



## KEY ISSUES

EAPs provide a wide range of services, such as:

- Phone and face-to-face counselling
- Legal & financial helplines
- Online support and information
- Risk assessment tools
- Employment law support for employers
- Comprehensive management information
- Managerial coaching

EAPs should help individuals, managers and organisations to:

- Cope with challenges that impact performance
- Improve productivity and efficiency
- Improve staff morale and motivation
- Reduce absenteeism and staff turnover
- Recruit and retain staff
- Position the company as a caring employer

## What is an EAP?

EAPs started life in America in the 1920s, where they were used to help employees with alcohol problems. In the 1980s they emerged in the UK, taking the form of telephone helplines for staff, mostly in the petrochemical and finance sectors. Today, they can encompass a wide range of services providing confidential information, counselling and support to staff with work related and personal concerns. Support is now available 24 hours a day, 7 days a week by telephone, but also increasingly online and some face-to-face. Calls are confidential but many EAPs give employers management information to help them construct their wellbeing campaigns and tackle potential workplace issues.

## Why have an EAP?

Stress is all too common, and although not an illness in itself, stress is associated with anxiety, depression, gastrointestinal illnesses and back pain. According to Health and Safety Executive figures, Britain lost an estimated 15.4 million working days in 2017-18 due to work-related stress, anxiety or depression<sup>1</sup>. Employers are therefore increasingly turning to Employee Assistance Programmes (EAPs) to alleviate the problem.

<sup>1</sup> Health and Safety Executive figures, [www.hse.gov.uk/statistics/causdis/stress/](http://www.hse.gov.uk/statistics/causdis/stress/)

Employers also have a legal responsibility to their employees under relevant Health and Safety Law, Employment Law and Common Law duty of care. An EAP can help employers to demonstrate that they are fulfilling these duties of care.

While personal health and well-being are ultimately the responsibility of the individual, it is accepted that the employer can, and does, have a legitimate role to play. In fact, 34% of respondents to a PMI Health Group survey in 2015 felt that employers have a moral responsibility to help them lead a fit and healthy lifestyle<sup>2</sup>.

<sup>2</sup> Almost a third of employees call on businesses to tackle obesity, PMI Health Group, 25 March 2015

## How much does an EAP cost?

EAPs can be obtained as free added-value modules with other health benefits such as Group Private Medical Insurance and Healthcare Cash Plans. Costs depend on the number of employees and the breadth of the service, but the cost of full EAP for 500 employees in the private sector would cost around £8 per head per year, while a telephone counselling service for 2000 employees would cost around £3.50 per head per year, according to the UK Employee Assistance Professionals Association<sup>3</sup>.

<sup>3</sup> Buyers guide to Employee Assistance Programmes, Employee Benefits magazine, 30 January 2017

Although the largest companies will usually be able to secure the best prices, this should not deter SMEs from investigating their EAP options. Smaller firms won't have the resources of large HR and Occupational Health departments and can therefore benefit most from these schemes. Compared to the cost of some other employee benefits options, EAPs deliver a highly valued and current benefit at relatively modest cost.

## What are the tax issues?

EAPs are a business expense rather than a benefit in kind if they comply with HMRC's exemption for welfare counselling. Therefore EAPs cannot include advice on finance, other than debt; leisure and recreation; tax and legal issues. Couples and family counselling is accepted, but EAPs cannot be made directly available to dependants.

## Management information & ROI

It is difficult to measure Return on Investment (ROI) for an EAP. Many of its outcomes are subjective and it will clearly be valued more highly by employees who have used its services than those who have had no exposure. In fact, employers often admit to having no clear method of calculating ROI for their EAP, but they do observe a positive link between users of the service and increased motivation and performance as well as reduced absence. The growing popularity of EAPs is surely testament to their success and value.