



**Press release
13 November 2017**

Financial Capability Week: let's talk about group risk products in the workplace 13-19 November 2017

Levels of financial capability remain stubbornly low across the UK and 27 million working-age people in the UK don't have a sufficient savings buffer to allow them to cope with a significant income shock. 21 million don't even have £500 saved to replace a fridge or mend a car and only half of people with families have any life insurance*. Group Risk Development ([GRiD](#)) believes this is something that employers should be addressing with their staff.

In keeping with this year's Financial Capability Week ([FinCap Week](#)), organised as part of the Financial Capability Strategy for the UK, which is aiming to get more people talking about money, GRiD suggests that employers should take the initiative and discuss the benefits of employer-sponsored life assurance, income protection and critical illness with their employees.

While many businesses do offer these financial protection products to their people, GRiD believes there are three key issues at stake for those that don't:

- Organisations may believe they are more expensive than they are.
- They may offer what they believe employees will consider as more desirable, short-termist perks rather than group risk benefits.
- Lastly, some organisations might offer life assurance, income protection and critical illness as a voluntary benefit but not help employees to make an informed decision through good communication in order to understand them.

Katharine Moxham, spokesperson for GRiD says: Not only are employees potentially missing out on the benefits of key products that can help them meet their financial obligations after extraordinary life-changing events, but they are also not benefitting from the additional features that are built in to many group risk products such as an Employee Assistance Programme, which could help with debt problems. As a result, employers are also missing out on the goodwill associated with being seen to care, giving financial peace of mind and practical help to their staff.

We would really urge all employers to take a steer from this year's FinCap Week and discuss group risk with their staff as part of the #TalkMoney initiative. Whether they currently have these products as part of their benefits package, or not. We know that once staff are better educated about them, there is both more demand and uptake.+

Costs of Group Risk

Group Risk is far more affordable than many employers realise. It typically costs less than 0.5% of payroll to offer Group Life Assurance to an entire workforce, and less than 1% of payroll to offer Group Income Protection. A small price to pay when compared to the potential return.



- Ends -

*Financial Capability Week 13-19 November 2017 Participation Pack available here:
<https://www.fincap.org.uk/fincapweek>

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Notes for editors

About GRiD

Group Risk Development (GRiD) is the industry body for the group risk protection sector, promoting the value to UK businesses of providing financial protection for their staff, enhancing their wellbeing and improving employee engagement. Our membership includes insurers, reinsurers and intermediaries who have a collective wealth of experience built over years of operating in the group risk protection market. Under the chairmanship of Lee Lovett, CEO of Ellipse, GRiD aims to promote group risk through a collective voice to Government, policymakers, stakeholders and employers.

GRiD works with government departments and regulators involved in legislation and regulation affecting group risk benefits, and with other organisations involved in the benefits and financial protection arenas. GRiD also seeks to enhance the industry's standing by encouraging best practice and by participating in industry-wide initiatives such as the professional qualification in group risk managed jointly with the Chartered Insurance Institute.

GRiD's media activity aims to generate a wider awareness and understanding of group risk products and their benefits for employers and employees.

GRiD's dedicated spokesperson, Katharine Moxham, provides expert media comment on a full range of group risk issues.

www.grouprisk.org.uk

Follow Katharine Moxham on Twitter @KMoxham