

Towergate Employee Benefits comments on the Spring Statement: Investment needed by employers to keep people in work

1 year ago



David Williams, head of group risk, [Towergate Employee Benefits](#), has shared his comments on the Spring Statement.

Williams said: “Commentary on the Spring Statement will understandably focus on the Office for Budget Responsibility’s (OBR’s) downgrade of growth for 2025 (from 2% to 1%) but what resonated with me was the OBR’s view of what happens in the years that follow. The OBR view is that by spending money wisely this year, the UK’s growth forecast in future years will improve.

“The Government’s plans for this growth include a keen focus on the welfare system. There are 2.8 million people economically inactive in the UK due to ill health, but to get these people active again, the Government needs to invest in their welfare. This is a familiar message for us in the employee benefits industry.

“The welfare reforms announced last week didn’t just cut benefits but they included investment in helping people to start work, stay in work or try a return to work without losing their benefits. All crucial initiatives to kick-start an inactive population.

“So the message to businesses should be the same. If your business is sluggish, invest wisely in the welfare of your people. You may not see the immediate growth today, but you will reap the rewards in

future years.”