

Workplace Wellness:

A Starting Point for Employers

An introductory guide to building effective
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Introduction

In today's fast-paced working world, the health and wellbeing of employees has become increasingly important. Organisations are more aware than ever that stress, burnout and disengagement do not only affect individuals — they also have a direct impact on productivity, performance, retention and workplace culture.

As a result, workplace wellness programmes are now more common. However, many organisations still ask the same fundamental questions:

- What do we actually mean by a workplace wellness programme?
- What benefits can these programmes offer beyond employee health?
- Where should organisations start, particularly when time, budget or internal expertise is limited?
- What support is available to organisations that want to introduce a wellness programme?

The purpose of this guide is to answer these questions clearly and practically. It is designed to help organisations develop a meaningful understanding of workplace wellness so they can move beyond surface-level initiatives and make informed decisions that genuinely support their people.

This guide also explores the wider benefits of effective wellbeing strategies, outlines potential tax considerations, and highlights financial support that may be available.

Before exploring benefits and implementation, it is important to be clear about what we mean by a workplace wellness programme.

What is a Workplace Wellness Programme?

A workplace wellness programme is an organised set of health and wellbeing initiatives implemented by an organisation. These initiatives are tailored to support the physical, mental and emotional wellbeing of employees.

The purpose is often to improve morale and reduce absenteeism, which can contribute to improved productivity and overall organisational performance. A programme may include services such as stress management workshops, healthy eating campaigns and mental health support.

Benefits of Workplace Wellbeing Programmes

Workplace wellbeing programmes can deliver meaningful benefits for both employees and organisations. Below, we explore some of the key advantages.

1. Reduced Absenteeism

Wellbeing programmes can help reduce sickness absence by supporting employee health and addressing factors such as stress and fatigue. Fewer unplanned absences can improve continuity and reduce disruption across teams.

2. Improved Productivity and Performance

Employees who feel supported are more likely to work effectively. Improved wellbeing can contribute to better focus, sustained energy and overall performance.

3. Enhanced Employee Morale and Engagement

When organisations invest in wellbeing, employees are more likely to feel valued and motivated. This can lead to higher engagement and a more positive workplace atmosphere.

4. Reduced Stress and Burnout

Access to wellbeing initiatives, stress management support and mental health resources can help reduce the risk of burnout. This supports employees to maintain performance over time and contributes to a healthier workplace culture.

5. Improved Employee Retention

Organisations that prioritise wellbeing are often better positioned to retain staff. Reduced turnover can help lower recruitment and training costs and protect organisational knowledge.

6. Stronger Workplace Relationships and Collaboration

A healthier working environment can support clearer communication, collaboration and teamwork. Reduced stress levels are often associated with fewer workplace conflicts and stronger working relationships.

7. Enhanced Employer Reputation

A visible commitment to employee wellbeing can strengthen an organisation's reputation as a responsible employer. This may support recruitment efforts and positively influence how the organisation is perceived by clients and stakeholders.

Tax Benefits

This section provides high-level guidance only. Tax rules may vary over time as informed by HMRC regulations.

Depending on how they are structured and delivered, some workplace wellbeing initiatives may be exempt from benefit-in-kind (BIK) tax, treated as allowable business expenses, or qualify for tax relief. Examples of tax-efficient wellbeing support include:

1. Mental Health and Wellbeing Support

Wellbeing initiatives such as counselling and stress management support may be offered without creating a benefit-in-kind tax charge, depending on how they are provided.

2. Employee Assistance Programmes (EAPs)

Employer-funded EAPs can be tax-deductible business expenses. These services typically provide confidential advice and support for personal or work-related challenges, including mental health, financial and family concerns.

3. Workplace Fitness and Wellbeing Facilities

On-site gyms or wellbeing spaces available to all employees may qualify as tax-free benefits. The cost of setting up and maintaining these facilities can sometimes be treated as an allowable business expense.

4. Health Plans and Preventative Care

Health cash plans that contribute towards treatments such as dental care, physiotherapy or complementary therapies may be deductible as business expenses where they meet HMRC criteria.

5. Training and Development Related to Wellbeing

Training that supports employee wellbeing — for example, mental health first-aider courses, resilience workshops or wellbeing ambassador programmes — is often tax-deductible when it directly relates to employee welfare and productivity.

6. Capital Investment and Innovation

Some investments in wellbeing-related equipment or facilities, such as relaxation areas or ergonomic improvements, may qualify for capital allowances. Organisations developing new wellbeing technologies or programmes may also be eligible for research and development (R&D) tax relief.

Important to Note

Eligibility depends on the nature of the initiative and how it is implemented

Grants

A variety of grants and funding opportunities may be available to support organisations that invest in employee wellbeing. Availability depends on location, sector and eligibility criteria.

1. Government and Local Authority Grants

National and local government schemes sometimes offer funding to help employers create healthier workplaces.

Access to Work: Provides financial support for workplace adjustments, including mental health support for employees with disabilities or health conditions.

Wellbeing Support Grants: Some local councils and regional health bodies provide funding for workplace mental health and wellbeing programmes. Check with your local authority for current opportunities.

2. Public Health and NHS Initiatives

Public Health England (PHE), the NHS and related bodies occasionally fund or co-sponsor wellbeing projects, including stress management, mental health and lifestyle programmes delivered in the workplace.

3. Charitable and Industry Funding

Charities and foundations sometimes support projects that improve workplace wellbeing.

- **The Wellcome Trust:** May fund research or projects focused on mental health at work
- **Mind:** Provides information on wellbeing grants and regional funding opportunities.
- **Industry bodies and business development funds:** Some sectors (e.g. construction, healthcare and education) may offer support for workforce wellbeing initiatives — for example, the Construction Industry Training Board (CITB) Wellbeing Fund, NHS Health and Wellbeing Framework, or Education Support's staff wellbeing grants

4. Insurer and International Opportunities

Some workplace health insurers provide grants or subsidies to organisations that invest in staff wellbeing initiatives such as mental health or fitness programmes.

For example, **Vitality Health** and **Bupa** have both offered corporate wellbeing incentives and funding support for employee health and wellness activities through partnership schemes and workplace wellbeing programmes.

5. International and EU Opportunities

Businesses operating internationally or with EU connections may also be eligible for funding through initiatives such as the **European Social Fund (ESF)**, which supports projects that promote healthier working environments and workforce development.

Important to Note

Grant availability changes frequently. It is worth reviewing local authority, charity and industry websites regularly to check for new or updated opportunities.

How to Apply

Before applying for funding, it helps to:

- Check eligibility — confirm that your organisation meets the criteria, including location, size and objectives.
- Create a clear wellbeing plan — outline what you want to achieve, why it matters and how it will be delivered.
- Consult with experts — charities, councils and industry bodies can provide guidance and signposting.

Important to Note

Many grants are regional or sector-specific, so researching local opportunities and speaking with business support organisations can make the process smoother

Summary

Workplace wellness programmes are activities and services offered by employers to support the health and wellbeing of their employees. They are designed to reduce stress, build resilience and create healthier, more productive work environments. Examples include stress management workshops, healthy eating initiatives and mental health support.

Investing in employee wellbeing brings clear financial, cultural and operational benefits. From increased productivity and employee loyalty to lower absence and healthcare costs, the returns make wellbeing a sound business investment.

Companies benefit from stronger team morale, improved innovation and a reputation for responsible leadership. There may also be **tax advantages**, such as deductible wellbeing expenses or tax-free employee benefits. In addition, a range of **grants and funding opportunities** are available through government bodies, the NHS, charitable organisations and industry schemes to help businesses implement effective staff wellbeing initiatives.

Alongside these tangible benefits, well-designed wellbeing programmes can also help organisations meet their broader responsibilities around employee welfare and workplace health.

Last Word from Us

And there you have it.

We've reached the end of our bite-sized guide to workplace wellness programmes — what they are, how they can benefit employers and employees, and what support may be available to help organisations get started.

[2 Minute Feedback Form](#)

If you've read this guide, we'd really love to hear your thoughts to help us understand what's useful, what's missing, and how we can improve future resources for employers.

References and Data Sources

UK Government and Public Sector

HM Revenue & Customs (HMRC)

[Taxable Employee Benefits](#)

[Health Screening and Check-Ups](#)

[Welfare Counselling – General Description \(EIM21845\)](#)

GOV.UK

[Expenses and Employee Benefits](#)

[VAT on Employee Benefits](#)

[Find Government Grants](#)

Department of Health & Social Care (DHSC)

[Health and Wellbeing Fund 2022–2025: Application Guidance](#)

Public Health England (PHE)

[Health and Work](#)

National Health Service (NHS) Business Services Authority

[Health and Wellbeing at Work](#)

Pensions Advisory Service (TPAS)

[Workplace Pensions](#)

Professional and Advisory Bodies

Chartered Institute of Personnel and Development (CIPD)

[Wellbeing at Work](#)

[Employee Assistance Programmes](#)

ACAS (Advisory, Conciliation and Arbitration Service)

[Health and Wellbeing at Work](#)

[Mental Health in the Workplace](#)

British Chambers of Commerce (BCC)

[Business Support](#)

Institute for Fiscal Studies (IFS)

[Tax and Employee Benefits](#)

Charities, Industry and Other Organisations

Wellbeing at Work Events – [Resources and Campaigns](#)

Tudor Trust: [Wellbeing Grants](#)

Employee Benefits : [Buyers' Guide to Employee Assistance Programmes](#)

The Wellcome Trust – Mental Health and Wellbeing Funding

Mind (Mental Health Charity): [Workplace Wellbeing Support](#)

Construction Industry Training Board (CITB): [Wellbeing Fund](#)

Education Support: [Staff Wellbeing Grants](#)

Vitality Health: [Corporate Wellbeing Programmes](#)

Bupa UK : [Workplace Wellbeing and Business Health Resources](#)

European Social Fund (ESF) – Health and Workforce Development