Group protection briefing, Q3 2024
Introducing group protection benefits

In our first group protection briefing, we discuss employee benefits such as life assurance, income protection and critical illness cover. And we outline why it makes sense to review these benefits on a regular basis and work with a specialist consultant.

Group Protection is an umbrella term that includes three valued employee benefits – life assurance, income protection and critical illness cover.

Life assurance

Around 8.5 million people over the age of 18 have no life assurance in place, according to the Reward & Employee Benefits Association.

Life assurance provides a tax-free lump sum payment when an employee dies. This gives employees peace of mind, with much-needed financial support for surviving loved ones.

Income protection

Sickness absence is rising at its highest rate since 2004. The cost to UK employers runs into £billions. And employees worry that their sick pay may end before they're well enough to return to work.

Income protection pays employees an income while they recover from a long-term illness or serious injury. Employers can fulfil their duty of care while protecting their bottom line.

Critical illness

Two in five households have less than £2,000 in savings. Along comes a serious illness like cancer, and there's no money to fall back on.

Critical illness protection is the helping hand you can give when an employee is diagnosed with a specified critical illness or condition. The tax-free lump sum your employee receives is designed to ease any financial anxieties so they can focus on treatment and recovery.

Why reviewing your benefits makes good business sense

Once you have group protection in place, you should keep your cover up to date.

Here are six reasons why employers should review these benefits on a regular basis:

1. Cost efficiency – Identifying opportunities for cost savings and making sure your cover is financially sustainable
2. Employee needs – Reviewing your benefits to keep them relevant to the evolving needs of your workforce
3. Competitive positioning – Attracting and retaining talented individuals in a competitive job market
4. Risk management – Adapting cover to any changes in your company's risk profile to protect against new and emerging risks
5. Regulatory changes – Avoiding penalties by checking that cover remains compliant with any relevant changes in legislation and regulation
6. Insurance provider performance – Assessing how your current insurer is performing and making sure they deliver the level of service and support that you expect.

Unlock the full potential of your group protection benefits with an Employee Benefit Consultant

And here are six reasons why an Employee Benefit Consultant makes all the difference:

1. Tailored advice – Drawing on their in-depth experience, an Employee Benefit Consultant can recommend the most suitable group protection cover while minimising your costs.

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2. Risk mitigation – Employee Benefit Consultants play an important role in navigating the complex landscape of insurance products and services. Technical insurance terms and conditions of cover that are often hidden in detailed documents can also cause headaches if not fully understood.

3. Negotiation of pricing and terms – An Employee Benefit Consultant can negotiate favourable terms and pricing on your behalf, leveraging their industry expertise and established relationships with insurers. This saves you time and resources, and gives you access to the most suitable cover options available.

4. Managing insurer relationships – A good Employee Benefit Consultant will liaise between you and your insurance providers, streamlining the process of selecting, implementing and managing your group protection benefits.

5. Regulatory change and market trends – An important role of the Employee Benefits Consultant is to stay abreast of the latest regulatory changes and market trends. This will keep your employee benefits compliant and competitive.

6. Additional wellbeing services – A huge benefit of group protection policies is the range of complimentary wellbeing services provided. An Employee Benefit Consultant will keep you apprised of insurers' wellbeing services so you can engage your employees and support their health and wellbeing.

Find out more

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