



Bristol Financial Resilience **Action Group**

End of Pilot Report
(May 2024)





Foreword

At Hargreaves Lansdown our purpose is to make it easy to save and invest and invest for a better future. Bristol Financial Resilience Action Group is a demonstration of that purpose in our community by working with like-minded employers to improve the financial resilience of over 25,000 colleagues. Our pilot over the last year has had a real impact – lifting pension savings levels, increasing protection levels and improving understanding of everyday financial decisions. As the Action Group continues to grow, we want to spread the word to make Bristol the most financially resilient City in the UK.

Lucy Thomas

Director of Corporate Affairs

The Starting Point

As we were coming out of the pandemic HL wanted to understand the impact of this extraordinary time on household finances.

As a first step we developed our [5 to Thrive campaign](#), focusing on the 5 building blocks of financial resilience: control your debt, protect your family, save a penny for a rainy day, plan for later life and invest to make more of your money. In partnership with Oxford Economics, Hargreaves Lansdown developed the [Savings and Resilience Barometer](#) which uses 16 indicators within these five pillars of financial behaviour to produce a holistic measure of the Nation's household financial resilience.

The reports, released every 6 months, are aimed at advising policy makers as to the impact of their decisions. In sharing these learnings with our Bristol stakeholders it became clear, as the cost-of-living crisis started, that there was more Hargreaves Lansdown could do to use our expertise and influence to support those most affected.

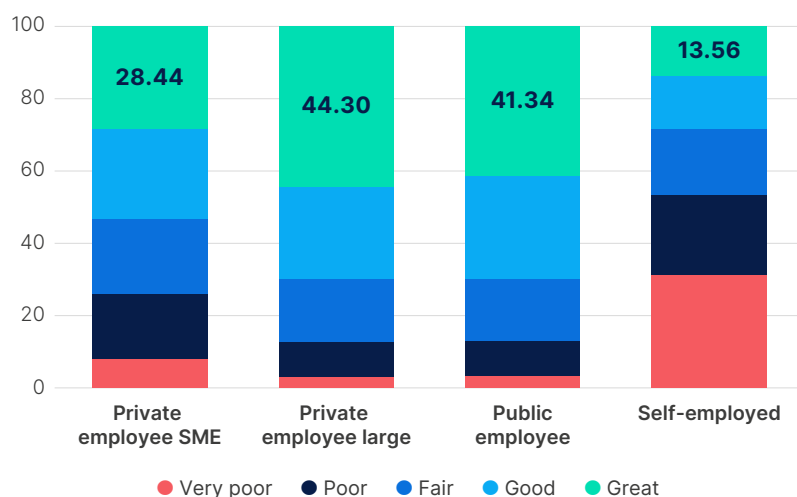


Bristol

Hargreaves Lansdown wanted to apply these findings, and the expertise we hold internally, to generate greater financial resilience in Bristol where Hargreaves Lansdown is proud to be based.

We recognise the impact employer's choice of benefits can have on household financial resilience and decided to explore the concept of Bristol Financial Resilience Action Group (BFRAG). Evidence from the Savings and Resilience Barometer highlighted the varying levels of financial resilience across the differing sectors and so we were keen to engage a variety of organisations within Bristol.

Employers can shape your financial resilience



Source: HL Savings & Resilience Barometer January 2024

The Bristol Financial Resilience Action Group is a network of employers aimed at boosting the financial resilience of Bristol.

This is achieved through signatories fulfilling 3 key commitments:

- 1. Providing Financial Education for employees** – some employers will already provide this information, for those that don't Hargreaves Lansdown has created an at-a-glance guide for firms to share with their employees.
- 2. Enhancing Employee Benefits around 6 Internal Initiatives** – firms are committed to working towards making changes to their employee benefits in six specific areas. We recognise that these are not instantly achievable, especially in the current economic climate. We will work with employers within the action group on reaching these goals:
 - Sorting payroll errors within one week
 - Signposting to debt advice
 - Offering paid for life cover by default for all staff upon employment
 - Sick pay in excess of statutory sick pay
 - Incentivising pension contributions of at least 12% of pay
 - Anytime pension contribution changes
- 3. Sharing 12 Financial Resilience Webinars** – again, while some employers will already offer on-going financial education, Hargreaves Lansdown have created a series of monthly webinars based on the 5 to thrive model. Firms can signpost to these webinars where they don't otherwise offer financial education.



The group has 19 employers signed up representing 25,000 staff.



Initial actions taken

The group was launched at an event hosted at Hargreaves Lansdown's offices attended by over **70 key Bristol stakeholders** followed by roundtable discussing enhancing Employee Benefits around the 6 Internal Initiatives.

Led conversations around financial resilience and education across Bristol, highlighting the importance of this topic with businesses to help address in-work poverty, whilst also promoting HL initiatives such as [Financially Fearless](#).

All employers have been distributing resources to their staff to help. Access to this information means that the employers always have the opportunity to continuously signpost staff to the resource as and when the support is needed. The HL materials created are:

- [Financial Education flyer](#)
- [Useful resources flyer](#)
- [A webinar hub](#)
- Quarterly reminder emails signposting upcoming webinars/latest videos

Hargreaves Lansdown have arranged several employer teach-ins with the following groups:

- Step Change – to talk about problem debt.
- IHC - to talk about arranging life cover and group income protection.
- Great Western Credit Union – to talk about access to cash and low cost credit.
- Policy in Practice – to talk about take up of benefits.

“We joined BFRAG because like many people, our colleagues have felt the impact of the cost-of-living crisis. We wanted to do something proactive and give our colleagues access to information that may be helpful to them.”

Zuzanna Bond, Avon Fire and Rescue



Results of the Pilot

Progress on improving employee benefits
– the highlights:

- All 19 employers are signposting their 25,000 employees to debt advice
- 1,300 employees now have access to higher pension contributions
- 1,320 households now have life cover as a result of 2 organisations adding this benefit. At the time of writing two further companies are actively exploring adding life cover (this could be an additional 12,770 households impacted).



*Benefits Offered	Before	After	Organisations made a change	Households impacted in Bristol	Notes
Payroll errors	Not all formal	All	All	25,100	Raised awareness of this as an issue - all companies will have a process now to rectify this. Brunel Care have introduced a new process to enable staff to check their payslips prior to being paid. This enables them to ensure there are no errors, and if required, can flag ahead of payday to ensure they are paid the correct amount.
Signpost debt advice	Not all formal	All	All	25,100	Through BFRAG all members have access to debt advice and sharing this amongst employees.
Paid for life cover	9 out of 19	12 out of 19	3	1,320	2 companies have actively introduced paid for life cover as a result of being in BFRAG, and 2 other companies are actively looking into this.
Sick pay in excess of statutory	Not all formal	Not all formal	n/a	approx 23,000	Whilst a number of the organisations formally document sick pay in excess of statutory, for some of the smaller organisations this is not documented and may be a discretionary amount based on the individual case but this is likely to be higher than statutory.
12% pension contribution	6 out of 19	8 out of 19	3	1,300	Whilst companies may not be hitting the 12% target, 3 companies have increased their pension contribution which is a big first step in providing an incentive for employees to increase their contribution. The organisations have also credited the initiative for helping to drive up awareness of increasing pension contributions.
Anytime pension changes	Not all formal	Not all formal	n/a		Raised awareness of this as an issue

*Results in table based off of 1:1 interviews with participating organisations.

“We are launching a death in service benefit – directly from the information you provided and the contact you invited to give a talk.”

Jayne Phan, Sawdays.

Whilst the changes highlighted in the table are fantastic news, we are aware of the challenging external and internal environment to increasing costs in businesses. This supports our decision to ensure the employers are actively working towards targets rather than being expected to make quick fire changes. One of the biggest achievements of the scheme to date is the fact that it has started conversations and made organisations aware of initiatives to help drive up the financial resilience of their workforce.

We took a sense check of the knowledge of members of the group prior to starting any of the financial education. This provided us with some rich data, such as, 45% of respondents last checked their pension savings over a year ago or can't remember. A key outcome from the initiative that has been repeatedly raised amongst the organisations involved has been the increased level of awareness amongst the workforce of financial matters, in particular, awareness around saving for a pension has been flagged:

“The company are currently looking at whether we can provide an enhanced pension matching scheme to further encourage and support employees to maximise their pension.”

Jayne Phan, Sawdays.



Clarkebond case study

As a result of being part of the BFRAG we became more conscious of the need to ensure our pension provision was competitive, and that it encouraged our employees to save enough for a comfortable retirement. Clarkebond already offered a scheme which was above the minimum requirements set by UK government, but in a market where civil engineering skills are scarce and the labour market is competitive, we already knew it was important to ensure our benefits offering was attractive. BFRAG meant we reviewed our offering and decided to increase the employer contribution by a further 1% when the employee also increased their contribution to match this. This provided a strong incentive to employees to increase their contributions.

The average contributions before and after the change:
In January 2024, 15% of our employees contributed at least 12% (combine employer and employee contribution) to their pension pot. As at May 2024, 45% of our employees are contributing at least 12% (combined employer and employee contribution) to their pension – which is as per the recommendation.

We have had some starters / leavers during this period so it is not an exact comparison, however, the percentages do indicate that there has been a significant increase in contributions as a result of our offering an additional 1% where employees contribute 6% or more.

A small number of employees could not recall how much they were contributing, the change has prompted them to get in touch to check - so if nothing else the announcement of a change has increased awareness.

Coupled with the webinars, I would hope that we have raised awareness overall of the importance of financial resilience and in particular of saving for retirement.

We will be reminding employees that pension changes can be made at any time, particularly prompting when our annual salary review takes place.

“The pandemic resulted in many organisations including ourselves giving greater consideration to the mental wellbeing of its employees. Being part of BFRAG has helped us to broaden our wellbeing policy to include financial wellbeing and we have benefitted by learning about support offered by other organisations, especially where the cost of change is zero or minimal. We have made a small change to our pension offer but we hope it is significant to reinforce the overall aim of BFRAG to improve financial resilience. We will continue to look for innovative ways to improve our offering to employees at Clarkebond and make it a great place to work.”

Jennifer Jordan

Webinar Engagement



We've delivered 12 financial education webinars for free to all employers around the '5 to Thrive' topics – with over 900 unique views.

The provision of the free financial education webinars was seen as a key driver in engaging a variety of organisations. Small and Medium sized firms (SME's) typically have smaller budgets, which means that may mean not able to provide financial education for employees and so this scheme is helping to plug this gap whilst signposting benefits best practice. Benefits pave the way to financial resilience, but financial education is needed to support and enable individuals to understand how the various benefits piece together to foster financial resilience and provide the tools to continue future proofing their finances after the course has finished.

For BFRAG members, the webinars have been cited as a key motivator in engaging with the scheme as it is a unique opportunity to be able to provide staff with access to free webinars on financial education. The webinars have received positive feedback from those attending although uptake remains relatively low with between 150 and 300 people registering each month to attend.

“These webinars are not sales pitches; they genuinely are education. The language used isn't confusing and I know our people come away feeling a lot less intimidated by topics like investing and saving.”

Lisa Smith, We The Curious

“Sawday's group have benefitted greatly from joining the BFRAG as part of the pilot group. The employees were particularly engaged with the webinars and as a result of the pension webinars a number of employees increased their monthly contributions.

Jayne Phan, Sawdays

The sessions are not universally attractive as each organisation has a different demographic and thus differing financial priorities. After six months, we found the sessions on debt and protecting your family having far lower turnout than those on smart spending and the cost of living crisis. 'How to be a smart spender' was the most popular webinar overall, followed by 'navigating the cost of living' and 'supercharge your pension webinar'. These stats could be seen to reflect how people are feeling about the wider economy and wanting support with life being more expensive, in addition to recognition that they are increasingly in control of their own retirement as we move from Defined Benefit to Defined Contribution pension schemes.

Clearly, we are competing with people's busy lives and competing demands when promoting the webinars. A big barrier is that HL are not able to share content, it must be shared locally by each employer.

As well as the live webinars, each session is recorded and stored online for people to access when more convenient (available [here](#)). We've seen around 60 visits to each video. We also know anecdotally that some organisations will come together to watch the webinars as a group which will also impact viewing data.

“Due to the responsive nature of the Fire Service's work, it is not always possible for our colleagues to watch the webinars live as they are often called out to help members of public in their time of need. We are very grateful that recordings are available online for those who can't make the live session. We encourage our colleagues to utilise their personal or team development time to watch the recordings of webinars either individually or as a team when the time allows so they can still benefit from the information shared.”

Zuzanna Bond, Avon Fire and Rescue

Next steps

“This training has been really eye opening and reassuring, everyone has the tools to become more financially resilient, not overnight, but over time.”

Lisa Smith, We The Curious

The early findings from the pilot are certainly encouraging and we have been struck by the enthusiasm of the group for driving forward financial resilience in our city. To have had organisations making such pertinent and important changes after being on the scheme for only a year has been a brilliant success.

We are now looking ahead to Year 2 and continuing the scheme, including aiming to increase the number of organisations included in the programme to help us reach more households in Bristol. Building from the success of the pilot we will consolidate the approach by continuing to work with our 19 organisations, whilst also looking to expand member organisations to further drive up the financial resilience of households in Bristol. Going forward, we are also exploring the opportunity to provide more face to face content and hosting live sessions onsite at the partner organisations following the success of a one-off International Women's Day event held onsite for the North Bristol NHS Trust.

We will share the outcomes of the pilot nationally, with key organisations aligned to the government, in addition to the relevant trade unions, demonstrating the impact of place-based initiatives and positioning HL as a thought leader with a scheme that has real world impact.

Key next steps: above the start of the list

1. We will be continuing the programme for a further year.
2. All existing employers have expressed a desire to stay involved – and we are keen to develop the engagement further so if you'd like to host an onsite session please let us know.
3. We are looking to add a further 20 employers to the group to expand the reach in Bristol
4. We are keen to engage with national groups about how this could be rolled out more broadly.

“Sawday’s is very grateful to have access to the framework, webinars, educational resources, contacts and community that being part of the BFRAG has brought and we look forward to another year as part of the group.”

Jayne Phan, Sawdays

