wellbeing perspective.

Our Insight Reports are increasingly uncovering small details on benefits that are not in line with best practice and sometimes even the law. Automatic Enrolment is now a decade old for many employers, and we are seeing that changes in HR, benefits personnel and payroll teams are leading to statutory notices being tweaked. And, in some cases, they do not meet The Pension Regulators requirements and Automatic Enrolment duties are being missed altogether, resulting in a significant risk to employers.


The benefits

 <p>A quick and easy way to find out what's right and what's not</p>	 <p>See what adjustments can be made to control or reduce costs</p>	 <p>Help you build a more effective benefits package</p>
 <p>Identify the psychological aspects as well as the mechanical aspects of financial wellbeing</p>	 <p>Benefit from any extra benefits provided free of charge by insurers which you could be missing out on</p>	 <p>Understand more about your employees' financial awareness and wellbeing through their actions.</p>

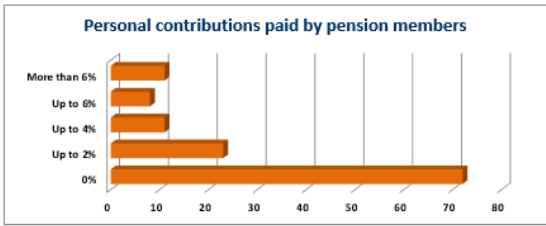
Simple to start

The Insight Report requires minimal input from you. All we need is a **simple agreement** and **letters of authority** to enable us to approach your existing providers to review relevant information on your benefits. And your current advisers will not be alerted to the fact your Insight Report is being prepared.

Report snapshot



Personal contributions paid by pension members




The average member contribution to your scheme is **1.6%**. Employees are not required to contribute and only 38% of members do so. The average contribution for these members is **3.72%**.

When we examine the total contribution percentage (employer and employee combined), the average for each age group is as follows:

Current Age	Your Scheme Average	Average
20 – 24	12.5	9.7
25 – 29	11.9	10.0
30 – 34	12.0	10.5
35 – 39	14.5	11.1
40 – 44	14.6	11.7
45 – 49	17.1	12.1
50 – 54	17.9	12.8
55 – 59	18.2	13.3
60 – 64	16.2	13.8
65+	15.8	14.2

All age groups have a higher total percentage contribution compared to the average across our client bank. This reflects the generous contribution levels from Lincoln's Inn.





Your average contribution of **13.4%** compares well with the average for your sector (Professional Services) which is **5.9%** and the national average, also **5.9%**. (Source: ONS Annual Survey of Hours and Earnings. These figures are based upon the ONS Annual Survey of Hours & Earnings 2019).

The table below shows projected retirement income at age 65 as a proportion of their salary.

Current Age	Projected Pension Income (without State Pension)
20 – 24	42%
25 – 29	37%
30 – 34	32%
35 – 39	34%
40 – 44	32%
45 – 49	28%
50 – 54	25%
55 – 59	19%
60 – 64	13%

For many of your younger staff, the pension you provide will be the only one they have. For older staff it is likely that they will have been members of other schemes from previous employers; where this is the case and they have not transferred them into this scheme, then individual projections would be higher.

The Financial Wellbeing perspective

-  The pension scheme contribution is generous and is a solid foundation to build higher employee contributions from. Whilst older employees save more than younger employees their projected outcomes are lower.
-  The pension scheme contribution basis does not encourage higher employee contributions. People need to be encouraged to save more, contributions would significantly increase if employees went into 'the gap'.

Don't just take our word for it

Second Sight's report on us was very useful in highlighting areas of our benefits provision where quick improvements could be made as well as areas where we were deficient, whilst also confirming the things we were doing right. Overall, the report was low cost but high impact, giving us numerous ideas for improving our benefits provision in the future.

Leigh Day



To find out more about our insight report, or any of the Secondsight services, contact us today on:

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*Calls are charged at your standard landline rate.

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