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Survey report
February 2026

Reward survey

Focus on employee benefits

The CIPD has been championing better work and working lives for over 100 years. It helps organisations thrive by focusing on their people, supporting our economies and societies. It's the professional body for HR, L&D, OD and all people professionals – experts in people, work and change. With over 160,000 members globally – and a growing community using its research, insights and learning – it gives trusted advice and offers independent thought leadership. It's a leading voice in the call for good work that creates value for everyone.

Everywhen champions employee benefits that make a measurable difference – combining expert advice, personalised service, innovative technology and strong partnerships to enhance wellbeing and strengthen business resilience.

Working with more than 16,000 businesses across the UK gives Everywhen deep insight into employee expectations and market trends, enabling them to design and deliver programmes that meet the needs of every type of organisation. Everywhen understands that enterprise organisations face diverse challenges in attracting and retaining talent across regions, sectors and operational scales. Their tailored approach supports their workforce goals while ensuring measurable impact and consistency.

Survey report

Reward survey: Focus on employee benefits

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Foreword

In a year defined by significant economic, social and technological change, organisations have been compelled to reconsider what it truly means to support their people. At Everywhen, we believe employee benefits are no longer peripheral to the employment deal – they are a central lever for shaping culture, strengthening resilience and enabling people to thrive in an environment where expectations are evolving rapidly.

That is why we are proud to support this year's CIPD *Reward Survey: Focus on employee benefits*. The report offers vital insight into how organisations across the UK are responding to rising financial pressures, increased wellbeing needs and shifting life priorities. The findings reveal a mixed landscape. While many employers are modernising their benefits and aligning them with strategic goals, others still lack a clear framework, leaving employees uncertain about the support available and limiting the impact of their investments.

One of the most striking themes is the strong connection between strategy, confidence and outcomes. Organisations with a coherent financial wellbeing strategy consistently deliver more meaningful benefits and express greater confidence that these offerings meet employee needs. These employers are not simply providing perks – they are equipping their people to navigate uncertainty, manage life transitions and build long-term security. This is especially important as the cost-of-living crisis continues to affect workers across income levels and demographics.

The survey also highlights areas where progress must accelerate. Demand for flexible working remains high, yet many organisations have not embedded flexibility within their benefits or people strategy. Financial education remains inconsistent, and wellbeing strategies are often disconnected from core benefits design.

At Everywhen, we see daily how a thoughtful, human-centred and data-driven benefits approach can transform organisational outcomes and individual lives. Our hope is that this report not only informs but inspires – offering leaders, HR professionals and benefits specialists a clearer view of what is possible when benefits sit at the heart of a compelling and future-focused employment experience.



Iain Laws

CEO – Health & Benefits
Everywhen

Key findings and implications



- **Only 15% of all UK organisations surveyed have a formal financial wellbeing policy or strategy.**

These figures are low given how often financial stress has a negative impact on engagement, absence and performance. It also creates a clear 'differentiator' opportunity for employers who do formalise it.



- **77% of organisations have objectives for their employee benefits package – but 22% have none.**

Over a fifth of employers are effectively spending on their benefits without a defined purpose, such as retaining employees, which makes return on investment (ROI) conversations and benefits rationalisation much harder.

Even among employers with benefits objectives, fewer than a third (31%) of them link their benefits to boosting productivity or business performance, suggesting a missed opportunity at a time when improving UK productivity remains a national priority. Even fewer (23%) link it to the associated national priority of improving employee health and wellbeing. Instead, benefits are more commonly aimed at supporting retention (44%), or motivation and engagement (37%).

Furthermore, 28% of organisations have only one or two objectives, while 49% have between 2 and 5.



- **Not all employers check if their benefits package objectives are being met.**

Of those that say there are objectives behind the workplace benefits package, around one in seven (15%) do not then go on to assess their benefits against them, limiting their ability to assess relevance, effectiveness or value for money. Among those that do go on to conduct reviews, only a third (33%) say their benefits fully meet their objectives, something that only one-fifth (20%) of voluntary sector and one-quarter (23%) of public sector employers can also say.



- **Larger employers (those with 250 or more people), as well as those with an employee financial wellbeing strategy or policy in place, offer a variety of benefits and are more likely to provide benefits around pensions, investments, savings and borrowing.**

Fifty-seven per cent of large employers offer a workplace pension contribution matching plan (eg if an employee contributes more to their pension, the employer will also increase its contribution to the employee's pension), and 54% provide a workplace pension salary-sacrifice plan (eg a worker agrees to exchange part of their salary and/or bonus in return for an employer pension contribution).

Organisations with a financial wellbeing strategy or policy in place are more likely to offer a workplace pension contribution matching plan (34%) compared with those without one (13%).



- **Big gap: Flexible working is seen as a key objective-driver (75%), but only 40% provide it.**

Among those respondents that have objectives for their benefits package, three-quarters of them say flexible working helps them achieve the key objectives of their benefits package. However, just 40% of all our respondents provide this benefit.



- **Only 39% of organisations feel a responsibility to signpost employees to financial information/guidance – but this rises to 80% in large private sector organisations.**

This reluctance to highlight such resources can negatively impact the financial awareness and resilience of UK workers. Part of this reluctance could be that many employers are confused between providing information and guidance, which is not regulated, and advice, which is regulated.



- **Benefits review priorities are shifting beyond cost.**

While cost is cited as a key factor (42%) when assessing the impact of the benefits package, it is not the only factor. How the current benefits package supports performance and productivity (40%) is almost as important. This is a strong signal that HR can use to reposition benefits reviews as a performance and workforce effectiveness discussion – not just a cost-cutting exercise.

Introduction

The CIPD's *Reward survey: Focus on employee benefits 2026* report is supported by Everywhen. The survey was conducted on behalf of the CIPD by YouGov, between 24 October and 27 November 2025. More than 1,000 reward or HR decision-makers working for organisations in the UK responded. More about the sample and research can be found in the [Background to the survey](#) section.

The key findings show that while the majority of UK organisations not only have objectives for offering employee benefits, but also regularly review whether these objectives are being met, a significant proportion do not.

Diving deeper, the processes and activities used to support the decision-making around selecting benefits varies across organisations. We find that employers who use more assessment methods and utilise internal sources for support (eg internal HR teams, senior leaders) overall have higher confidence levels in navigating, understanding and communicating the benefits on offer to their employees.

The most common benefits provided by organisations are largely social (such as Christmas events, or free drinks or snacks) or paid leave benefits. Broader benefits beyond the statutory or minimum – such as, pensions, investments, savings and borrowing benefits – were more likely offered by larger employers (those with 250 or more people), as well as those with an employee financial wellbeing strategy or policy in place.

Our report highlights the most significant differences, sentiments and approaches towards offering an employee benefits package, which varies between small and medium-sized enterprises (SMEs), large organisations and public sector organisations. We draw out differences from organisations primarily based in the UK as well as those with overseas operations. We also make recommendations for HR practitioners suited for various contexts.

See the [Appendix](#) for survey data on the differences between different employers.

1

Organisational objectives for offering employee benefits

77% of organisations have an objective for offering employee benefits. However, 22% do not have an objective at all.

Most UK employers have one or more objectives underpinning their benefits package – but nearly a quarter don't

While 49% of all employers have between three and five objectives, 28% have just between one and two objectives. The most common current objectives cited by organisations for offering employee benefits are retaining employees (44%), increasing employee motivation and engagement at work (37%), and improving productivity and business performance (31%).

Additionally, 62% of organisations 'agree' or 'strongly agree' that their organisation has a responsibility to invest in developing employee skills, so that their workers can increase their earning potential, with this proportion rising to 86% for larger organisations.

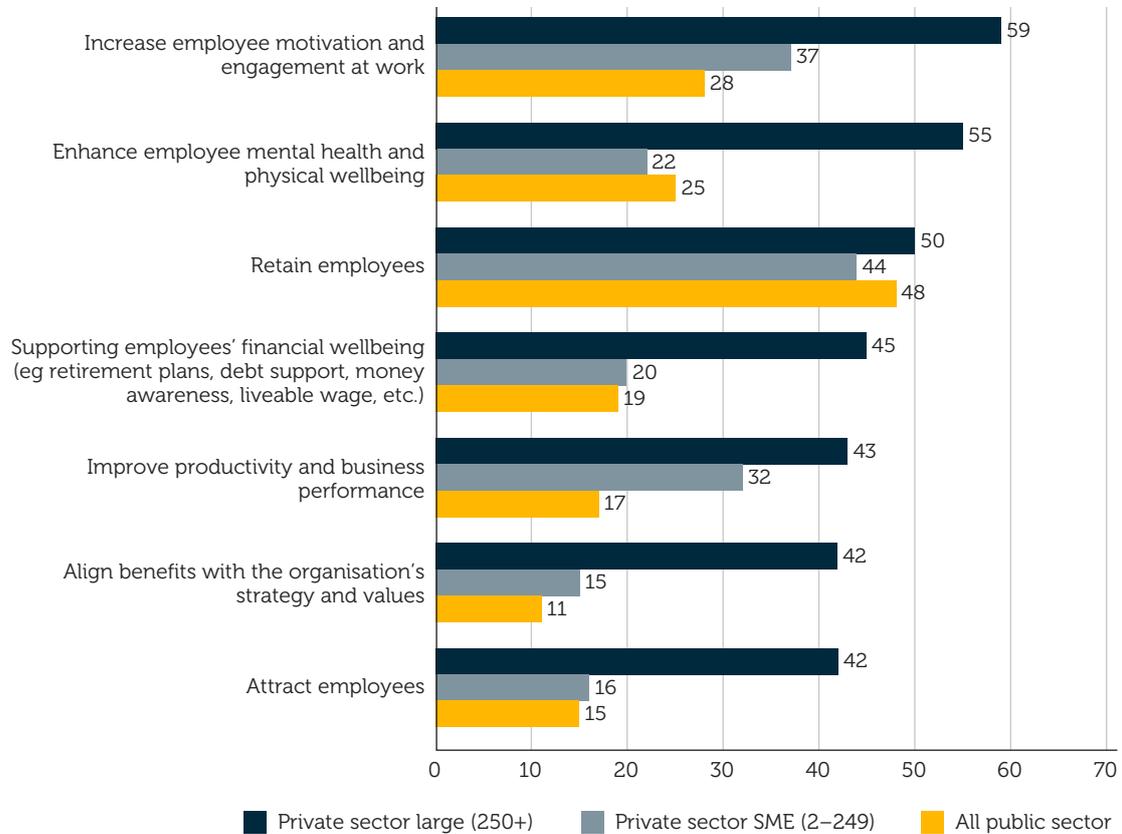
Fifteen per cent of organisations have a formal employee financial wellbeing policy or strategy in place, and all of these report having at least one clear objective for their employee benefits package.

How does organisation size impact benefit objectives?

Figure 1 shows that larger organisations selected a numerous and comprehensive set of objectives, while Figure 2 shows that they are also more likely to frequently assess whether these objectives are being met.

By contrast, employers with between two and nine employees are less likely to have organisational objectives, with 24% of these workplaces not having any objectives related to their employee benefits offering. This might be because such employers do not know why they offer the benefits that they do. However, 23% of public sector workplaces and 19% of voluntary sector organisations had no objectives for their benefits package either.

Figure 1: Most common organisational objectives for offering employee benefits, by organisation size and type (%)



Base: private sector large (250+): n=137; private sector SME (2-249): n=708; and public sector: n=75.

Interestingly, while there is little difference by employer size or sector in terms of workplaces having employee retention as a current key objective, there is less consensus in terms of other objectives. For example, employee attraction, which may reflect that employers are less likely to be focused on recruiting employees due to the present economic uncertainty, or that they think that pay may be more important than benefits in encouraging people to join.

Additionally, organisations that have a financial policy or strategy:

- are more likely to offer employee benefits to enhance employee mental health and physical wellbeing (39%), compared with those without one (19%)
- align benefits with the organisation's strategy and values (33%), while it is only 13% across those without one
- have a greater chance of supporting employees' financial wellbeing (29%), versus 18% of those without one.

Similarly, the proportion of UK-based organisations with overseas operations are statistically more likely to have objectives for offering employee benefits compared with organisations based solely in the UK. These objectives are also around enhancing employee mental health and physical wellbeing, improving productivity and business performance, and increasing employee motivation and engagement at work.

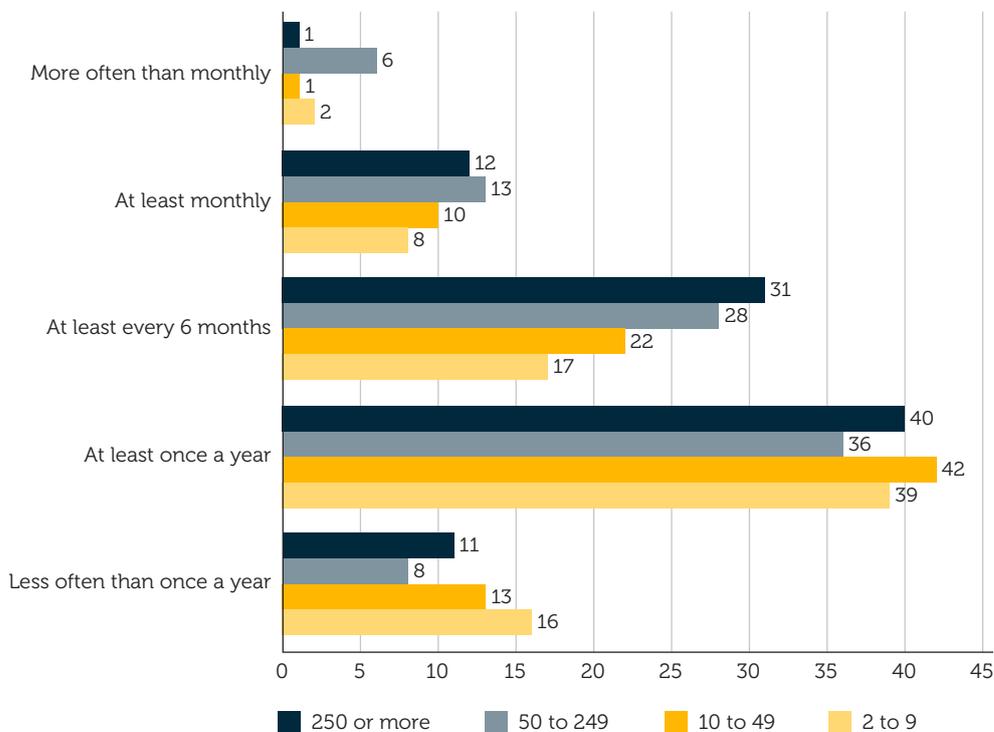
The sentiments on the wider responsibility to educate and communicate employee benefits packages to support employee financial wellbeing is low across the organisations surveyed. Overall, only 39% feel the organisation has a responsibility to signpost relevant sources of financial information and guidance to support their employee’s financial wellbeing. Again, the proportion is much higher among large organisations in the private sector, at 80%.

How frequently do organisations review their objectives?

Among those organisations that do have key objectives for their employee benefits package, 83% of them also review whether their package is actually meeting their key objectives.

However, 15% do not conduct any review, though this percentage is lower across larger organisations, with only 3% saying that they do not assess the impact of employee benefits packages.

Figure 2: Most organisations review their objectives at least once a year (%)



Base: n=864 (organisations that have key objectives for their employee benefits package), comprising: large organisations (250+): n=165; medium-sized organisations (50–249): n=139; small organisations (10–49): n=143; micro organisations (2–9): n=417. Note: figures in brackets are employer sizes; all public sector organisations are included in the respondent numbers.

2

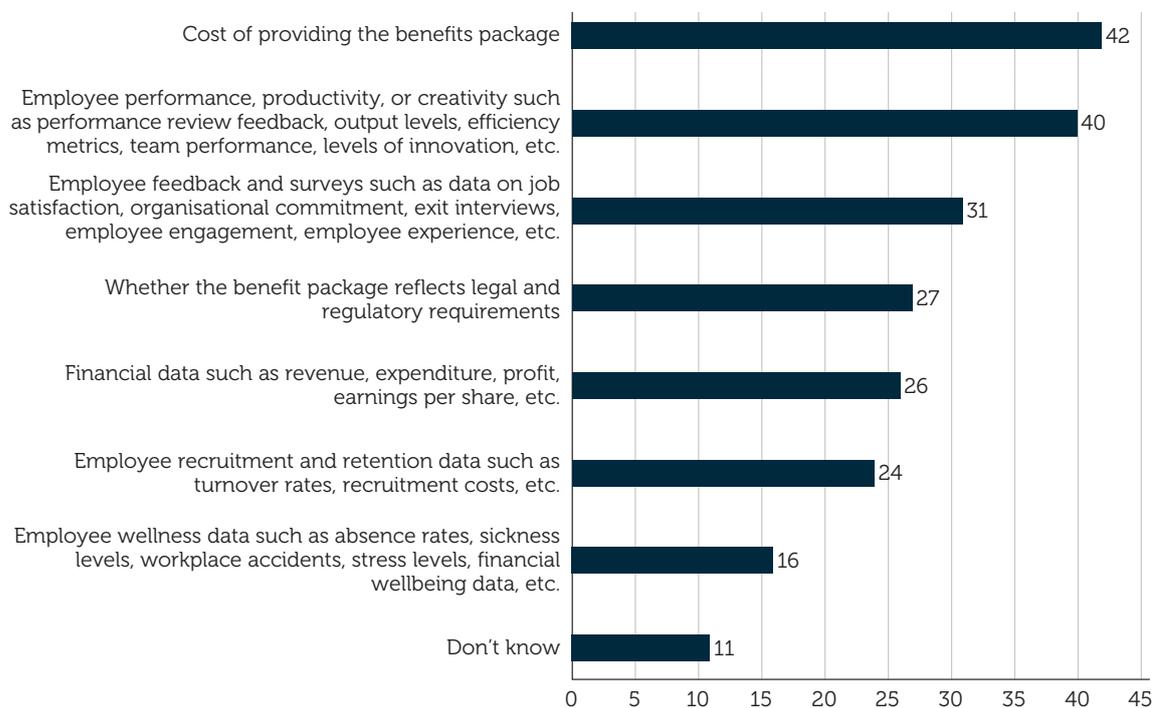
Assessing employee benefits packages

Formal methods and processes in place to assess benefits packages contribute to higher confidence levels in organisations when supporting their own employees with benefit-related decisions.

Key considerations

When assessing if the current key objectives of their employee benefits package are being met, organisations consider a wide range of factors. For all types of workplaces, Figure 3 shows that cost was the most important consideration, closely followed by the impact that the benefits have on employee performance, productivity or creativity. Organisations are also likely to factor in employee feedback and surveys, legal and regulatory requirements, financial data during assessments.

Figure 3: Considerations typically made by employers when assessing whether the key objectives of their employee benefits package are being met (%)

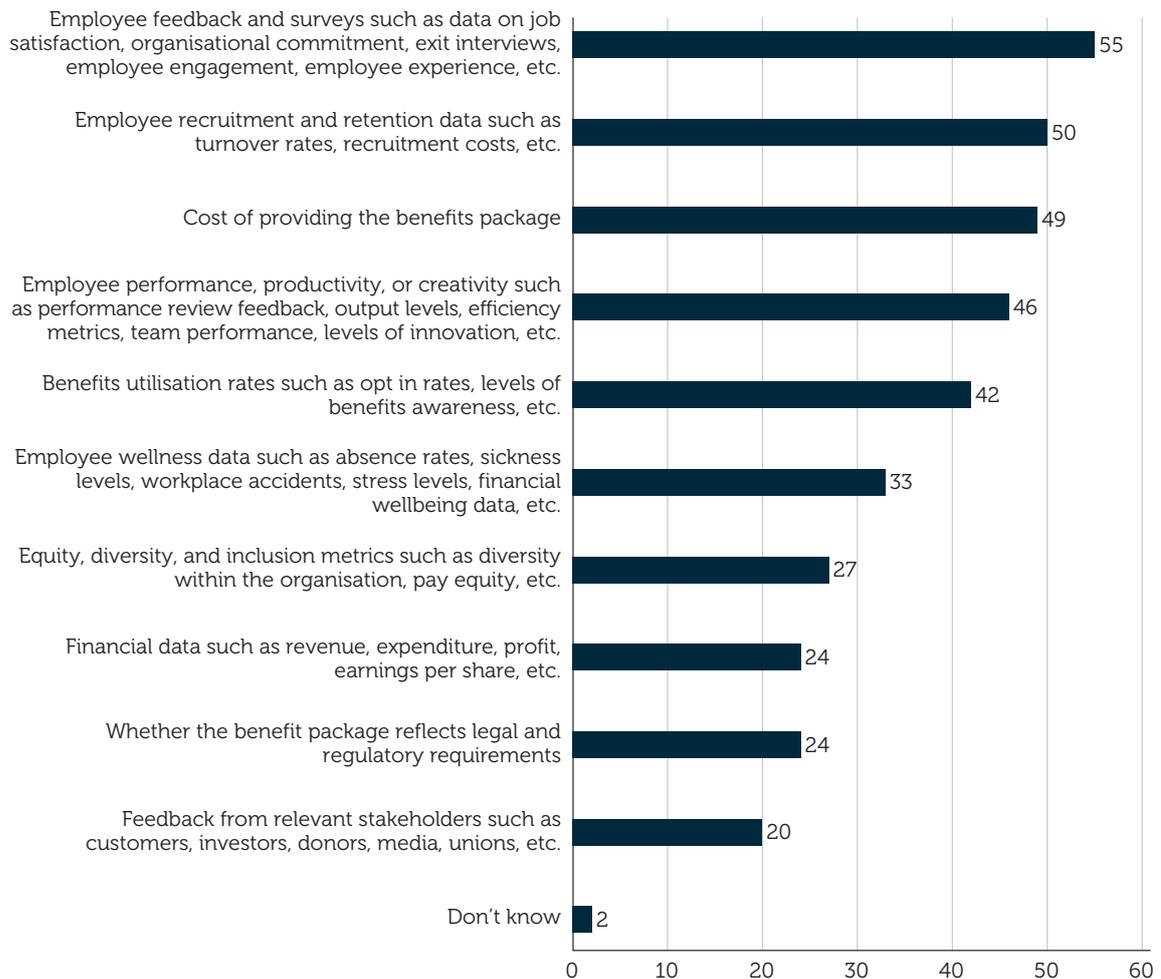


Base: organisations that have key objectives for their employee benefits package: n=847.

When reviewing their benefits packages, Figure 4 shows that large organisations are far more likely to consider employee feedback and surveys as the most important factor, followed by employee recruitment and retention data.

The cost of providing the benefits package was also cited as a necessary consideration, along with employee performance, productivity or creativity, and benefits utilisation rates.

Figure 4: Considerations typically made by large employers when assessing whether the key objectives of their employee benefits package are being met (%)

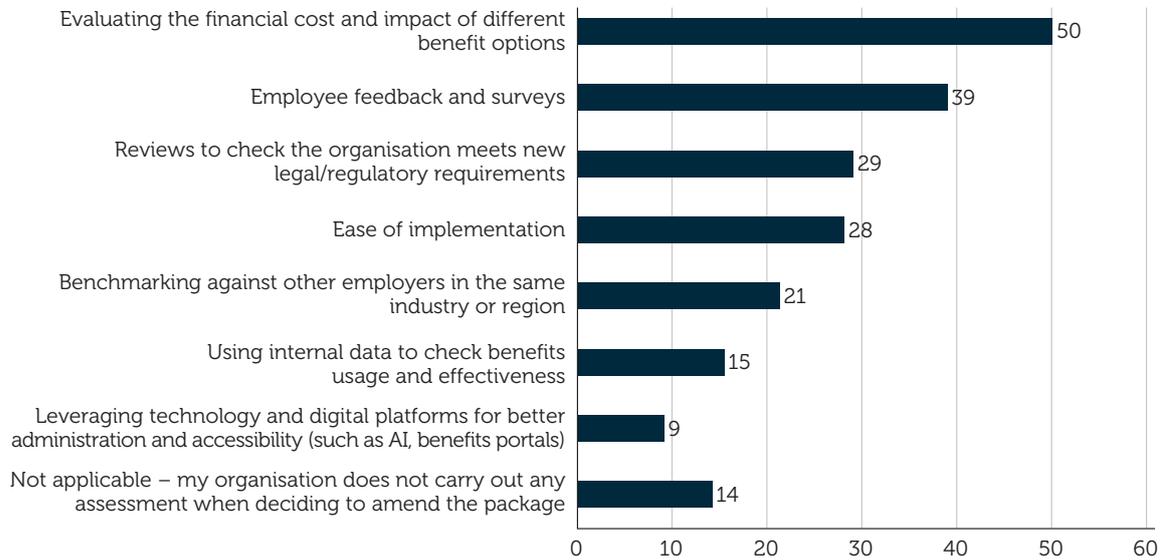


Base: large organisations (250+ employees) that have key objectives for their employee benefits package: n=158.

Deciding to change the benefits package

When it comes to amending the existing benefits package to better meet key objectives, evaluating the financial cost and impact of different benefit options is the most common way. Figure 5 shows that other common considerations include employee feedback and surveys, and reviews to check the organisation meets new legal/regulatory requirements.

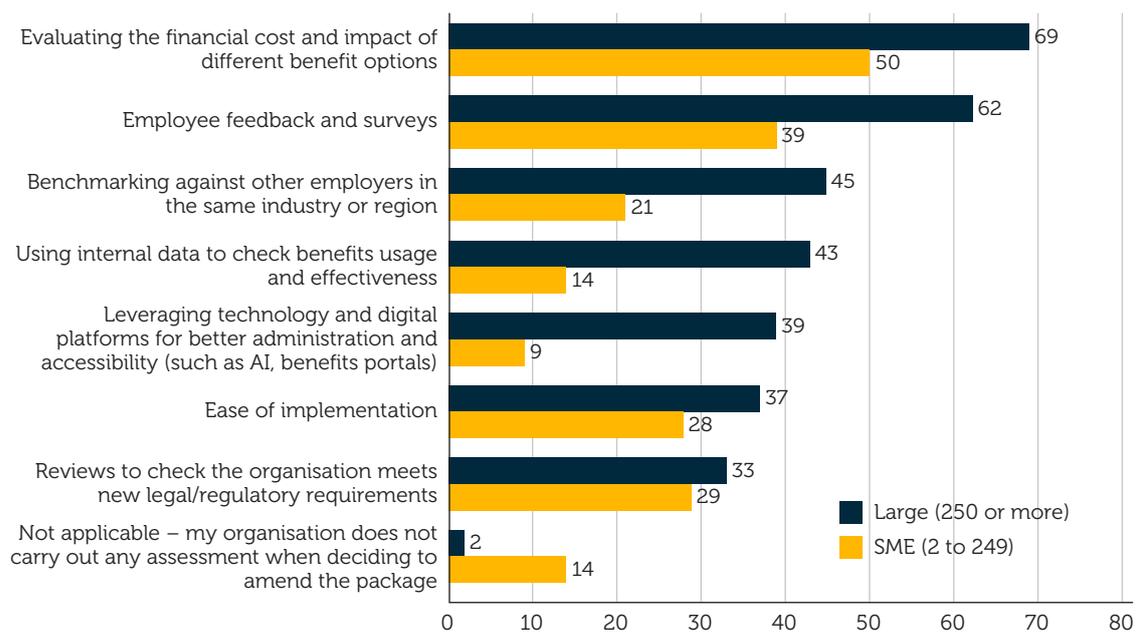
Figure 5: Factors considered by organisations when amending existing benefits package to better meet key objectives (%)



Base: organisations that have key objectives for their employee benefits package: n=864.

Figure 6 shows that larger employers are more likely to undertake a more comprehensive review when changing the current package than SMEs, with 69% evaluating the financial cost and impact of different benefit options, and 62% using employee feedback and surveys. Large employers are also more than twice as likely to benchmark against other employers in the same industry or region.

Figure 6: Factors considered by organisations when amending existing benefits package to better meet key objectives, large employers versus SMEs (%)

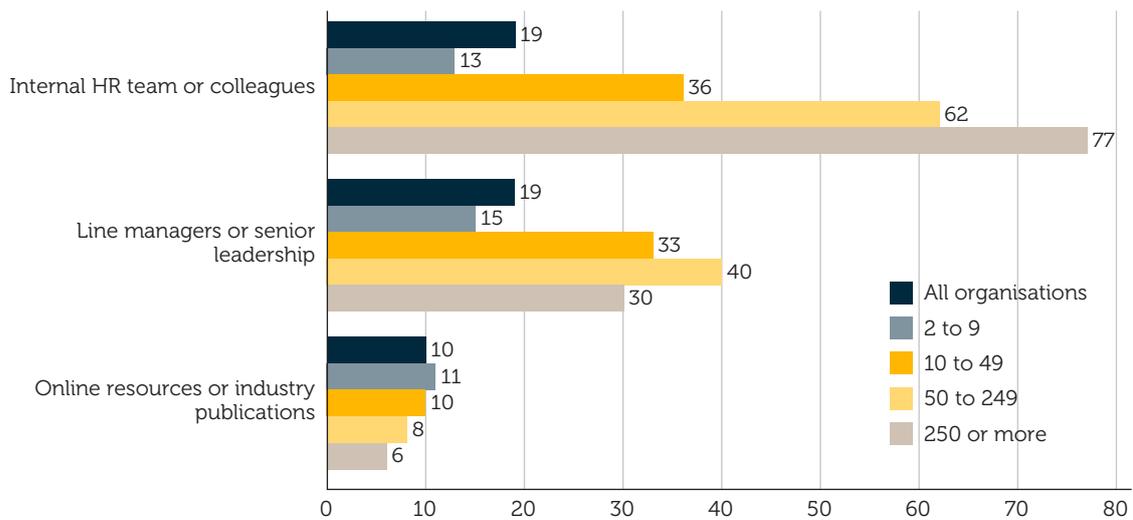


Base: n=864 (organisations that have key objectives for their employee benefits package), comprising: large organisations (250+): n=165; SMEs (2-249): n=699. Note: figures in brackets are employer sizes; all public sector organisations are included in the respondent numbers.

Figures 7, 8 and 9 show that those responsible for people and reward in large organisations are also more proactive in seeking support for managing, reviewing and communicating their employee benefits.

Among those working for larger organisations, Figure 7 shows that 77% obtain advice or support from internal HR teams or colleagues when managing employee benefits, compared with just 19% of respondents overall.

Figure 7: Sources of support for senior HR and reward decision-makers, by organisation type (%)

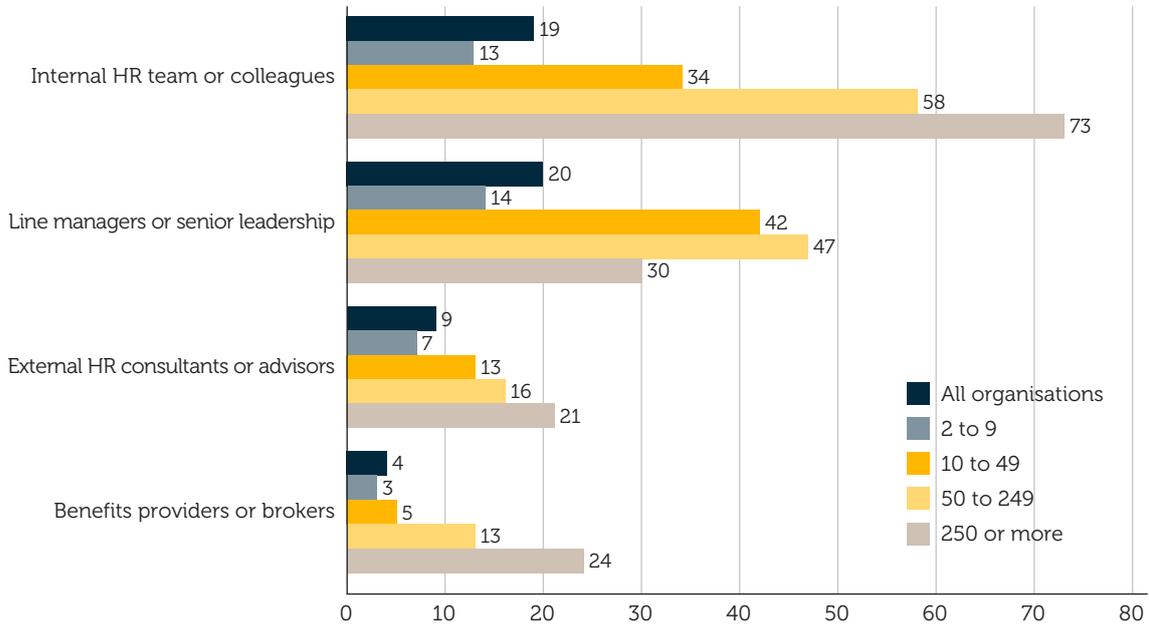


Base: n=1,059, comprising: large organisations (250+): n=178; medium-sized organisations (50–249): n=152; small organisations (10–49): n=169; micro organisations (2–9): n=560. Note: figures in brackets are employer sizes; all public sector organisations are included in the respondent numbers.

Figure 8 also shows that those responsible for people and reward in large employers are also more likely to utilise their internal HR team or colleagues when reviewing their organisation’s employee benefits. They are more likely to use benefits providers or brokers and external HR consultants or advisers, although to a lesser extent than their internal HR teams.

Several small (10 to 49 employees) and medium-sized (50 to 249) workplaces source advice from internal HR teams and colleagues as well and are more inclined to connect with line managers or senior leadership than organisations of other sizes.

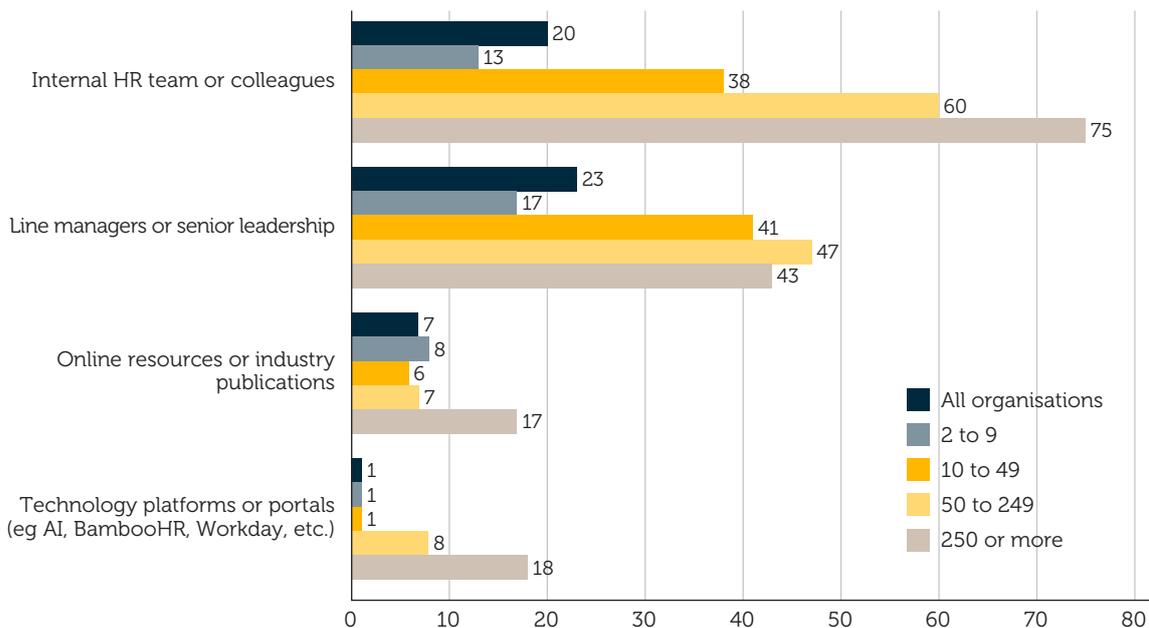
Figure 8: Reviewing organisation’s employee benefits (%)



Base n=1,059, comprising: large organisations (250+): n=178; medium-sized organisations (50–249): n=152; small organisations (10–49): n=169; micro organisations (2–9): n=560. Note: figures in brackets are employer sizes; all public sector organisations are included in the respondent numbers.

Those responsible for people and reward in large and medium-sized organisations typically seek advice from internal HR teams and colleagues or line managers and senior leadership when communicating their organisation’s employee benefits to staff. Figure 9 also shows that some large employers refer to online resources or industry publications, or make use of technology platforms or portals for support.

Figure 9: Communicating organisation’s employee benefits (%)

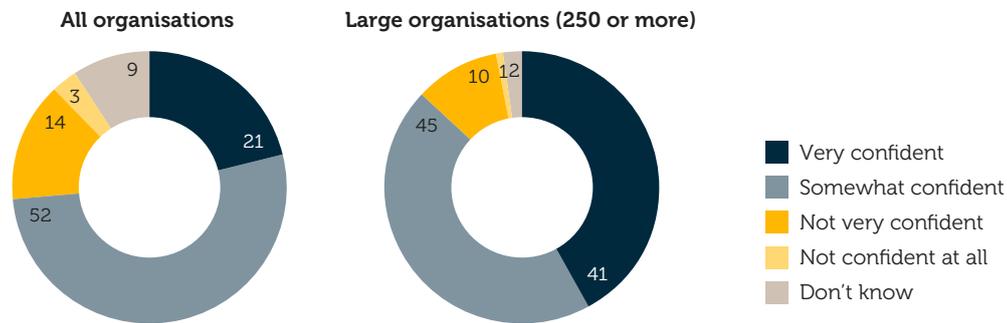


Base: n=1,059, comprising: large organisations (250+): n=178; medium-sized organisations (50–249): n=152; small organisations (10–49): n=169; micro organisations (2–9): n=560. Note: figures in brackets are employer sizes; all public sector organisations are included in the respondent numbers.

Consequently, Figures 10, 11 and 12 show that HR and reward decision-makers working for larger employers exhibit higher levels of confidence when it comes to navigating (42%), understanding (44%) and communicating (44%) what is internally and externally available to employees.

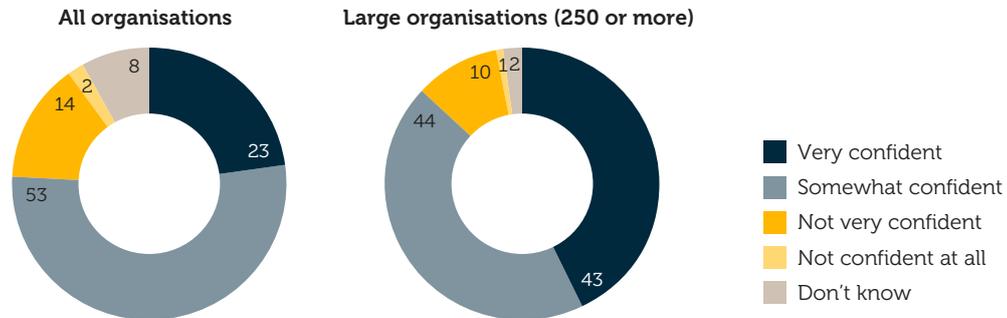
Those working for organisations that have a financial wellbeing policy or strategy in place also showed similar levels of confidence. The proportion of respondents that feel very confident across all three dimensions is approximately halved for SMEs, with the majority feeling only 'somewhat confident'.

Figure 10: Respondent confidence levels across all organisations and across large organisations for navigating internal and external benefits (%)



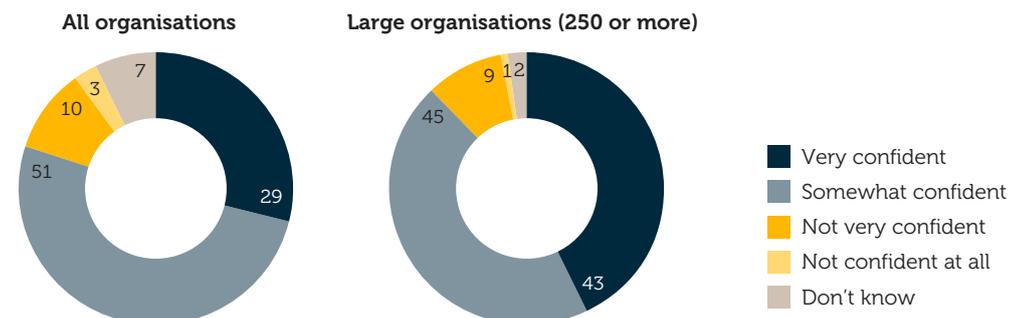
Base: all organisations: n=1,059; large organisations (250+ employees): n=178. Note: all public sector organisations are included in the respondent numbers.

Figure 11: Respondent confidence levels across all organisations and across large organisations for understanding internal and external benefits (%)



Base: all organisations: n=1,059; large organisations (250+ employees): n=178. Note: all public sector organisations are included in the respondent numbers.

Figure 12: Respondent confidence levels across all organisations and across large organisations for communicating internal and external benefits (%)



Base: all organisations: n=1,059; large organisations (250+ employees): n=178. Note: all public sector organisations are included in the respondent numbers.

Purpose of benefits

Creating purpose

A lot of money, time and effort is spent by organisations providing employee benefits, so it makes sense to ensure that what is offered meets the needs of both the employer and its employees. This is not only about ensuring you are offering the right benefits, to the right people, for the right reasons, at the right time, and at the right price. It is also about communicating to workers what is on offer, how it will help them and how they can access these benefits, so they understand, value and appreciate what is being done.

Recommendations for SMEs:

- Create a set of objectives for your benefits package, such as supporting employee productivity (see Figure 1).
- Once you have created your objectives, review them regularly to ensure that they remain relevant for the workplace, especially in light of tax or legal changes.
- Check that the benefits that you offer support the objectives the organisation has for its package. For example, ask for employees' views of the package, or check what impact the package is having on business performance and productivity.

Recommendations for large employers:

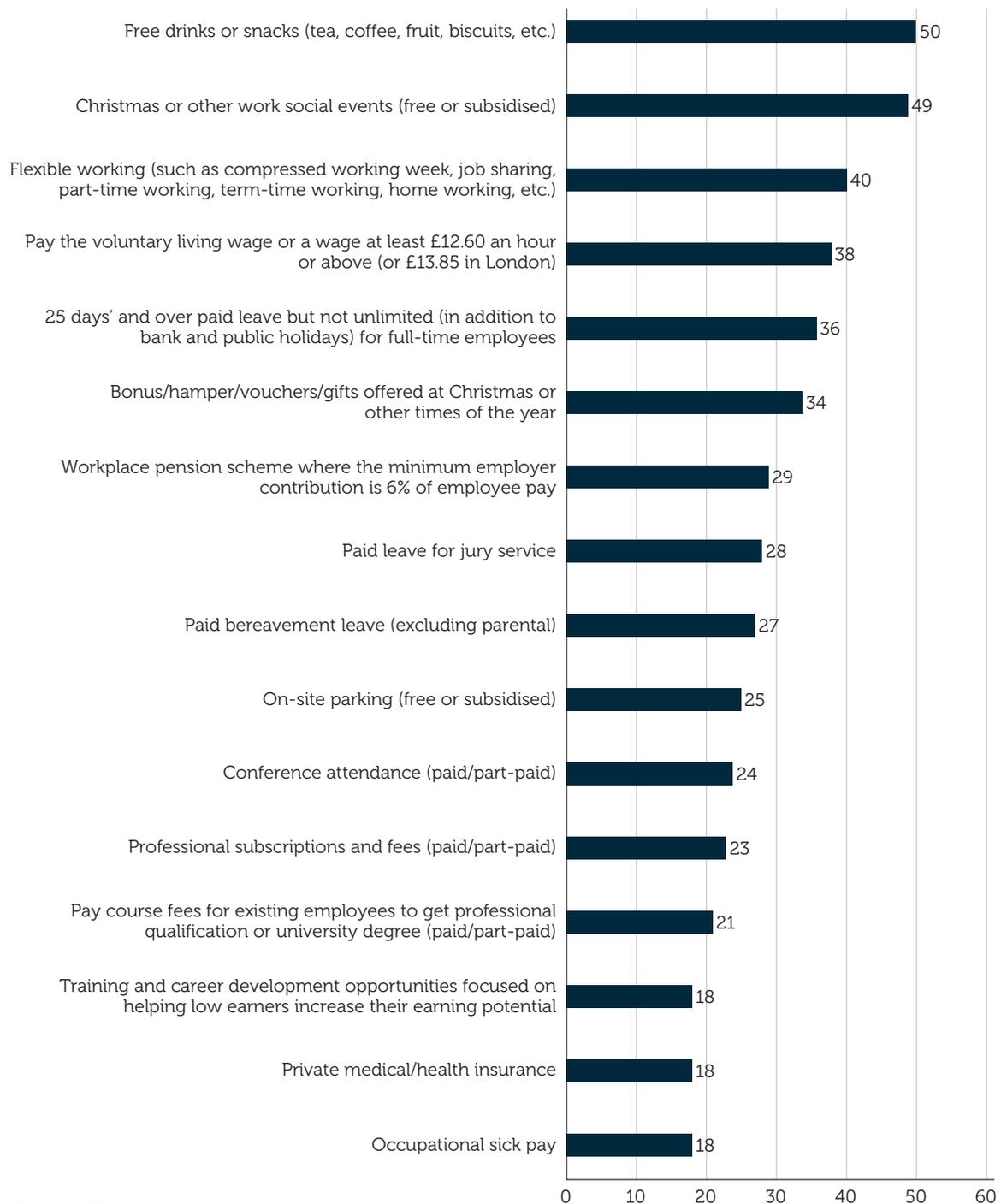
- Review the objectives that you have for your benefits package, especially as the business, legal and tax environments change.
- Evaluate if the benefits on offer support the needs of both the business and its employees, such as the cost of providing the benefits (see Figure 4 for more detail).
- If some of the benefits are not supporting the purpose of the benefits package, is that because the benefits are not valued? Or is it because employees are unaware of or do not understand them?

3

The most common benefits offered by organisations

Most of the common benefits offered by organisations are social and paid leave benefits.

Figure 13: List of the most common benefits offered by organisations (%)



Base: n=1,059

Are organisations planning to change their benefits?

Most organisations (73%) plan to offer the same number of benefits by the end of 2026. A further 8% plan to increase and 6% plan to decrease the number of benefits they offer.

However, employers plan to stand still on benefits amid economic uncertainty. Organisations cite UK economic uncertainty (47%) as having the biggest impact on their employee benefits packages in the next 12 months, followed by employment costs (including benefits and pay) (45%), and legislative/regulatory changes (30%) (such as the Employment Rights Act, employment tax changes, etc).

Larger organisations also perceive that technology (including artificial intelligence (AI)) and digital transformation (34%), flexible working (32%) and competition for talent (31%) will affect the benefits packages they provide to employees, compared with 10%, 13% and 9% of SMEs (2 to 249 employees), respectively.

Only 35% of organisations believe they offer a good level of employee benefits and a generous pension scheme. Overall, more organisations (38%) selected 'neither agree nor disagree'. Larger organisations registered significantly higher 'agree' and 'strongly agree' response rates (79%), and organisations that have a financial wellbeing policy/strategy in place (64%) also had higher 'agree' and 'strongly agree' response rates than those who do not (30%).

Larger employers offer a broader range of benefits

Large organisations are more likely to offer the most common benefits (Figure 13). For instance, 70% of large employers offer private medical or health insurance and 60% offer occupational sick pay. By contrast, just 18% of all organisations surveyed offer these benefits.

Large organisations also are more likely to offer:

- death in service/life assurance (62%)
- employee assistance programme, eg support, counselling or helpline (61%)
- enhanced maternity, paternity leave, adoption or shared parental leave (60%)
- coaching/mentoring programmes (53%)
- free eye tests/eye care vouchers (52%)
- apprenticeships: technical, professional or business (47%).

However, large employers do not offer these benefits to all their employees. For example, while 70% of large organisations offer private or medical health insurance, Figure 14 shows that 50% of them offer this benefit to all their employees, and the rest offer it according to such criteria as an employee's grade, seniority, location, job, role, pay, etc.

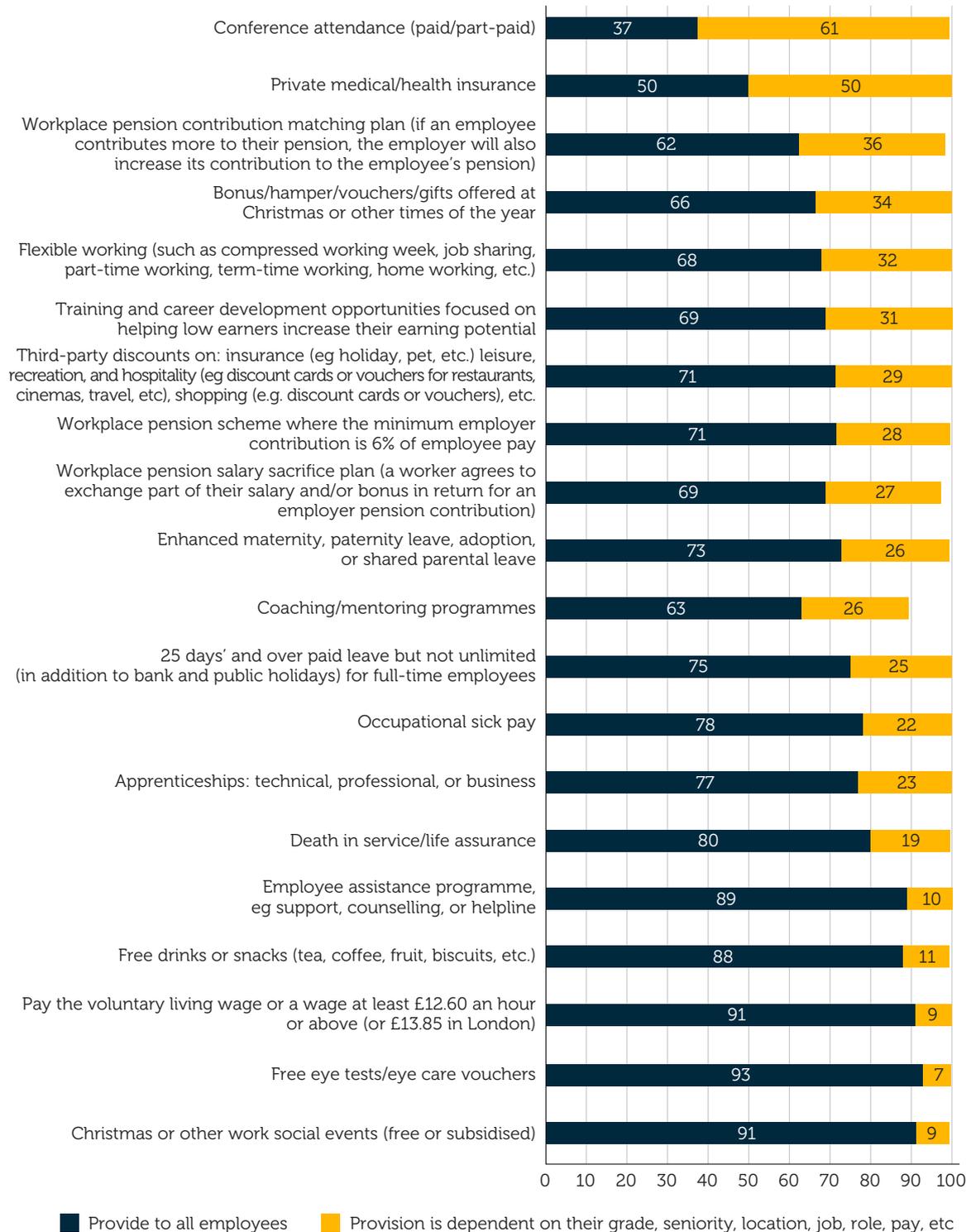
By contrast, among the 18% of SMEs that offer this benefit, 66% of them offer it to all their people, while the rest instead link it to certain criteria.

Overall, while large employers are more likely to offer more benefits than SMEs, they also tend to be more selective in who they provide these benefits to. Large organisations may do this due to cost constraints; they cannot afford to give certain benefits to all, or to encourage people to go for promotions, as certain benefits become commensurate with certain seniority levels.

By contrast, SMEs have fewer staff that they can focus certain benefits on, and if they did, then some may fear that it would be relatively easy for their staff to work out who among them was being treated preferentially.

Figure 14: Larger organisations are more likely to offer more benefits with provisions* (%)

*Dependent on seniority, location, job, role, pay etc.

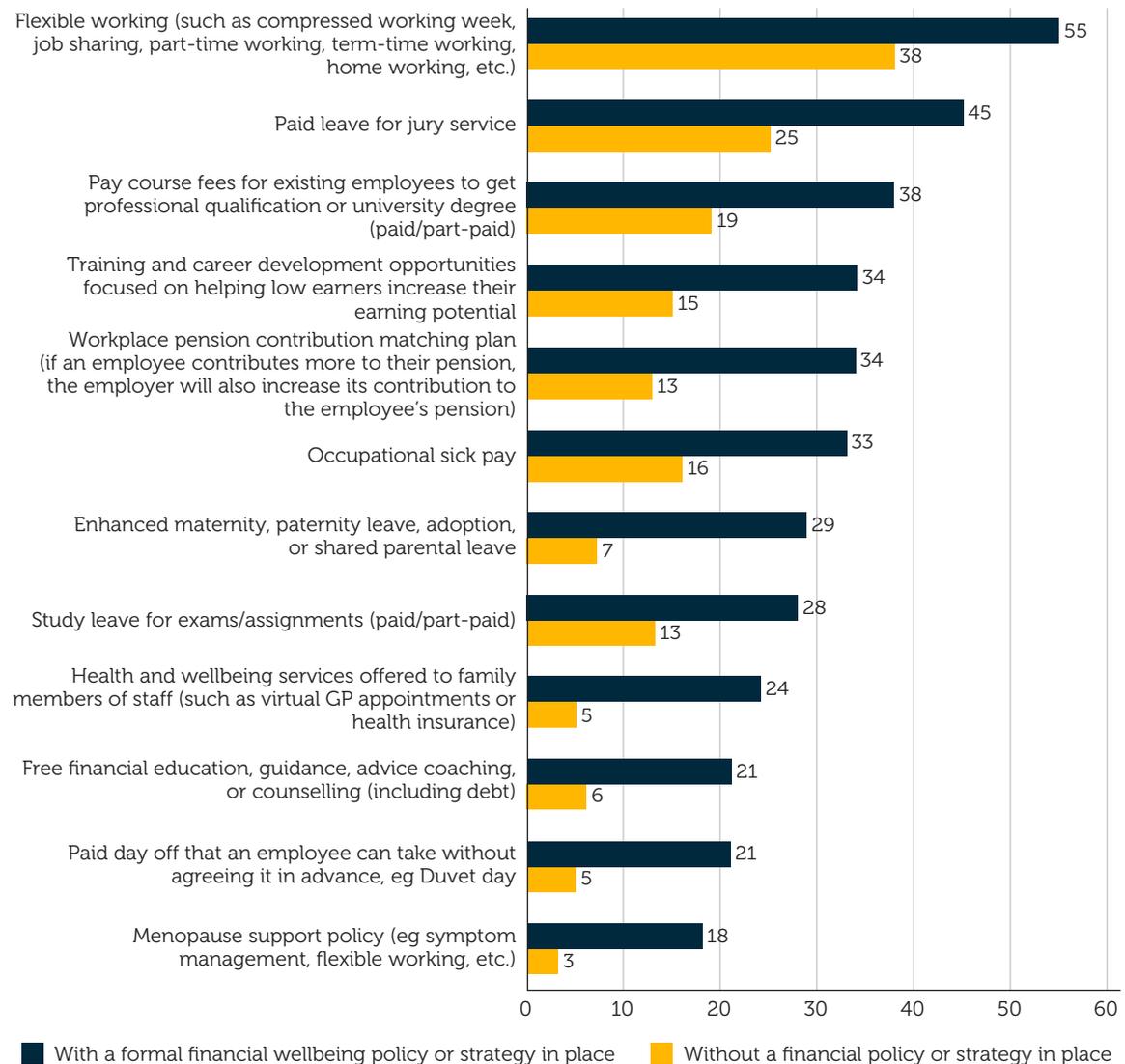


Base: n=178.

Organisations that have a formal financial wellbeing policy or strategy in place offer additional benefits beyond the statutory or standard, particularly financial or pay in kind benefits, paid leave benefits, and pensions, investments, savings and borrowing benefits. For example, Figure 15 shows organisations with a formal financial wellbeing policy or strategy are more likely to offer occupational sick pay (33%) than those without a policy or strategy (16%), and to provide training and career development opportunities focused on helping low earners increase their earning potential (34%) versus 15% without a policy or strategy.

Supporting enhanced maternity, paternity, adoption or shared parental leave (29%) is also significantly higher than those without a formal policy (7%).

Figure 15: Benefits offered by organisations that have a formal financial wellbeing policy or strategy in place, compared with those that do not (%)



Base: organisations with a financial wellbeing policy or strategy in place: n=246; organisations without a financial wellbeing policy or strategy in place: n=740.

Organisations that regularly review their benefits package are also more likely to offer financial or pay in kind benefits, paid leave benefits, and pensions, investments, savings and borrowing benefits, for example (compared with organisations that do not frequently review their benefits package):

- payroll saving scheme (allows employees to automatically save money every time they are paid) (20 percentage points higher versus those that do not conduct frequent reviews)
- earned wage/salary access (employees can access their earned wage before their regular payday) (17 percentage points more likely)
- paid carer's leave (16 percentage points more willing)
- employer-provided interest-free or low-interest loans for employees needing help with their deposit to either buy a first home or to rent (15 percentage points higher)
- training and career development opportunities focused on helping low earners increase their earning potential (14 percentage points higher)
- covering emergency expenses or financial hardship with employer-provided interest-free or low-interest loans (14 percentage points higher).

Additionally, organisations that are based in the UK with overseas operations offer a greater variety of benefits, compared with those based solely in the UK.

For more information on the approach to analysing percentage point differences between respondent groups, please refer to the Background to the survey section.

Benefits provision

Benefits with benefits

With so many benefits on offer, the temptation is to offer even more to the meet the needs of a diverse and demanding workforce, as well as copy what others are doing. However, not only can offering more cause communication problems, but the choice on offer can also overwhelm some workers, creating confusion about what is being provided and why.

Similarly, just because a benefit is successful in one workplace does not necessarily mean it will work in another if it was introduced for different reasons or implemented in different ways. Having a set of objectives can help you assess which of the many benefits on offer can create value for the organisation and its people, and the best way to implement them.

Recommendations for SMEs:

- Check that you offer the benefits that you are legally required to provide, such as a workplace pension or paid leave.
- Explore those benefits that are low cost but have the potential to be high impact, helping those employers achieve the purpose of their benefit package, such as flexible working.
- Launch a benefit on a trial basis first. After a period, review its impact and if it should be embedded or removed from the package. If it does not work, learn from the experience and put failure to effective use.

Recommendations for large employers:

- Evaluate if the benefits on offer are understood, appreciated and valued by your employees and what might need to change.
- Talk with your employees about which potential benefits would make the most difference to their lives, so you stand out in the labour market.
- If you have a complex benefits offering, use marketing and communication theory to work out the best way of selling the proposition to your employees, such as segmenting messages by workforce demographics.

4 The objectives and benefits gap

Are organisations delivering the benefits they believe matter most?

Benefits often meet objectives, but provision doesn't match

Seventy-nine per cent of organisations that have objectives for their benefits package and carry out a review believe that their employee benefits packages have 'mostly met' (47%) or 'fully met' (33%) these objectives. However, our survey data shows that employers find certain benefits support their current key objectives better than others.

For example, Table 1 shows that 40% of all employers in our survey offer flexible working. However, among those workplaces that have objectives for their benefits package, 75% of them say that flexible working best supports these objectives; this is 55% among large employers (Table 2).

Similarly, 29% of employers provide a workplace pension scheme where the minimum employer contribution is 6% of employee pay. However, among those employers that have objectives for their benefits package, 37% of them say that this pension offering best supports these objectives; this is 31% among large employers.

This suggests that some employers might be missing out by not offering the opportunity to work flexibly, or not contributing at least 6% to their workplace pension scheme, in terms of meeting their key objectives. Similarly, those employers that already offer these benefits, but do not see them as contributing to the success of the organisation, should see what is preventing this from happening. Is it how these benefits are being communicated, or is it because other benefits are seen as having more of an impact?

For example, while 31% of large employers report that providing a workplace pension with a minimum employer contribution of 6% best supports their key objectives, 39% of large organisations that have a workplace pension contribution matching plan (if an employee contributes more to their pension then the employer will also increase its contribution to the employee's pension) say the same.

The same case can be made for all the other benefits that are provided. Are they having a positive impact, and if not, why not?

Table 1: Benefits that organisations provide compared with the percentage of organisations that believe the benefit best supports their key objectives (%)

[Shaded yellow boxes: the percentage of organisations that believe the benefit selected best supports their key objectives is greater than the percentage of organisations that actually provide the benefit.]

	Benefits organisation provides	Best supports key objectives	Difference
Flexible working (such as compressed working week, job-sharing, part-time working, term-time working, homeworking, etc)	40	75	-35
Free drinks or snacks (tea, coffee, fruit, biscuits, etc)	50	50	0
25 days and over paid leave but not unlimited (in addition to bank and public holidays) for full-time employees	36	49	-13
Christmas or other work social events (free or subsidised)	49	47	2
Pay the voluntary Living Wage or a wage at least £12.60 an hour (or £13.85 in London)	38	44	-6
Workplace pension scheme where the minimum employer contribution is 6% of employee pay	29	37	-8
Bonus/hamper/vouchers/gifts offered at Christmas or other times of the year	34	37	-3
Private medical/health insurance	18	34	-16
Occupational sick pay	18	33	-15
On-site parking (free or subsidised)	25	32	-7
Employee assistance programme, eg support, counselling or helpline	10	31	-21
Pay course fees for existing employees to get professional qualification or university degree (paid/part-paid)	21	24	-3
Training and career development opportunities focused on helping low earners increase their earning potential	18	24	-6
Professional subscriptions and fees (paid/part-paid)	23	23	0

Base: n=1,059.

Table 2: Benefits that large organisations provide compared with the percentage of large organisations that believe the benefit best supports their key objectives (%)

	Most common benefits organisation provides	Best supports key objectives	Difference
Employee assistance programme, eg support, counselling or helpline	62	55	7
Flexible working (such as compressed working week, job-sharing, part-time working, term-time working, homeworking, etc)	57	55	2
Free drinks or snacks (tea, coffee, fruit, biscuits, etc)	64	51	13
Private medical/health insurance	68	47	21
Christmas or other work social events (free or subsidised)	70	45	25
25 days and over paid leave but not unlimited (in addition to bank and public holidays) for full-time employees	59	44	15
Enhanced maternity, paternity, adoption or shared parental leave	59	44	15
Training and career development opportunities focused on helping low earners increase their earning potential	46	43	3
Pay the voluntary Living Wage or a wage at least £12.60 an hour (or £13.85 in London)	50	42	8
Workplace pension contribution matching plan (if an employee contributes more to their pension, the employer will also increase its contribution to the employee's pension)	56	39	17

Base: n=178.

For a full list, please refer to the [Appendix](#).

Table 3: Benefits that SME organisations provide compared with the percentage of SME organisations that believe the benefit best supports their key objectives (%)

	Most common benefits organisation provides	Best supports key objectives	Difference
Flexible working (such as compressed working week, job-sharing, part-time working, term-time working, homeworking, etc)	40	76	-36
Free drinks or snacks (tea, coffee, fruit, biscuits, etc)	50	50	0
25 days and over paid leave but not unlimited (in addition to bank and public holidays) for full-time employees	36	49	-13
Christmas or other work social events (free or subsidised)	49	47	2
Pay the voluntary Living Wage or a wage at least £12.60 an hour (or £13.85 in London)	38	44	-6
Bonus/hamper/vouchers/gifts offered at Christmas or other times of the year	34	37	-3
Workplace pension scheme where the minimum employer contribution is 6% of employee pay	29	37	-8
Private medical/health insurance	17	34	-17
Occupational sick pay	18	33	-15
On-site parking (free or subsidised)	24	32	-8

Base: n=881, comprising: organisations with 50–249 employees: n=152; organisations with 10–49 employees: n=169; organisations with 2–9 employees: n=560. Note: all public sector organisations are included in the respondent numbers.

For a full list, please refer to the [Appendix](#).

Employers back fair pay in principle, but fewer offer fair pay in practice

Eighty-one per cent of organisations either 'agree' or 'strongly agree' that their organisation has a responsibility to provide its employees with an income that is fair and enough to live on. The group of employers that selected 'agree' were also 27 percentage points more likely to pay the voluntary Living Wage or a wage of at least £12.60 an hour (or £13.85 in London) than those that did not agree. However, only 38% of organisations (and 50% of all large employers) actually offer this benefit.

Which are the best benefits to provide?

Our survey data reveals that employers report that certain benefits better support the key objectives of their package than others, such as employee attraction or retention (see section 1). So, this can be an opportunity to review the impact of the benefits that you offer, as well as the potential impact of introducing new ones. For example, if 75% of employers in our survey say that flexible working helps supports the objectives of their benefits package, what are the other 25% doing wrong? And if only 40% of employers offer flexible working, are the rest not providing it for the right reasons?

Recommendations for SMEs:

- If you do not have objectives for your benefits package, then create some. This will allow you to assess the impact of the ones you already offer.
- Creating objectives will also help you to assess which new benefits to introduce.
- The impact of the benefits will depend not only on whether employees want or need them, but in how they are introduced, managed and communicated.

Recommendation for large employers:

- Ask yourself, which of the benefits we provide are achieving the results we need in terms of such objectives as performance and productivity, talent retention, health and wellbeing, etc?
- If they are failing to achieve these results, is there something wrong with these benefits or with how they are communicated to employees?
- Which common and effective benefits does your organisation not already use, and could their introduction benefit both the organisation and its employees? If so, consider which benefits you will introduce first and over which period.

5

Workplaces supporting employees with a financial wellbeing policy or strategy

Financial wellbeing policies and strategies – time, priority and budget are key barriers

In our survey, 15% of organisations already have a formal employee financial wellbeing policy or strategy in place, and all of these have one or more objectives for their employee benefits package. As Figure 15 shows, these workplaces are also more likely to offer additional benefits beyond the statutory or standard, particularly financial or pay in kind benefits, paid leave benefits, and pensions, investments, savings and borrowing benefits, compared with those without such a policy or strategy.

Similarly, large employers (53%) are more likely to either have a formal employee financial wellbeing policy or strategy, or have plans to implement one in 2026 (12%).

However, the majority of all organisations surveyed currently do not have such a policy or strategy, nor do a large number of large workplaces.

Among the 15% of all employers that already have a financial wellbeing policy or strategy in place – as well as the 8% that have plans to create one this year – many include details of the organisation's commitment to paying a fair and livable wage (50%), how their benefits package supports employee financial wellbeing (47%), and details of their commitment to helping employees maximise earning potential (40%). Like much of the other survey data, larger organisations demonstrate higher response rates across all three: 60%, 72% and 53%, respectively.

The main reasons (see [Figure 29](#)) why organisations already have a financial wellbeing policy or strategy, or plan to introduce one in 2026, are to:

- improve the overall mental and physical wellbeing of their employees (43%)
- improve the performance of employees, as well as the organisation itself (43%)
- reduce employee stress levels (39%)
- improve employee financial wellbeing (39%)
- tackle the rise in the cost of living (32%)
- enhance brand reputation (36% of large employers are more likely to cite this than other organisations).

Who believes they are responsible for supporting employee financial wellbeing?

Only 41% of organisations 'agree' or 'strongly agree' that their organisation is responsible for supporting financial wellbeing by offering employee benefits that stretch the value of their employees' take-home pay and reduce the risk of facing financial difficulties:

- Sentiments were stronger in larger organisations (74%) and the public sector (64%).
- Organisations that have a financial wellbeing policy or strategy in place registered higher agreement levels (64%).
- Organisations that are planning to increase the number of benefits (60%) felt strongly too.

Across the organisations that do not have a formal financial wellbeing policy or strategy and have no plans to introduce one, 29% of organisations cited that creating one is not a priority. Figure 16 shows that a similar proportion have time or financial constraints, and a lower level of respondents are not convinced it would improve the organisation’s performance or employee experience, or if employees would welcome one.

However, 21% of workplaces report that there is no reason for not having a formal financial wellbeing policy or strategy, possibly indicating that they had previously never considered this issue before.

Figure 16: Common reasons for not creating a formal financial wellbeing policy or strategy (%)



Base: all employers that do not have a financial wellbeing strategy or policy: n=648.

Only 38% of organisations that already have, or plan to have, a financial wellbeing strategy or policy also have a budget for it. However, Figure 17 shows that a further 27% have plans to introduce a budget sometime in 2026. By contrast, 54% of large employers already have a budget for their policy, while another 23% have plans to create one this year. Just 14% of large organisations have no budget for their employee financial wellbeing policy or strategy and have no plans to create one in the future. Not only does a budget indicate the organisation’s commitment to improving or protecting the financial wellbeing of its people, but it also shows it has resources to turn this commitment into practice.

Figure 17: Organisations that have a budget for a financial wellbeing policy or strategy (%)



Base: all those that have a financial wellbeing strategy or policy, or plan to introduce one in 2026: n=244.

In addition to pay and benefits, it is most common for organisations to support the financial wellbeing of their employees by:

- regularly reviewing pay structures, levels, rises and bonuses/incentives to ensure that they are fair (55% of all organisations)
- regularly reviewing the benefits package to ensure that it is fair (26%)
- engaging in open and transparent communication with employees about the pay and benefits on offer, why they are provided and what people need to do to receive them (26%)
- guaranteeing all employees at least 16 hours of paid work a week (unless the worker requests otherwise) (25%).

However, 25% of all employers surveyed report that they do not provide any support for the financial wellbeing of their employees.

Employee financial wellbeing: Your employees' money worries are also your money worries

The 2025 CIPD *Good Work Index* found that among the 5,017 workers questioned, 31% admitted that money worries had negatively impacted their work performance. While 38% of all low-waged workers (those paid less than £20,000 a year) said that money concerns had reduced their effectiveness, higher-paid people (those earning more than £60,000) were not immune from financial fears, with 23% saying such concerns had reduced their performance.

A CIPD [review](#) of academic research on financial wellbeing finds that money worries result in lost performance and productivity, either due to the disruption caused by employee absenteeism or due to presenteeism, where staff still work but cannot focus fully on their job tasks.

Recommendations for SMEs:

- As well as the business case for supporting the financial wellbeing of your employees, also consider the ethical reasons for doing so.
- While paying people enough to enjoy a reasonable standard of living is important, you should also ensure that you are paying them in a way that is fair.
- Consider providing benefits that not only stretch the value of the pay packet but also reduce the risk of people falling into financial difficulty in the first place.

Recommendations for large employers:

- Explore how redesigning work, jobs and the organisation can help drive the performance improvements that will allow you to raise the pay and benefits of your people and so enhance their financial wellbeing.
- If you employ low-waged workers, assess how your training and development can help support them to progress their careers with you and increase their potential to earn more.
- Think about offering benefits that help those people who do get into financial difficulty.
- Consider how you can break down the stigma of talking about money concerns in the workplace, so people approach you proactively with their problems. The earlier they feel confident in approaching you, the quicker you can help solve the problem and minimise the impact
- Look beyond pay and benefits to look at the other ways you can support financial wellbeing, such as: regularly reviewing pay structures, levels, rises and bonuses/incentives to ensure that they are fair; engaging in open and transparent communication with employees about the pay and benefits on offer, why they're provided, and what people need to do to receive them; or actively testing the understanding of staff about the pay and benefits on offer.

Conclusion

Our research finds that employers spend a lot of time, effort and money on providing benefits to their employees. Among those that have objectives for their benefits package, few (13%) just offer the minimum required to comply with legal or regulatory requirements. While many workplaces are using benefits to retain employees or keep them engaged, there is opportunity for more to use their benefits to support employee productivity, health and wellbeing, or support the organisation's strategy and values.

However, for employee benefits to have impact, HR and reward professionals must spend more time, effort and energy in assessing if the package supports the needs of both the workplace and its employees. This is easier to do if the company has objectives for the benefit package, and many SMEs do not. However, it is not enough to just have objectives; HR and reward professionals also need to review them regularly to ensure they are still relevant.

While there is a difference between large and SME employers in terms of what's being offered, why and to whom, there is also a difference in what issues will have the most significant impact on their benefits offering in 2026. While both are concerned about the impact of increasing employment costs, SMEs are more concerned about the effect of economic uncertainty and legal changes than large employers. By contrast, large organisations are more concerned about the impact of technology (including AI), the competition for talent, and the increasing demand among employees for mental, physical and financial wellbeing, and family-friendly benefits and working practices.

Again, HR and reward professionals can help create or add value for their employers by identifying which factors are going to be more significant in the future and looking at possible ways to reduce any risks and take advantage of any opportunities.

Background to the survey

The survey was conducted on behalf of the CIPD by YouGov, between 24 October and 27 November 2025. More than 1,000 (1,059) reward or HR decision-makers working for organisations in the UK responded. This survey was conducted using an online interview administered to members of the YouGov Plc UK panel, and the responding sample is weighted to be representative of the UK business population based on the number of businesses. Data based on fewer than 50 respondents is excluded from reporting as it does not represent a wide enough cross-section of the target population to be considered statistically reliable.

Data by proportion (%) shows the proportion of respondents (weighted) that selected each answer in our survey. Responses for certain questions that were comparably lower than other responses are excluded from reporting if they were also low across all groups. Responses with high variance between groups – for example relatively higher/relatively lower compared with other groups, for example SMEs versus larger organisations – are included and reported either in the main report or in the Appendix.

Data by percentage points (where stated) shows whether respondents being in two different groups – for example with or without a financial wellbeing policy/strategy – influences their answers, for example the type of benefits they provide. We analysed the data by running two-proportion tests, which draws out differences in responses that are statistically significant, rather than due to random variation. Our data reports where there is a relationship (statistically significant), and what the difference is between the two groups (percentage points).

Table 4: Breakdown of respondents

	Unweighted (%)	Weighted (%)	Unweighted base	Weighted base
Organisation size				
2–9	53	79	560	834
10–49	16	17	169	183
50–249	14	3	152	34
250 or more	17	1	178	9
NET: 2–249	83	99	881	1,050
Sector				
Private sector	80	95	845	1,010
Public sector	7	1	75	6
Third/voluntary sector	13	4	139	43
Public/private organisation size				
All public sector	8	1	75	6
Private sector SME (2–249)	77	99	708	708
Private sector large (250+)	15	1	137	8
Objectives status for employee benefits package				
Mostly/fully met	82	86	653	650
Partially/not met	18	14	146	103
Financial wellbeing policy/strategy status				
Has a financial wellbeing policy/strategy	25	16	246	156
Does not have a financial wellbeing policy/strategy	75	84	740	844

Table 4: Breakdown of respondents

	Unweighted (%)	Weighted (%)	Unweighted base	Weighted base
Change in number of benefits in the future				
The number of benefits will remain about the same	70	73	745	772
The number of benefits will increase	10	8	104	86
The number of benefits will fall	6	6	66	59
Don't know	14	13	144	142
Industry				
Primary, utilities and construction	8	9	84	97
Manufacturing	7	6	69	61
Wholesale and retail, transport and storage, motor vehicle repair	12	14	123	150
Hospitality, arts, entertainment and recreation	8	11	90	112
Information and communication, finance and real estate	17	19	176	199
Professional and admin	13	15	136	155
Public administration and other services	6	4	62	42
Education	9	6	98	63
Health and social work	6	4	61	39
Other	15	13	160	140
Region				
Eastern England	8	7	83	78
London	17	13	177	133
All of the UK	6	5	66	53
Northern England	19	19	196	206
Midlands	15	15	158	161
Southern England (excluding London)	25	29	267	303
Devolved nations	11	12	112	126

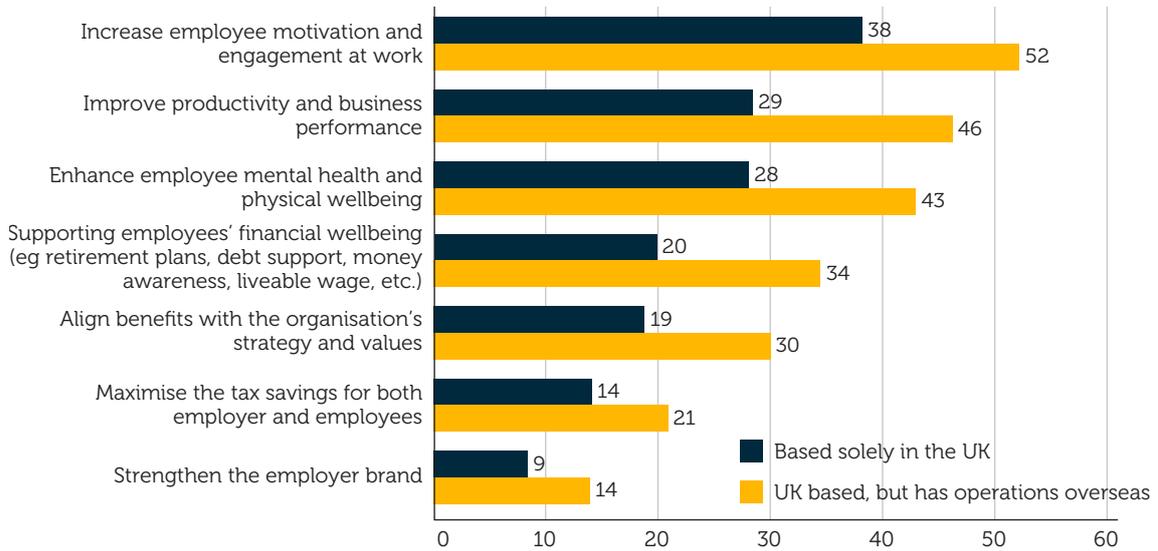
Base: n=1,059 reward or HR decision-makers, working for organisations in the UK.

Organisation base	Count	Proportion (%)
Based solely in the UK	900	85
UK-based, and has operations overseas	159	15

Unweighted

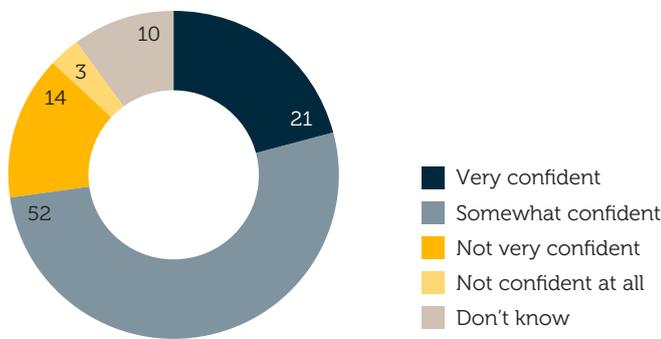
Appendix

Figure 18: Most common organisational objectives for offering employee benefits, by organisations based in the UK and those with operations overseas (%)



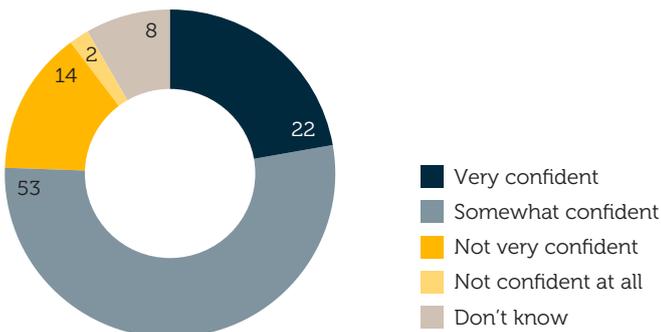
Base: n=1,059, comprising: organisations based solely in the UK: n=900; organisations based in the UK and have operations overseas: n=159.

Figure 19: Respondent confidence levels across SMEs for navigating internal and external benefits (%)



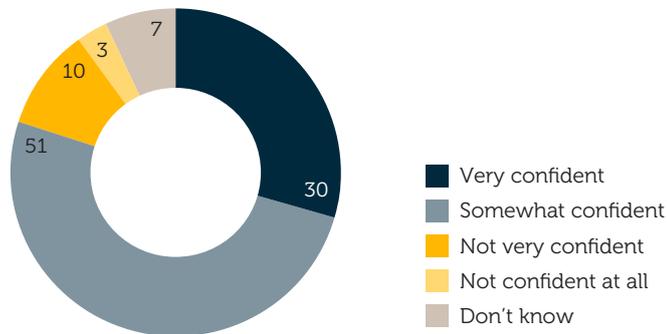
Base: n=881, comprising: organisations with 50–249 employees: n=152; organisations with 10–49 employees: n=169; organisations with 2–9 employees: n=560. Note: all public sector organisations are included in the respondent numbers.

Figure 20: Respondent confidence levels across SMEs for understanding internal and external benefits (%)



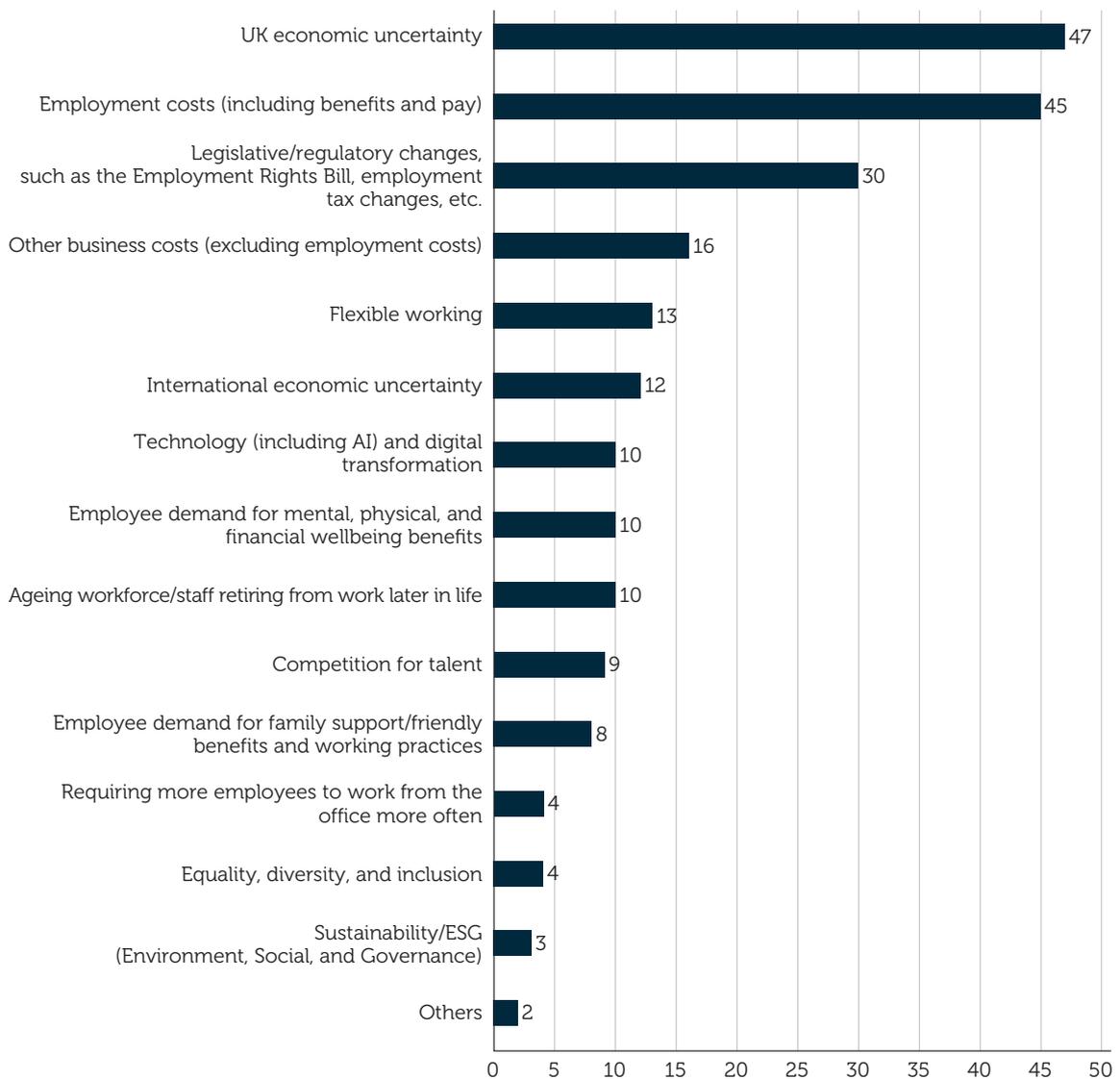
Base: n=881, comprising: organisations with 50–249 employees: n=152; organisations with 10–49 employees: n=169; organisations with 2–9 employees: n=560. Note: all public sector organisations are included in the respondent numbers.

Figure 21: Respondent confidence levels across SMEs for communicating internal and external benefits (%)



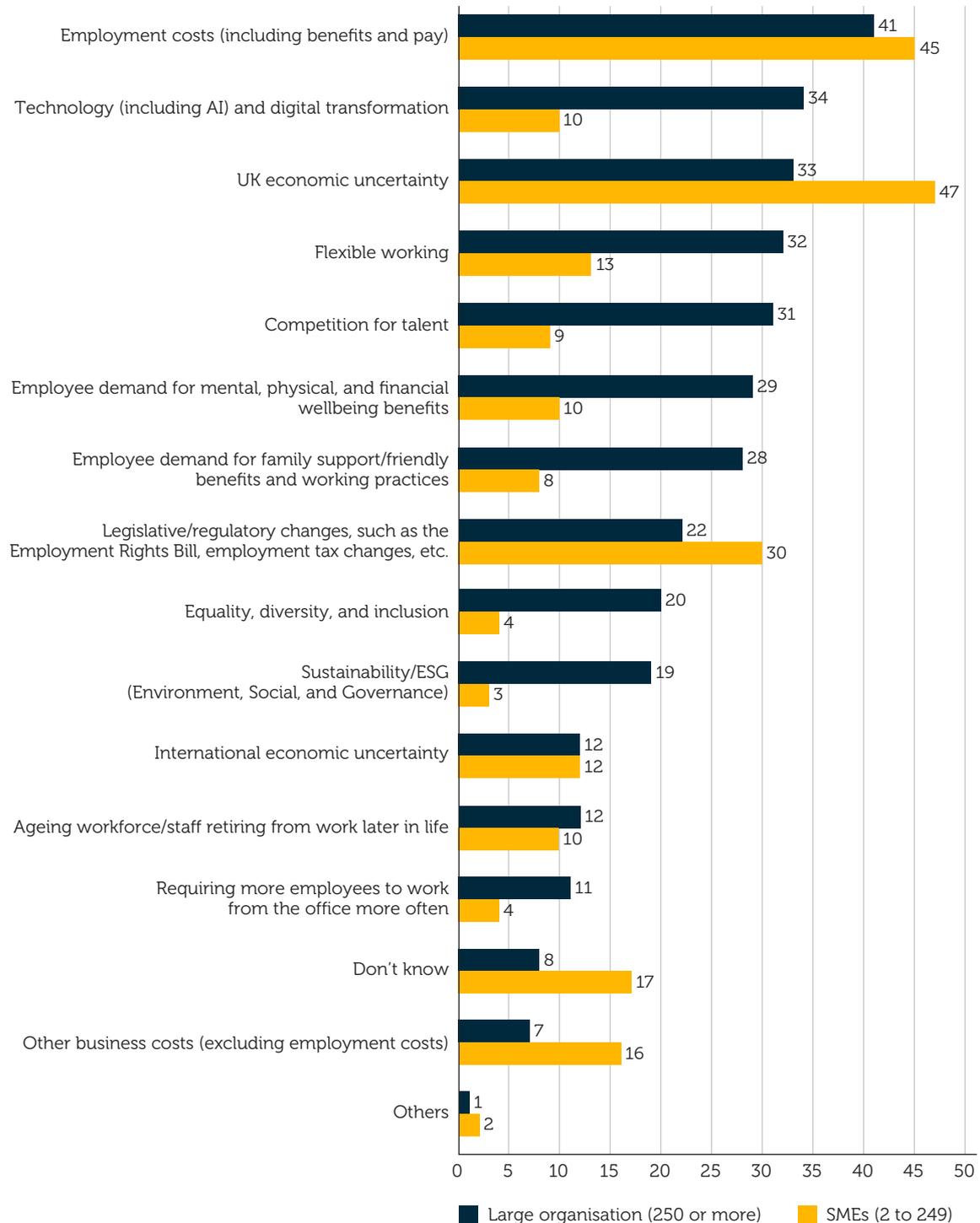
Base: n=881, comprising: organisations with 50–249 employees: n=152; organisations with 10–49 employees: n=169; organisations with 2–9 employees: n=560. Note: all public sector organisations are included in the respondent numbers.

Figure 22: Factors with the biggest impact on an organisation's employee benefits package in the next 12 months (%)



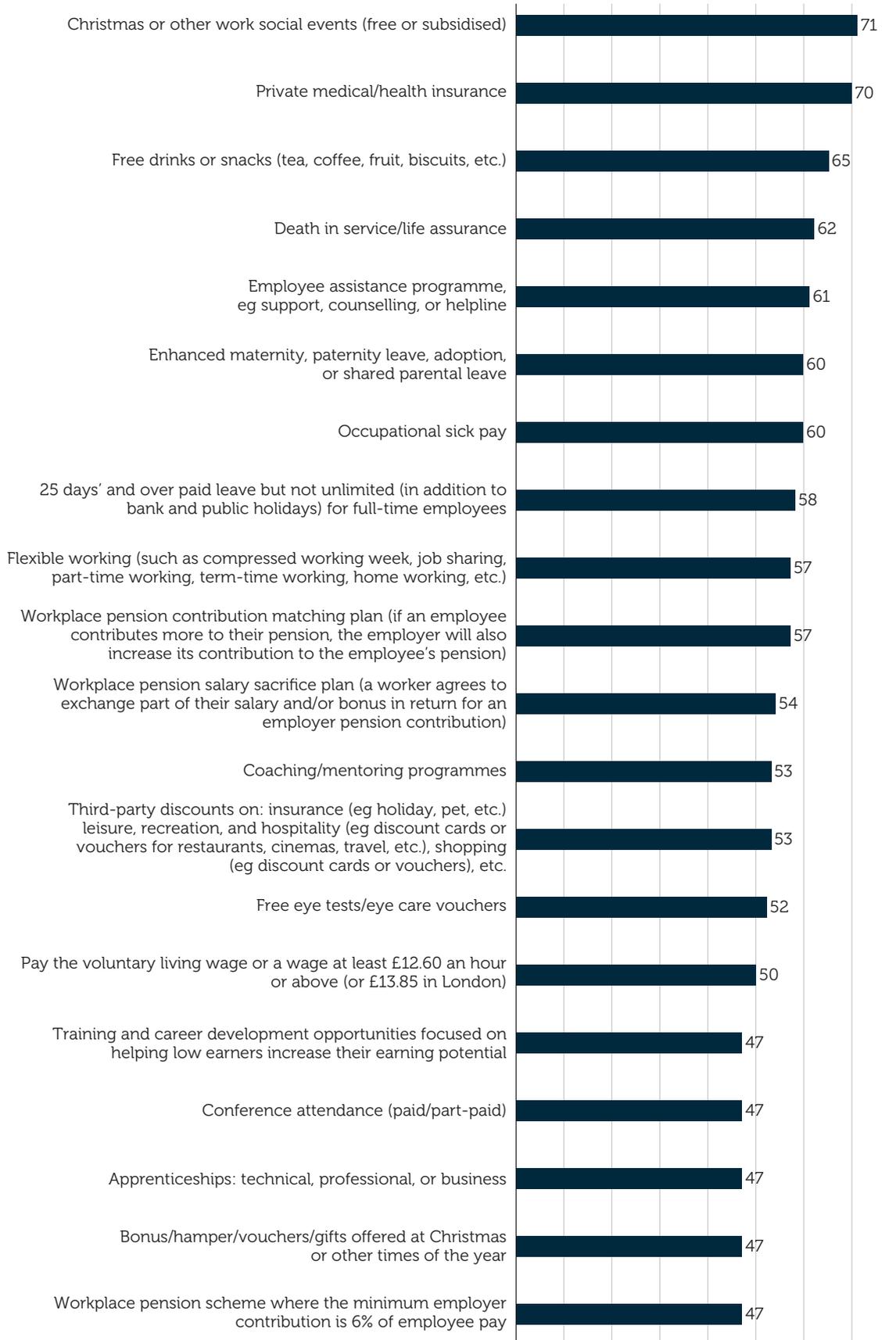
Base: n=1,059

Figure 23: Factors with the biggest impact on an organisation’s employee benefits package in the next 12 months, large employers versus SMEs (%)

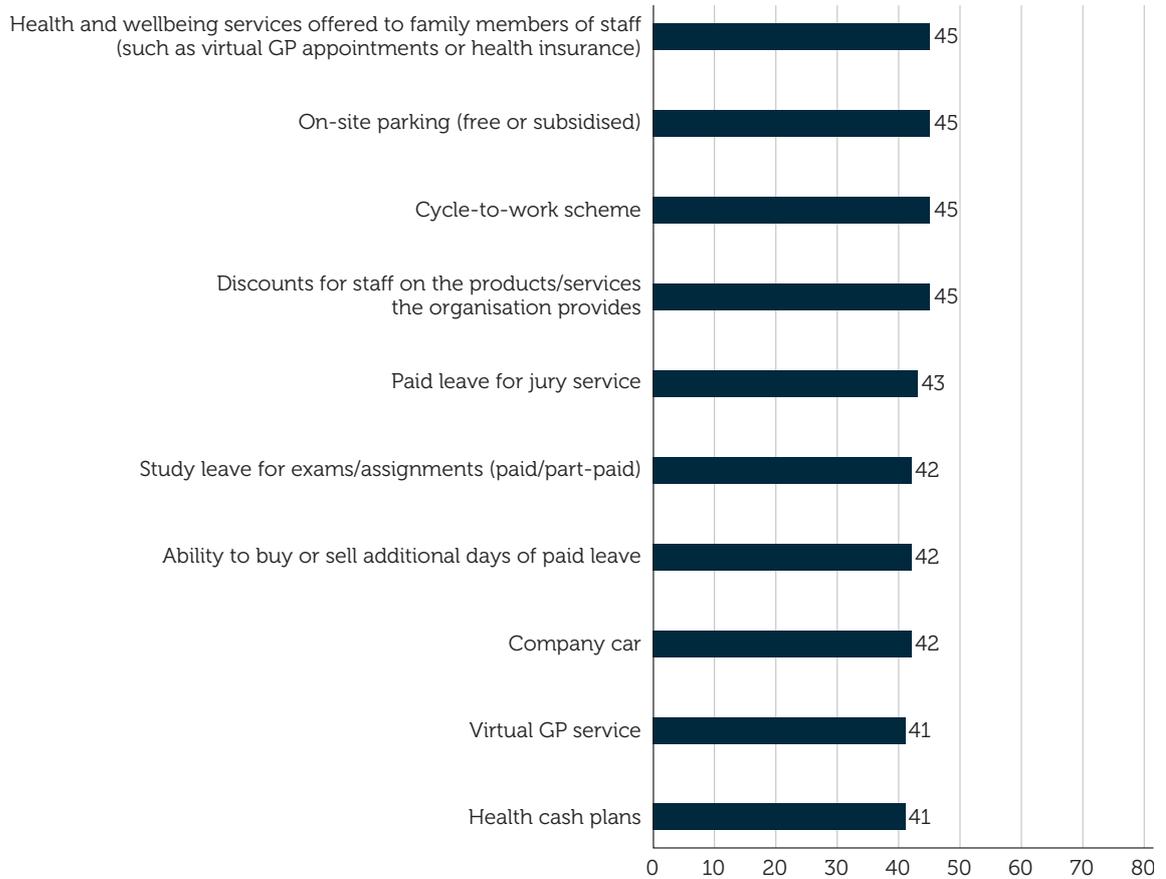


Base: n=1,059, comprising: large organisations (250+): n=178; medium-sized organisations (50–249): n=152; small organisations (10–49): n=169; micro organisations (2–9): n=560. Note: figures in brackets are employer sizes; all public sector organisations are included in the respondent numbers.

Figure 24: Most common benefits offered by large employers (%)



Reward survey: Focus on employee benefits

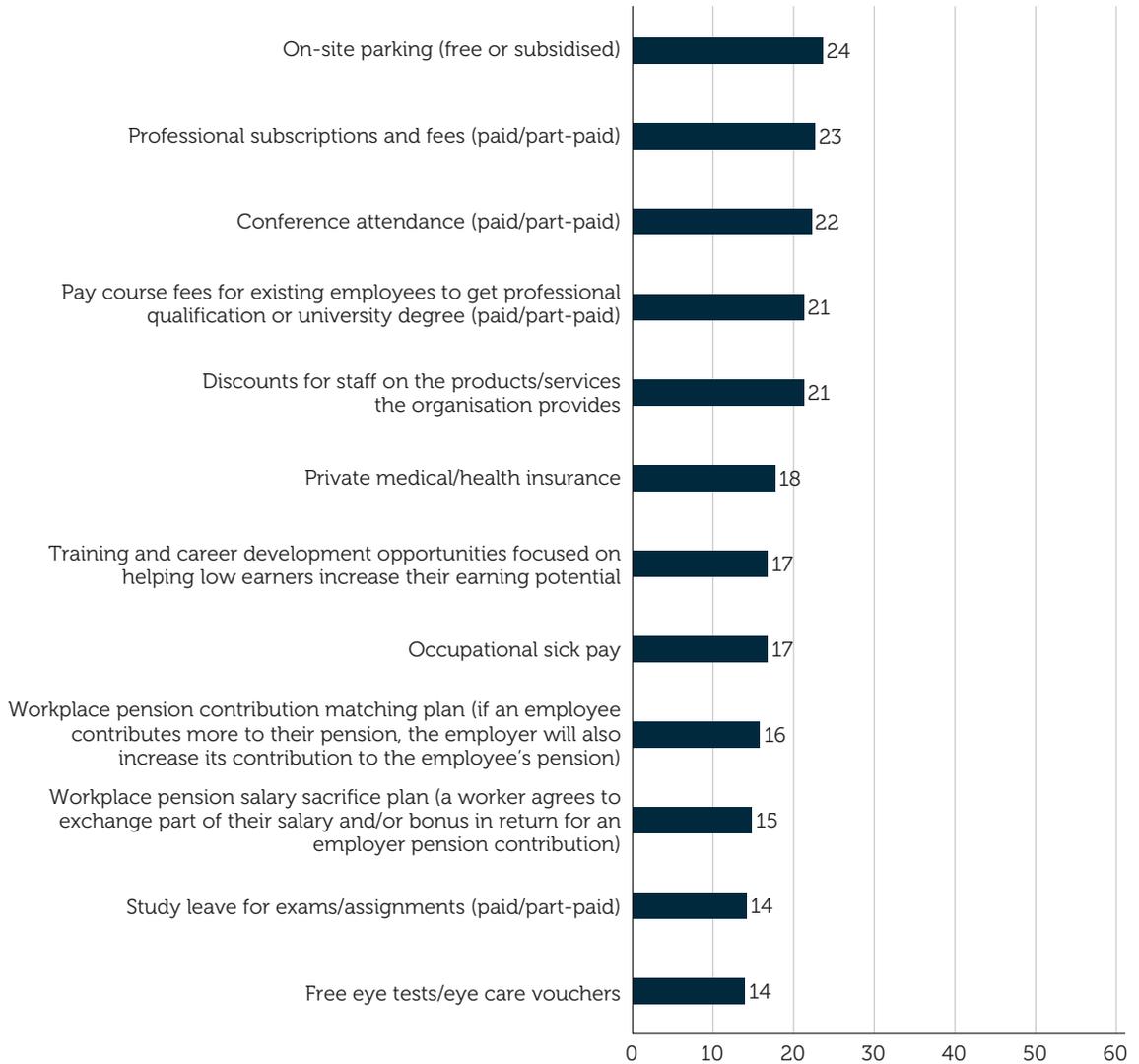


Base: n=178

Figure 25: Most common benefits offered by SMEs (%)

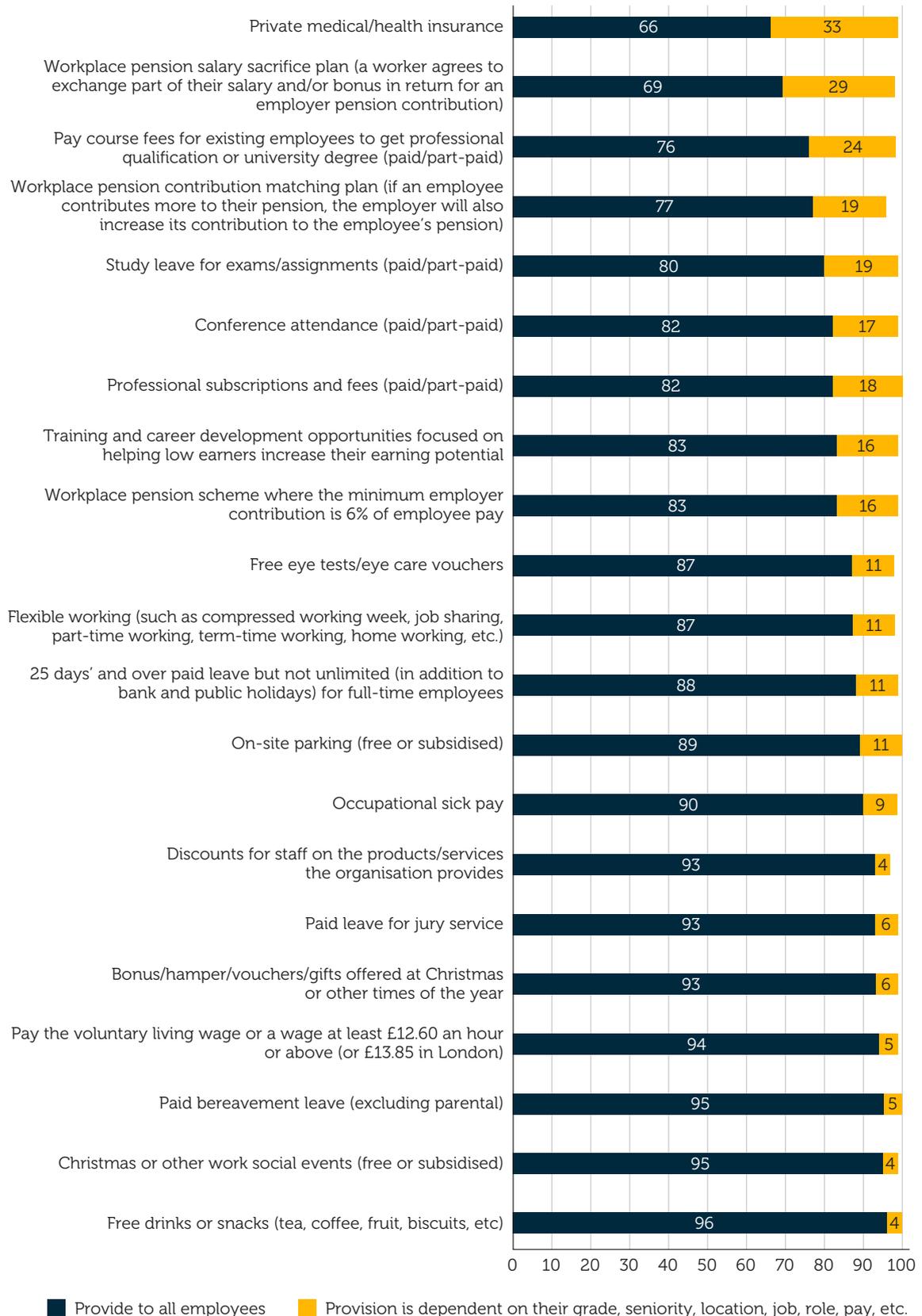


Reward survey: Focus on employee benefits



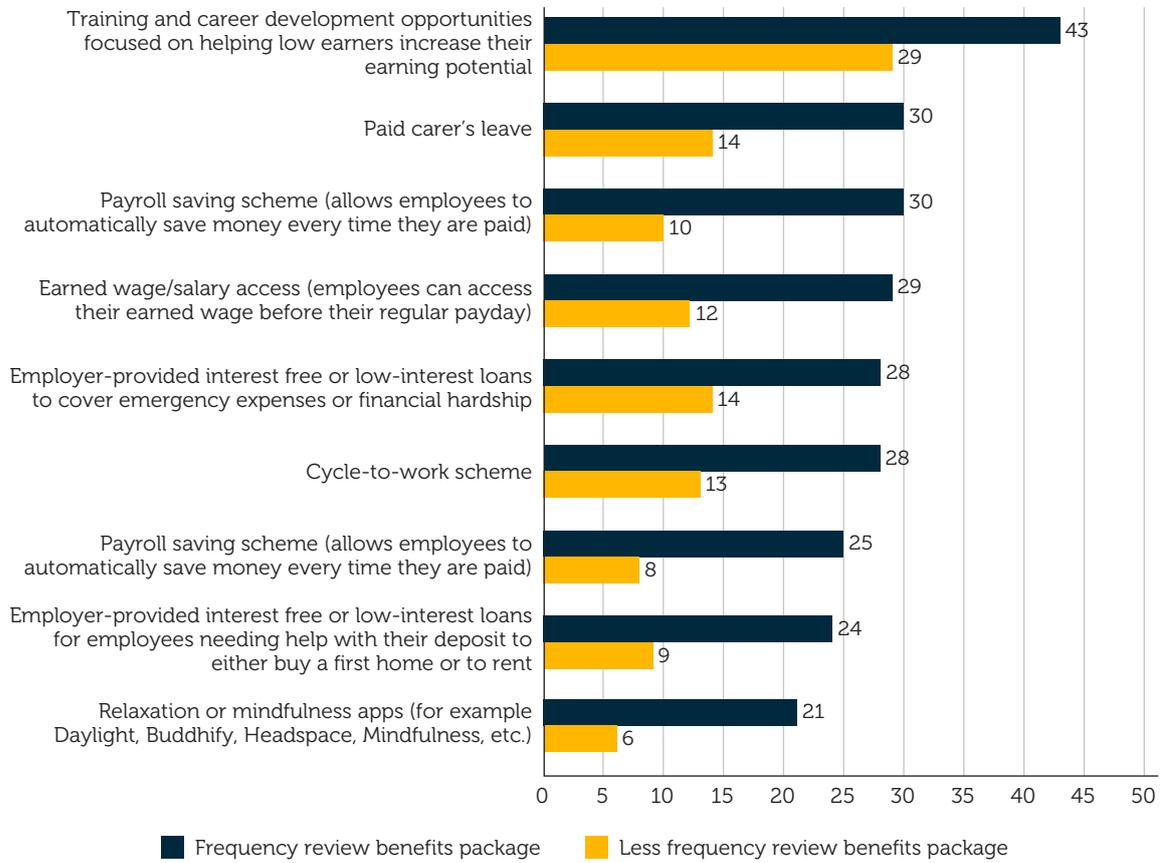
Base: n=881, comprising: organisations with 50–249 employees: n=152; organisations with 10–49 employees: n=169; organisations with 2–9 employees: n=560. Note: all public sector organisations are included in the respondent numbers.

Figure 26: Most common benefits offered by SMEs, by provision (%)



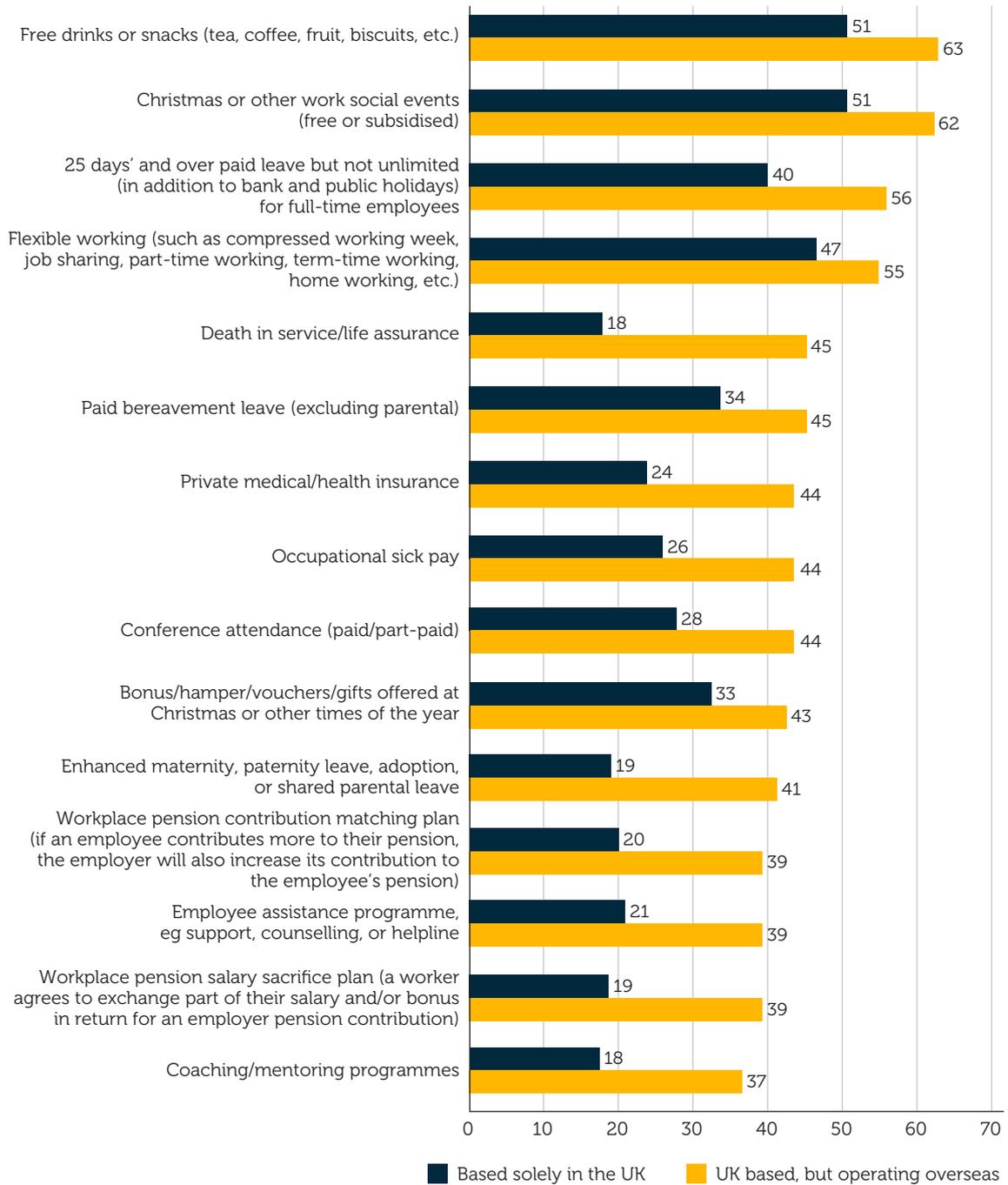
Base: n=881, comprising: organisations with 50–249 employees: n=152; organisations with 10–49 employees: n=169; organisations with 2–9 employees: n=560. Note: all public sector organisations are included in the respondent numbers.

Figure 27: Benefits offered, by organisations that frequently review their benefits package versus those that conduct reviews less frequently (%)



Base: for organisations that frequently review their benefits package (more often than monthly or at least monthly): n=97; for organisations that less frequently review their benefits package (at least every 6 months, at least once a year, or less often than once a year): n=642.

Figure 28: Benefits offered, by organisations based in the UK and those with operations overseas (%)



Base: n=1,059, comprising: organisations based solely in the UK: n=900; organisations based in the UK and have operations overseas: n=159.

Table 5: Benefits that large organisations provide, compared with the percentage of large organisations that believe the benefit best supports their key objectives (%)

	Most common benefits organisation provides	Best supports key objectives	Difference
Employee assistance programme, eg support, counselling or helpline	62	55	7
Flexible working (such as compressed working week, job-sharing, part-time working, term-time working, homeworking, etc)	57	55	2
Free drinks or snacks (tea, coffee, fruit, biscuits, etc)	64	51	13
Private medical/health insurance	68	47	21
Christmas or other work social events (free or subsidised)	70	45	25
25 days and over paid leave but not unlimited (in addition to bank and public holidays) for full-time employees	59	44	15
Enhanced maternity, paternity, adoption or shared parental leave	59	44	15
Training and career development opportunities focused on helping low earners increase their earning potential	46	43	3
Pay the voluntary Living Wage or a wage at least £12.60 an hour (or £13.85 in London)	50	42	8
Workplace pension contribution matching plan (if an employee contributes more to their pension, the employer will also increase its contribution to the employee's pension)	56	39	17
Health and wellbeing services offered to family members of staff (such as virtual GP appointments or health insurance)	39	37	2
Occupational sick pay	60	32	28
Workplace pension scheme where the minimum employer contribution is 6% of employee pay	48	31	17
Discounts for staff on the products/services the organisation provides	43	31	12
Workplace pension salary-sacrifice plan (a worker agrees to exchange part of their salary and/or bonus in return for an employer pension contribution)	53	30	23
Apprenticeships: technical, professional or business	48	29	19

Table 5: Benefits that large organisations provide, compared with the percentage of large organisations that believe the benefit best supports their key objectives (%)

	Most common benefits organisation provides	Best supports key objectives	Difference
Coaching/mentoring programmes	53	28	25
Death in service/life assurance	62	26	36
Third-party discounts on: insurance (eg holiday, pet, etc), leisure, recreation and hospitality (eg discount cards or vouchers for restaurants, cinemas, travel, etc), shopping (eg discount cards or vouchers), etc	53	26	27
On-site parking (free or subsidised)	46	25	21
Virtual GP service	43	25	18
Bonus/hamper/vouchers/gifts offered at Christmas or other times of the year	45	24	21
Cycle-to-work scheme	44	24	20
Ability to buy or sell additional days of paid leave	41	24	17
Company car	41	17	24
Free eye tests/eye care vouchers	52	15	37
Conference attendance (paid/part-paid)	47	12	35
Study leave for exams/assignments (paid/part-paid)	42	12	30
Health cash plans	40	12	28
Paid leave for jury service	44	5	39

Base: n=178.

Table 6: Benefits that SME organisations provide, compared with the percentage of SME organisations that believe the benefit best supports their key objectives (%)

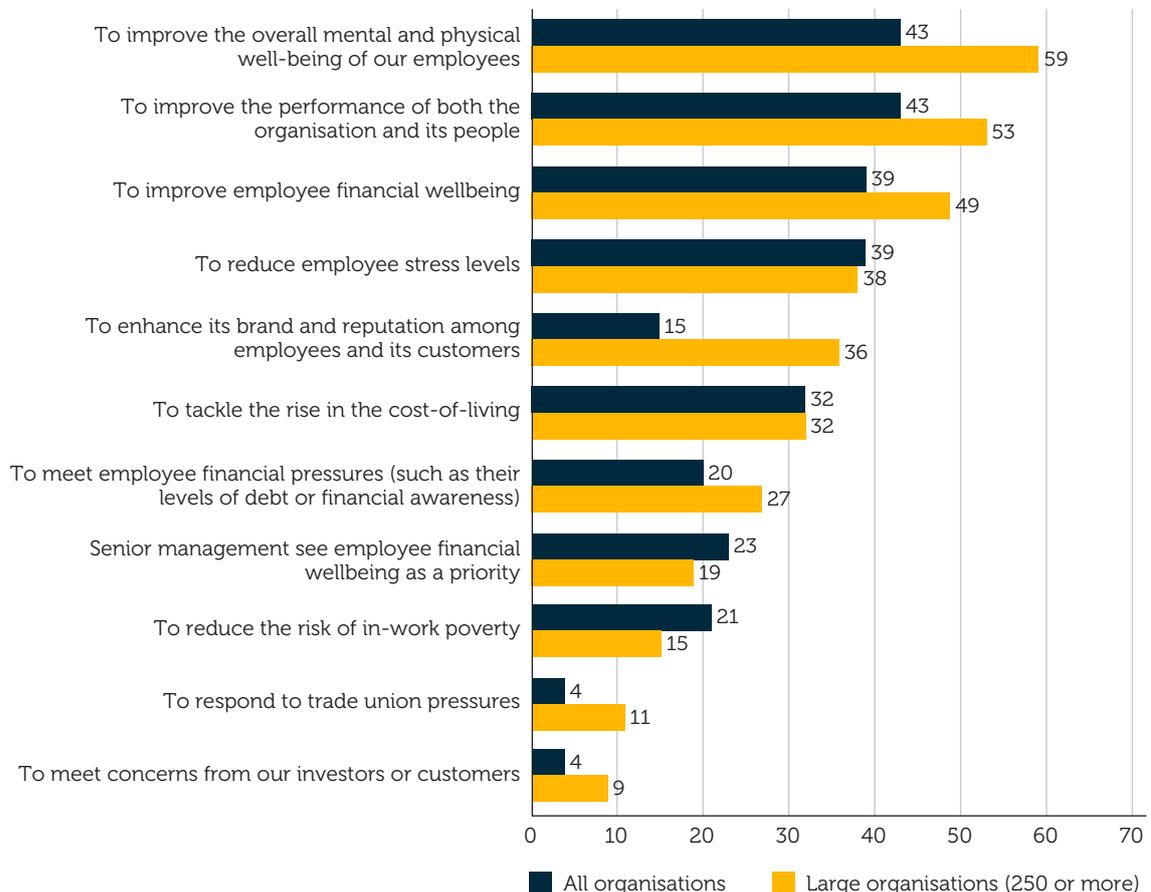
	Most common benefits organisation provides	Best supports key objectives	Difference
Flexible working (such as compressed working week, job-sharing, part-time working, term-time working, homeworking, etc)	40	76	-36
Free drinks or snacks (tea, coffee, fruit, biscuits, etc)	50	50	0
25 days and over paid leave but not unlimited (in addition to bank and public holidays) for full-time employees	36	49	-13
Christmas or other work social events (free or subsidised)	49	47	2
Pay the voluntary Living Wage or a wage at least £12.60 an hour (or £13.85 in London)	38	44	-6
Bonus/hamper/vouchers/gifts offered at Christmas or other times of the year	34	37	-3
Workplace pension scheme where the minimum employer contribution is 6% of employee pay	29	37	-8
Private medical/health insurance	17	34	-17
Occupational sick pay	18	33	-15
On-site parking (free or subsidised)	24	32	-8
Pay course fees for existing employees to get professional qualification or university degree (paid/part-paid)	21	24	-3
Training and career development opportunities focused on helping low earners increase their earning potential	17	24	-7
Professional subscriptions and fees (paid/part-paid)	23	23	0
Paid bereavement leave (excluding parental)	27	20	7
Discounts for staff on the products/services the organisation provides	20	19	1
Conference attendance (paid/part-paid)	24	18	6

Table 6: Benefits that SME organisations provide, compared with the percentage of SME organisations that believe the benefit best supports their key objectives (%)

	Most common benefits organisation provides	Best supports key objectives	Difference
Workplace pension contribution matching plan (if an employee contributes more to their pension, the employer will also increase its contribution to the employee's pension)	16	18	-2
Free eye tests/eye care vouchers	15	17	-2
Paid leave for jury service	27	14	13
Workplace pension salary-sacrifice plan (a worker agrees to exchange part of their salary and/or bonus in return for an employer pension contribution)	15	14	1
Study leave for exams/assignments (paid/part-paid)	15	12	3

Base: n=881, comprising: organisations with 50–249 employees: n=152; organisations with 10–49 employees: n=169; organisations with 2–9 employees: n=560. Note: all public sector organisations are included in the respondent numbers.

Figure 29: Reasons organisations have a formal financial wellbeing strategy or policy in place, or have plans to introduce one (%)



Base: all organisation: n=1,059; large organisations (250+ employees): n=178. Note: all public sector organisations are included in the respondent numbers.



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