

Repurposing a 3% annual pay rise to pay NI rate increase



If your average salary is **£30,000** per annum for **500** staff:

Total budget for a 3% increase:	£450,000
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Amount needed for increased NI contributions (2.88%):	£432,000
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Remaining budget:	£18,000
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And, for a company with **1,000** employees:

Total budget for a 3% increase:	£900,000
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Amount needed for increased NI contributions (2.88%):	£864,000
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Remaining budget:	£36,000
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Maximising the remaining budget: Let's make that money go much, much further...

When benefits work, they boost the value of a salary! Redirecting remaining funds into benefits that support employees' financial wellbeing and boost engagement, such as high-value discounts, can be a powerful retention tool. Instead of a minimal salary increase, repurposing the £18,000 (for 500 employees) or £36,000 (for 1,000 employees) into effective employee benefits can stretch your people's income much further.

For example, programmes that provide each employee with an average saving of £500 annually, such as our leading employee discounts scheme, are both cost-effective and a driver for retention. These offer a direct benefit to employees without requiring a full pay rise, which would increase your National Insurance contributions.

This strategy aligns well with current employee expectations and could help you make the most of your remaining budget.

Industry-leading employee discounts:

- Offer average **savings of £500** per employee, making a tangible difference in staff's take-home pay
- Provide discounts at over **900 retailers**, covering essentials like groceries, fashion, tech and travel, these savings are both meaningful and uncapped
- Introduce an **impactful benefit** that delivers high value to your employees and **costs your business significantly less** to provide

Did you know?

SHRM's recent findings highlight that over **70% of HR leaders identify robust benefits** as a key factor in retaining talent, particularly in today's market, where employees are more likely to consider total rewards beyond salary alone.

Consolidate your costs as well as your technology

Figures from a recent SHRM study revealed that the average enterprise organisation uses 15-35 different pieces of HR technology, it's no surprise that 23% of HR managers are struggling to get the most out of their tech stack.

Having different providers and platforms for your employee communications, your R&R and even your discounts programme can provide a complex and uneven user experience for your people. This won't just damage the uptake of your benefits, but will also make it more difficult for you to report on the results of your initiatives

and draw the clear lines between your programmes and the ROI that leadership are after.

On top of this, there's also the additional costs that you'll be making to multiple providers where a consolidated approach could see one take on several functions for a reduced rate, and even eliminate any areas where you're spending for something you already have.

Speak to one of our employee experience experts today to discuss your existing HR tech stack and identify any areas you could save time and reduce costs through consolidation.





The cost of doing nothing

While introducing a discounts scheme naturally requires investment, the cost of complacency when it comes to your employee experience can be much more costly. A failure to support your people and their wellbeing, and missing the opportunity to help their money go further in tough times, can have some significant long-term effects, such as:



Each of these can have a knock-on effect to your organisation's bottom line and the ROI of your HR initiatives. For example, failure to support your people through the heightened cost of living could lead to an increase in your employee turnover and a loss of talent that brings about the following costs:

- Job ad creation and posting
- Onboarding plan and scheduling
- Induction programme and buddy system
- Induction training time
- Lost productivity
- Cost to customers

Use the calculator below to uncover how much employee turnover is costing your business:



Calculate your costs

How else can companies offset some of the additional costs?

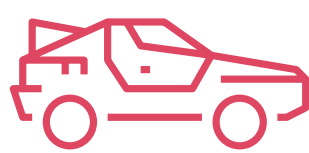
Exploring the untapped value of salary sacrifice benefits such as:



Cycle to Work



SmartTech™



Car Benefit



Holiday Trading



Travel Benefits

Not only will these benefits generate tax and NI savings for both your employees and your organisation, these benefits can also better support your people and boost mental, physical and financial wellbeing.





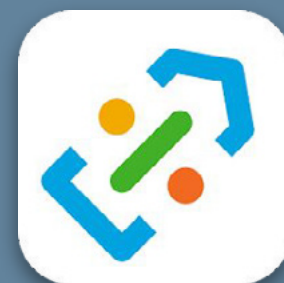
Henry, 42

Manager, keen cyclist,
lives with his wife, 3 kids
and their family dog.

Savings for the year at just 4 retailers:

£642

*All discounts and offers are accurate at the
time of submission



Henry uses SmartSpending™ everyday.
Here are some of the places he uses the app at:

Sainsbury's

Save
5%

Saving £312 Yearly

Henry's wife does their weekly
shop at Sainsbury's in Islington.

halfords

Save
8%

Saving £50 Yearly

On new bikes for the kids, safety
equipment and a new bike rack
for the family car.

 **airbnb**

6%
Cashback

Earns £200 Yearly

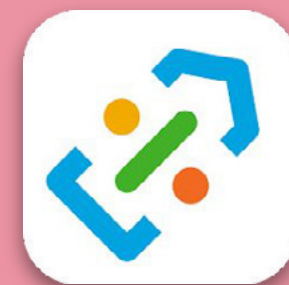
On family staycation/cycling
holiday to the Lake District.

AA

Earn
£80

Earns £80 Yearly

Cashback on breakdown
cover.



Mya uses SmartSpending™ everyday.
Here are some of the places she uses the app at:



Save
4%

Saving £166 Yearly

On her weekly shop at Asda in Shoreditch.



Save
5%

Saving £25 Yearly

On a new table and chairs for her new home.



Earn
£150

Earns £150 Yearly

On broadband and TV package.



Earn
8%

Saving £240 Yearly

On flights, accommodation and car hire on her honeymoon to Italy.



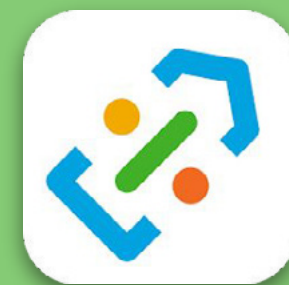
Mya, 31

Sales, is recently engaged, no children, loves to travel...

Savings for the year at just 4 retailers:

£581

*All discounts and offers are accurate at the time of submission



Tom uses SmartSpending™ everyday.
Here are some of the places he uses the app at:



Save
4%

Helps mum save £249

On family groceries at Tesco in Bexley.



Save
6.5%

Saves £52

On the latest tech and new games console.



Save
7.5%

Saves £40

A year on new clobber.



Save
£75

Earn £75 Cashback

On new phone contract.



Tom, 24

Production, a big gamer, single, lives at home with mum, loves going out with his mates.

Savings for the year at just 4 retailers:

£416

*All discounts and offers are accurate at the time of submission

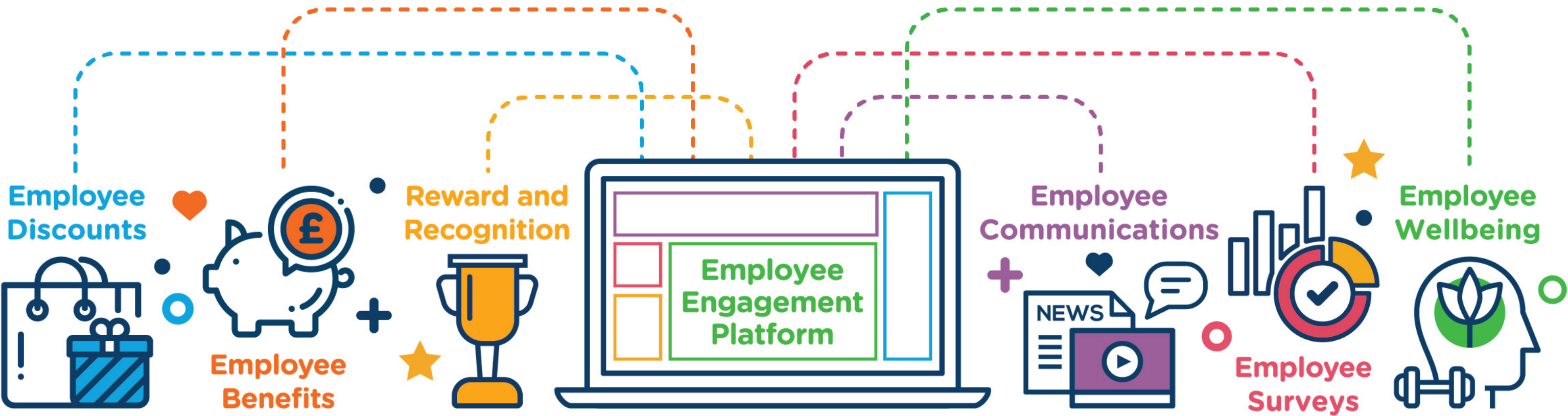
A little more about us:

10m+ employees
use our employee
experience
solutions

6,000+ clients
trust us with
their employee
experience
strategy

We're in
6+ offices
around the
world

Our RGER family
is **700+ strong**
and growing



About Reward Gateway | Edenred

Reward Gateway | Edenred helps companies engage, motivate and retain people – every day, all over the world.

Our unified employee experience hub provides the best of recognition, reward, wellbeing, surveys, benefits and discounts that support talent acquisition, retention and values-driven growth.

Get in touch with us to learn more about Reward Gateway | Edenred solutions:

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