

# Reward and Retirement Provision

## Assignment 1

*(Part 1—Employee Benefit Strategy)*

*Recommended Time: 3 hours*

1. You are the Benefits Consultant to a small firm who are reviewing their maternity leave policy. Write an email to the HR Director summarising the current provision concerning:
  - (a) The period over which Statutory Maternity Pay (SMP) is payable.
  - (b) The rates of SMP.
  - (c) The amounts of SMP which can be recovered by employers and any relief the employer may be entitled to.

15 marks
  
2. You are the in-house Pensions Manager for a large company, who are moving to new premises. As part of their healthcare commitment to their employees they are considering the provision of either an in-house sports facility or membership of a local sports club. Prepare an email to the Finance Director covering the following:
  - (a) How such a benefit can be provided without incurring a tax charge and under what conditions such a charge would arise.
  - (b) Any limits that could apply to directors or other employees.
  - (c) Information that should be provided annually to HMRC.

35 marks
  
3. Outline the eligibility for, and calculation of, statutory redundancy pay.

5 marks
  
4. Explain the requirements around pay during the statutory notice period.

5 marks
  
5. Outline the taxation of non contractual redundancy payments.

5 marks
  
6. Following a recent acquisition, a large pharmaceutical company is reviewing their employee benefits strategy. As the HR Consultant for the company, prepare a short paper outlining the main factors to consider in developing and maintaining an employee benefits strategy and write brief notes on each factor.

15 marks
  
7. Your company is looking to introduce flexible benefits to its employees. As the Benefits Manager, prepare a briefing paper for the HR Director outlining the importance of a total benefit approach to communication to employees. Your paper should include the advantages of such an approach and describe the most appropriate method in which flexible benefits may be valued.

20 marks