

AGEING CONFIDENTLY

Supporting an ageing workforce

August 2019



Ageing Confidently
Supporting an ageing workforce
© The Centre for Social Justice, 2019

Published by the Centre for Social Justice,
Kings Buildings, 16 Smith Square, Westminster, SW1P 3HQ
www.centreforsocialjustice.org.uk
@CSJthinktank

Designed by Soapbox, www.soapbox.co.uk

Contents

About the Centre for Social Justice	2
Acknowledgements	3
The Future of Work Programme: Overview	4
Working group	5
Executive summary	6
1 How old is the British population today?	9
2 Benefits and challenges of an ageing population	17
3 Policy recommendations for an ageing society	31
Conclusion	49
Bibliography	50

About the Centre for Social Justice

Established in 2004, the Centre for Social Justice (CSJ) is an independent think tank that studies the root causes of Britain's social problems and addresses them by recommending practical, workable policy interventions. The CSJ's vision is to give people in the UK who are experiencing the worst disadvantage and injustice every possible opportunity to reach their full potential.

Since its inception, the CSJ has changed the landscape of our political discourse by putting social justice at the heart of British politics. This has led to a transformation in Government thinking and policy. The majority of the CSJ's work is organised around five 'pathways to poverty', first identified in our ground-breaking 2007 report, Breakthrough Britain. These are: family breakdown; educational failure; economic dependency and worklessness; addiction to drugs and alcohol; and severe personal debt.

In March 2013, the CSJ report It Happens Here shone a light on the horrific reality of human trafficking and modern slavery in the UK. As a direct result of this report, the Government passed the Modern Slavery Act 2015, one of the first pieces of legislation in the world to address slavery and trafficking in the 21st century.

The CSJ delivers empirical, practical, fully funded policy solutions to address the scale of the social justice problems facing the UK. Our research is informed by expert working groups comprising prominent academics, practitioners and policymakers. Furthermore, the CSJ Alliance is a unique group of charities, social enterprises and other grass-roots organisations that have a proven track record of reversing social breakdown across the UK.

The 13 years since the CSJ was founded has brought with it much success. But the social justice challenges facing Britain remain serious. Our response, therefore, must be equally serious. In 2019 and beyond, we will continue to advance the cause of social justice in this nation.



Acknowledgements

With thanks to the sponsors of the Future of Work programme:



With additional thanks to B.E. Wedge Holdings.

The Future of Work Programme: Overview

The Future of Work research programme was conceived in response to the 2017 report by the Centre for Social Justice (CSJ), *The Great British Breakthrough: Driving productivity growth in the UK*. That report concluded that there were several significant barriers to productivity growth in the UK and proposed a whole series of policy initiatives to address this. The barriers included: low investment, including low capital investment across the UK economy that had resulted in a slow take-up of new technologies and a low rate of investment in training of staff; a regional growth imbalance, explained by many factors including the deindustrialisation of large parts of the Midlands and North of England and by the competitive strength of London; and a lack of occupational mobility in the labour market, alongside low wage growth, that led a large number of people to just manage in low paid and low skilled work for the majority of their working lives.

Where *The Great British Breakthrough* was retrospective, this report aims to look to the future. Work is changing, both here and across the globe, and Britain needs to be prepared for this. This has implications for people, for businesses, and for policy makers in Westminster, who need to be aware of the drivers of change, prepared for them and positioned for the future. If not, then Britain will not succeed in tackling the drivers of low productivity, issues connected with low pay and low skills, or in maintaining high levels of employment

This research programme seeks to better understand the future of work, and in particular its impact on those at the bottom of the ladder. In order for the UK to have informed policy decisions and look after its most vulnerable, there is a need to understand fully the changes that are occurring, and could take place, in the world of work. These include socio-economic change, demographic trends, technology advancements, greater levels of globalisation, evolving skill demands and a cultural shift among younger workers. Informed policy decisions should help ensure employment rates remain high and that no one is left behind, allowing the market mechanism to work properly and intervening where needed. Work is a vital route out of poverty and central to future prosperity.

This paper is the fifth report in our The Future of Work Programme:

1. Working in Britain Today: State of the Nation
2. Regional Revolution: Rebalancing Growth and Opportunity in Post-Industrial Britain
3. A Vision for the National Retraining Scheme: Building a Workforce for the Future
4. Technology, Artificial Intelligence and the Future of Work
5. Prioritising Growth: The Future of Immigration Policy
6. Ageing Confidently: Supporting an Ageing Population

Working group

- **Ben Houchen**, Tees Valley Mayor
- **Dr Adam Marshall**, Director General, British Chamber of Commerce
- **John Mills CEO**, JML Ltd
- **Dame Helena Morrissey**, Head of Personal Investing, L&G
- **Chris Oglesby CEO**, Bruntwood
- **Bridget Rosewell, OBE**, Founder, Volterra Partners
- **Rt Hon Iain Duncan Smith MP**, Former Secretary of State for Work and Pensions
- **Carole Stott MBE**, Chair, Association of Colleges
- **Louise Woodruff**, Joseph Rowntree Foundation
- **Gabrielle Erhardt**, CSJ (lead researcher)
- **Dr Gerard Lyons**, CSJ (Chair of the Working Group)

Executive summary

The UK is witnessing a significant demographic change. An increase in life expectancy and a decrease in the fertility rate means that older people make up a growing proportion of the population. By 2035, over half of all adults in the UK will be over 50 years of age.¹ Ensuring that this growing proportion of older people continue to make an essential contribution to our economy as workers, carers, taxpayers and volunteers is an important question for public policy.

Evidence suggests that the UK is not responding to the needs and potential of an ageing workforce. While the employment gap between younger and older workers has decreased over the last two decades, in 2018 less than half of the UK population were in work the year before they were eligible for the state pension.² Research shows that of the 3.3 million economically inactive people aged 50–64, over one million have been made involuntarily workless.³ Some have been pushed out due to redundancy, lack of appropriate skills, being unable to balance caring responsibilities and work, and ill health.⁴

An ageing society also presents significant challenges to the UK's fiscal balance. An increase in the Old Age Dependency Ratio (OADR) and a greater demand for public services along with an increase in state pension costs raises questions about the sustainability of our social security system.

This report proposes several recommendations to provide older people and employers with the support needed to unlock the potential of this demographic and enable older people to access the benefits of work. Without a concerted effort to increase the opportunities for older workers, individuals, businesses and the economy will suffer. Recommendations include:

- Enhanced healthcare support through improvements in occupational health, training in mental health first aid and further support for those aged 55 and over from the Work and Health Programme.
- Increased access to flexible working.
- Increased access to training opportunities through a proposed Personal Learner Account
- Targeted publicization of the Access to Work scheme.

1 Department for Work and Pensions, 'Fuller Working Lives: Evidence Base 2017,' (2017), accessed via: www.gov.uk/Government/publications/fuller-working-lives-evidence-base-2017

2 Thomson, 'A Silver Lining for the UK Economy: The Intergenerational Case for Supporting Longer Working Lives', Centre for Ageing Better. Intergenerational Commission, (2018)

3 ILC, (International Longevity Centre) 'The Missing Million: Illuminating the Employment Challenges of the Over 50s', (2014), accessed via: https://age.bitc.org.uk/system/files/research/prime_report_the_missing_million_0.pdf

4 ILC (International Longevity Centre UK), 'The Missing Million', October 2014, accessed via: <https://ilcuk.org.uk/the-missing-million/>

- Implementation of employee tailored Mid-Life MOTs.
- The initiation of an 'Age Confident' scheme that includes guidance regarding workplace flexibility, workplace adjustments, age discrimination, training and Mid-Life MOTs.

Provided that this apparatus of support is implemented, we propose an increase in the State Pension Age (SPA). The state pension is an important benefit that provides security to those who have retired. If we expect this benefit to continue along with other public services, a sustainable State Pension Age must be introduced. Recommendations include:

- Accelerating the SPA increase to 70 by 2028 and to 75 by 2035. This will ensure that the Old Age Dependency Ratio (OADR) remains in the sustainable range of 20 to 25 over the next 20 years.

chapter one

How old is the British population today?

Demographic trends

The UK population is ageing. This is driven by two trends: falling mortality and falling birth rates. Mortality rates have decreased over the last 50 years, and while death rates in 2017 showed an increase from 2016, age-standardised mortality rates have decreased for both sexes, by 0.4 per cent for males and 0.2 per cent for females since 2016.⁵ People are living longer than ever before; infants born between 2015–2017 are expected to live 79.2 years if male and 82.9 years if female (an increase of 2.0 and 1.4 years respectively since 2005–2007).⁶

As life expectancy remains high, birth rates continue to decrease. In 2017, there were 755,066 live births, a decrease by 2.6 per cent since 2016 and the lowest number of live births since 2006.⁷ This means that the proportion of people in younger age groups is decreasing and the proportion of people in older age groups is increasing. The graph below shows the changes in mortality rates and fertility rates from 1953 to 2017.

In 2017 the proportion of the UK population aged 65 or over was 18.2 per cent, compared to 15.9 per cent in 1997 (an increase by 2.3 percentage points in 20 years).⁸ This percentage is projected to grow to 24 per cent by 2037.⁹ Government research has predicted that half of all adults in the UK will be over 50 years of age by the mid-2030s.¹⁰ The figure below shows the projected change in the age structure of the UK population.¹¹ In 2014, 23 per cent of the population were aged 60 and above. In 2039, this is projected to grow by 6 percentage points, to 29 per cent, an increase of 7 million people aged 60 and above.

5 ONS, 'Deaths Registered in England and Wales: 2017', (2018), www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/deaths/bulletins/deathsregistrationsummarytables/2017

6 ONS (2018) UK Population 2017 www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates [Date accessed: 7/12/18]

7 ONS, 'Vital Statistics in the UK: Births, Deaths and Marriages – 2018 Update', (2018), accessed via: www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/vitalstatisticspopulationandhealthreferencetables

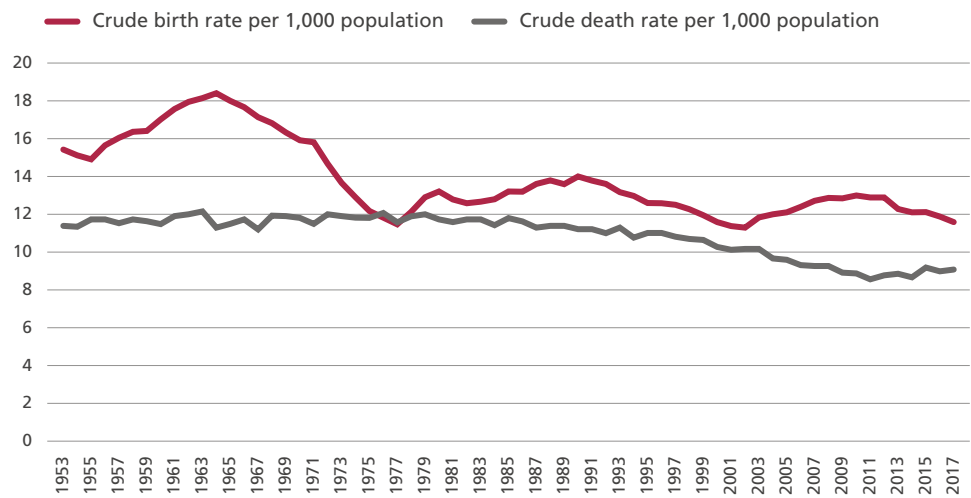
8 ONS, 'ONS Population Overview', (July 2018), accessed via: www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/articles/overviewoftheukpopulation/november2018

9 Ibid

10 Department for Work and Pensions, 'Fuller Working Lives: Evidence Base 2017', (2017), accessed via: www.gov.uk/Government/publications/fuller-working-lives-evidence-base-2017

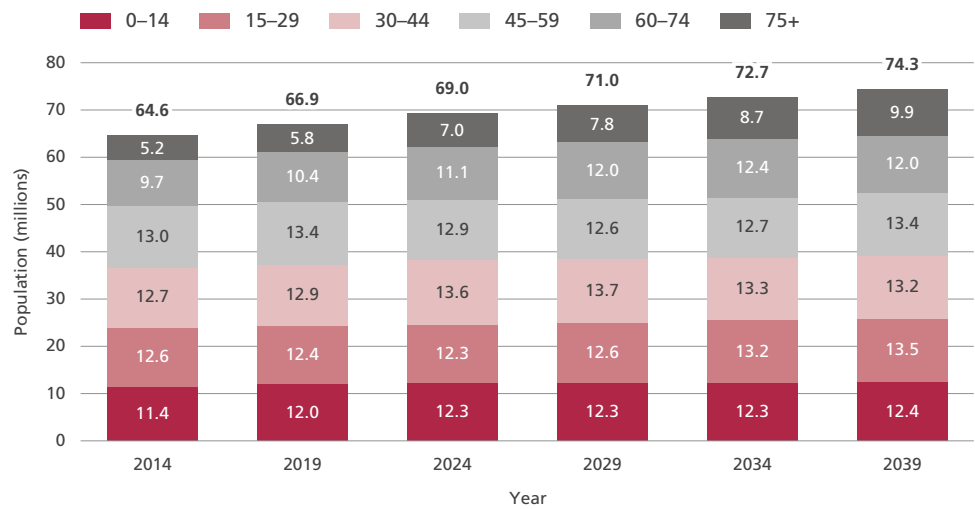
11 Government Office for Science, 'Future of an Ageing Population', (2016), accessed via: www.ageing.ox.ac.uk/files/Future_of_Ageing_Report.pdf

Figure 1: An ageing population



Source: ONS

Figure 2: Population estimates and projections, based on ONS principal population projections, 2014



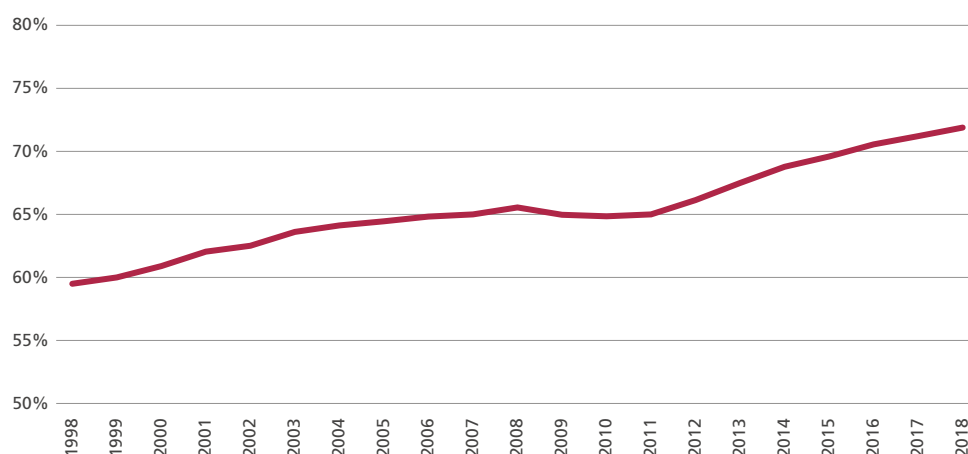
Source: www.ageing.ox.ac.uk/files/Future_of_Ageing_Report.pdf

Workforce demographics

One of the results of an ageing population has been an ageing workforce. In the UK, employment rates have increased for those aged 50–64 years old. The graph below shows this increase from 1998, when the employment rate of this age group was 59.5 per cent, to 2018, when the rate reached 71.9 per cent employed.¹²

¹² ONS, 'LFS: Employment Rate: UK: All: Aged 50–64: % SA', (2019), accessed via: www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/timeseries/lf2u/lms

Figure 3: Employment rate 50–64 year olds 1998–2018



Source: ONS (2019)

While between 1998 and 2018 the employment rate for both genders aged 50+ increased in any given year, the largest percentage point increases were seen in women.¹³ For females aged 55–59 years old, the employment rate increased by 18.2 percentage points from 52.2 per cent to 70.7 per cent.¹⁴ For females aged 60–64 years old, the employment rate increased 25.1 percentage points from 23.4 per cent to 48.5 per cent.¹⁵ Alongside this, the average age of exit from work has increased. For men, the average age of exit from work has increased from 63.1 years old in 1998 to 65.1 years old in 2018.¹⁶ For women, the average age of exit from work has increased from 60.6 years old in 1998 to 63.9 years old in 2018.¹⁷ Furthermore, the employment rate of those aged 65 and older (above the current SPA) has more than doubled between 1998 and 2018, from 5.0 per cent to 10.6 per cent.¹⁸

While predicting long-term changes in the composition of the workforce is notoriously difficult, Buckle predicts that by 2025, there will be 1,600,000 workers aged 50 to 65.¹⁹ This increase will be influenced by the increasing state pension age (SPA). The current state pension age for men and women stands at 65 and is increasing to 66 by 2020 (Pensions Act 2011). Between 2026 and 2028, the SPA will increase to 67 (State Pension Act 2014) and between 2044 and 2046, to 68 (State Pension Act 2007).

13 Department for Work and Pensions, 'Economic labour market status of individuals aged 50 and over, trends over time', (2018), accessed via: https://assets.publishing.service.gov.uk/Government/uploads/system/uploads/attachment_data/file/747715/economic-labour-market-status-of-individuals-aged-50-and-over-oct-2018.pdf

14 Ibid

15 Ibid

16 Ibid

17 Ibid

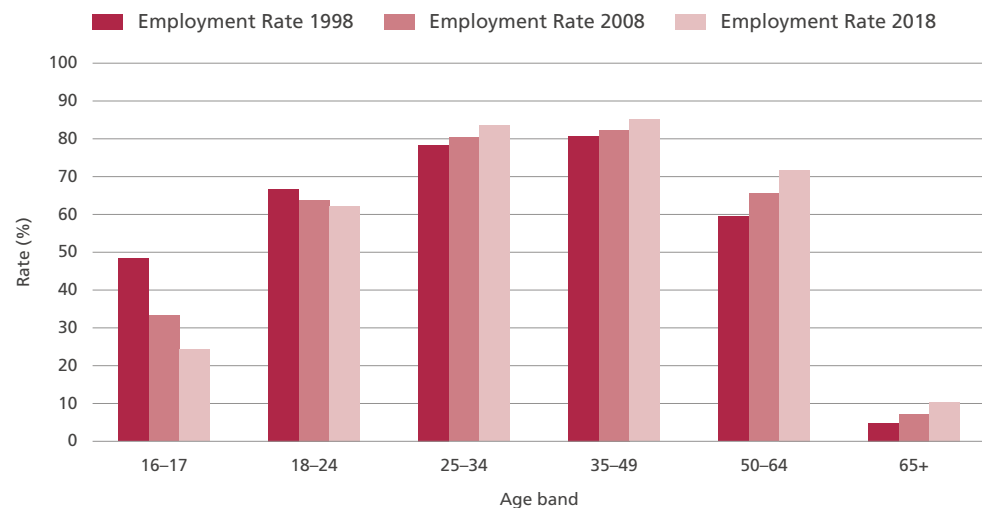
18 ONS, 'LFS: Employment Rate: UK: All: Aged 50–64: % SA', (2019), accessed via: www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/timeseries/lf2u/lms

19 Buckle, P., 'Workplace Infrastructure: Future of Ageing: Evidence Review', Government Office for Science, Foresight (2015)

Employment gap

Increased employment rates of older people have reduced the employment gap, but nevertheless there still exists a significant gap between 35–49-year olds and 50–64-year olds. The graph below shows employment rates by age band in 1998, 2008 and 2018. The employment rate for 50–64 and 65+ year olds has consistently increased since 1998. The employment rate gap between 35–49-year olds and 50–64-year olds has decreased by 8.2 percentage points.²⁰ This gap reduction has largely been driven by increases in 50–64-year-old female employment.²¹ This gap is still significant however, measuring 13.3 percentage points.²² In 2018, less than half of the UK population were in work the year before they were eligible for state pension.²³ As the population continues to age and scheduled rises in the SPA take place, this gap is likely to grow.

Figure 4: Change in employment rate (%) in the UK by age band, 1998, 2008 and 2018



Source: ONS 2019

UK employment rates for older people are comparatively low compared to other OECD countries. PwC's 2018 Golden Age Index, a measure used to gauge the participation of people aged 55–64 years old in the workforce of OECD countries, rates the UK at 21st place. This represents a drop from 18th place in 2003.²⁴ In first place is Iceland, employing 84 per cent of 55–64-year olds, followed by New Zealand at 78 per cent and Sweden

20 Department for Work and Pensions, '50 and Over, Trends Over Time: October 2018', (2018) https://assets.publishing.service.gov.uk/Government/uploads/system/uploads/attachment_data/file/747715/economic-labour-market-status-of-individuals-aged-50-and-over-oct-2018.pdf

21 Ibid

22 Ibid

23 Thomson, 'A Silver Lining for the UK Economy: The Intergenerational Case for Supporting Longer Working Lives', Centre for Ageing Better. Intergenerational Commission, (2018)

24 PwC, 'PwC Golden Age Index: Unlocking a Potential \$3.5 Trillion Prize from Longer Working Lives', (2018), accessed via: www.pwc.co.uk/economic-services/golden-age/golden-age-index-2018-final-sanitised.pdf [Date accessed: 24/01/19]

at 76 per cent.²⁵ The UK employment rate of 55–65-year olds stands at 64.1 per cent,²⁶ 19.9 percentage points lower than Iceland. This is, however, above the average employment rate of 55–64-year olds in Europe of 49.2 per cent.²⁷

By 2025, there will be 1,600,000 workers aged 50–65.

In 2014, the International Longevity Centre (ILC) released a report on ‘The Missing Million,’ a silent cohort of over 50’s in the UK who are not working but would like to.²⁸ Despite notable policy changes, such as the abolition of the default retirement age, the over 50s continue to face significant barriers in the world of work. The Government acknowledges in its Fuller Working Lives strategy that ‘there are almost one million individuals aged 50–64 who are not in employment but state they are willing to or would like to work’. Despite notable increases in the employment rate of older people, not all older people have equal access to employment.

The ILC indicated several reasons for over 50s leaving work involuntarily, including redundancy (particularly among lower skilled and low paid workers), lack of appropriate skills, being unable to balance work with caring responsibilities and chronic health conditions.²⁹

UK employment rates for older people are comparatively low compared to other OECD countries.

Professor Peter Buckle, Government Office of Science

In 2018 the Women and Equalities Committee accused the government of failing to enforce age discrimination laws and criticised employers for failing to introduce more age-friendly employment practices. While the Equality Act legally protects people from discrimination in the workplace, The Centre for Ageing Better highlights the prevalence of age discrimination in the workplace and in recruitment practices.

The CIPD also acknowledges the workings of pull factors: economic incentives that encourage people to leave the workforce voluntarily.³⁰ Their research, however, similarly suggests that much of the economic inactivity among older people is involuntary, driven by disabilities, ill health and informal caring responsibilities.³¹

25 Ibid

26 Ibid

27 Ibid

28 ILC (International Longevity Centre UK), ‘The Missing Million’, October 2014, accessed via: <https://ilcuk.org.uk/the-missing-million/>

29 ILC (International Longevity Centre UK), ‘The Missing Million’, October 2014, accessed via: <https://ilcuk.org.uk/the-missing-million/>

30 CIPD, ‘Avoiding the Demographic Crunch: Labour Supply and the Ageing Workforce’. Policy Report, (June 2015), accessed via: www.cipd.co.uk/knowledge/work/trends/ageing-workforce-report

31 Ibid

Who is working longer?

Davies et al.'s study exploring the interaction between one's job, retirement evaluations and socio-economic status found that lower household incomes are associated with later retirement ages.³² Those in households with low incomes have less opportunity to amass sufficient financial resources,³³ are less likely to have engaged in formal and informal financial planning,³⁴ and so may need to work longer than those on a higher income. Researchers at the Resolution Foundation found that almost half of the highest fifth earners retire before state pension age, whilst less than a third of low- and middle-income earners retire before state pension age.³⁵

Despite this, those with lower household incomes are more likely to face challenges in the form of disability, health problems, un-paid caring responsibilities and poor-quality work, and are therefore at greater risk of withdrawing from work involuntarily.³⁶ Low income households, therefore, have the greatest need to remain in work, but also face the highest barriers to working. This will be discussed further in the next chapter.

Regional variation of older workers

There are significant differences in the length of working lives across the UK. The South East has the highest employment rate at 75.3 per cent, followed by the South West at 74.5 per cent. The lowest rate of employment for 50–64-year olds is in Northern Ireland at 63.2 per cent, followed by the North East at 66.4 per cent.³⁷ Research suggests that the level of regional variation in employment levels for people aged 50 to SPA is more than twice that of younger workers.³⁸

For those aged 65 and over, London and the South East have the highest percentage of men in employment, at 16.9 per cent. The North East has the lowest percentage of men working at aged 65+, at 9.5 per cent. Similarly, for women, London has the highest rate of employment at 10.0 per cent, but Northern Ireland has the lowest at 5.3 per cent.

32 Davies, E. Van der Heijden, B. I. J. M. and Flynn, M., 'Job Satisfaction, Retirement Attitude and Intended Retirement Age: A Conditional Process Analysis Across Workers Level of Household Income', *Frontiers in Psychology* (2018)

33 Mein, G., Martikainen, P. Stansfeld, S. A., Brunner, E. J., Fuhrer, R. and Marmot, M. G., 'Predictors of Early Retirement in British Civil Servants', *Age and Ageing*. Vol. 29, pp. 529–36, (2000)

34 Taylor, M. and Geldhauser, H., 'Low Income Older Workers' In Shultz, K. and Adams, G. (Eds.) *Ageing and Work in the 21st Century*. Mahwah, NJ: Erlbaum (2007)

35 Finch, D. and Rose, H., 'A Mid Life Less Ordinary? Characteristics and Incomes of Low-to-Middle Income Households Age 50 to State Pension Age', Resolution Foundation: Briefing. (May 2017)

36 Thomson, 'A Silver Lining for the UK Economy: The Intergenerational Case for Supporting Longer Working Lives', Centre for Ageing Better. Intergenerational Commission, (2018)

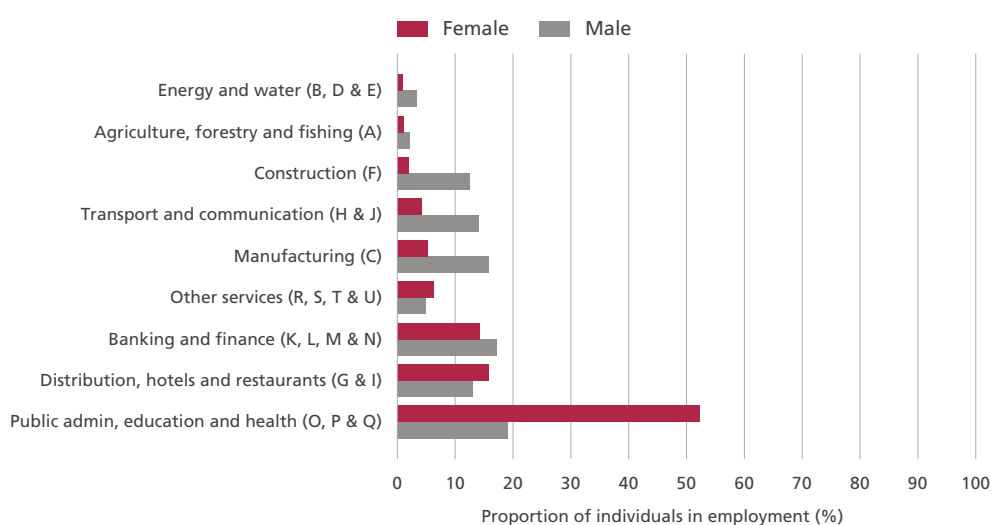
37 Ibid

38 Cory, G., 'Unfinished Business: Barriers and opportunities for older workers', Resolution Foundation, (2012), accessed via: http://resolutionfoundation.org/wpcontent/uploads/2014/08/Unfinished_Business_FINAL_3.pdf

Industry distribution of older workers

The graph below suggests that public administration, education and health are the sectors that are the most reliant on older workers aged 50–64 years old.³⁹ For men there is a relatively equal spread of employment across all sectors, however over 50 per cent of women aged 50 to 64 years old work in public administration, education and health.⁴⁰ The CIPD's analysis of the age profiles of different industries came to similar conclusions but also note that whilst these sectors are the most reliant on older female workers, they are also relatively bad at retaining them.⁴¹

Figure 5: Distribution of 50–64-year-olds across industry sectors



Source: Fuller working lives evidence base, 2017, chart 4.9

The table below shows the percentage of workers aged over 50 across 18 industry groups.⁴² Those aged over 50 make up 36.7 per cent of education employees, 36.2 per cent of health and social work employees and 33.1 per cent of public admin and defence employees.⁴³ In addition, those aged over 50 make up 39.0 per cent (560,982) of transport and storage, 33.8 per cent (1,041,542) of manufacturing, 33.1 per cent (733,035) of construction, 36.5 per cent (75,149) per cent of water supply and sewage and 34.6 per cent (43,507) of mining and quarrying employees. Yet all of these industries listed have a percentage fall in employment of over 50 per cent at age range 60–64 relative to age range 45 to 49.

39 House of Commons, 'Women and Equalities Committee: Older People and Employment'. Fourth Report of Session 2017–19, (2018)

40 Ibid

41 CIPD, 'Avoiding the Demographic Crunch: Labour Supply and the Ageing Workforce', Policy Report, (June 2015), accessed via: www.cipd.co.uk/knowledge/work/trends/ageing-workforce-report

42 CIPD, 'Avoiding the Demographic Crunch: Labour Supply and the Ageing Workforce', Policy Report, (June 2015), accessed via: www.cipd.co.uk/knowledge/work/trends/ageing-workforce-report

43 Ibid

Table 1: The workforce challenge of ageing for different industry groups

Industry group	% aged over 50	Number aged over 50	% fall in employment age 60–64 relative to 45–49	Relative rank of industry
Education	36.7	1,241,940	-53.1	1
Health and social work	36.2	1,559,676	-52.0	2
Public admin and defence	33.1	617,015	-68.4	3
Transport and storage	39.0	560,982	-51.1	4
Manufacturing	33.8	1,041,542	-52.7	5
Construction	33.1	733,035	-53.0	6
Water supply, sewage ...	36.5	75,149	-53.8	7
Mining and quarrying	34.6	43,507	-57.7	8
Financial and insurance activities	22.6	251,816	-72.0	9
Information and communications	25.0	281,480	-68.0	10
Professional, scientific and technical	32.7	691,142	-47.7	11
Accommodation and food services	20.3	315,099	-45.3	12
Wholesale, retail	29.9	1,202,388	-39.6	13
Agriculture	50.3	211,604	-15.6	14
Admin and support services	34.3	495,062	-38.8	15
Real estate activities	41.7	153,594	-31.4	16
Electricity, gas, etc	29.2	54,714	-61.0	17
Art, entertainment and recreation	28.9	218,196	-41.9	18

Source: ONS Labour Force Survey Q2 2014. Proportions and numbers are indicative only

The prevalence of self-employment has increased for all age groups.⁴⁴ The economic downturn, however, saw a dramatic rise in the number of those aged 65 and over moving into self-employment. Between 2001 and 2016, the number of self-employed amongst this demographic increased from 159,000 to 469,000.⁴⁵ Overall, older age groups are more likely to be self-employed.⁴⁶ Historically the self-employed were mainly male, aged over 50 and were concentrated in specific industries such as agriculture and construction.⁴⁷ As self-employment has become more common, there has been an increase in the proportion of female self-employed and a broader range of industries involved.⁴⁸

44 ONS, 'Trends in Self-Employment in the UK: Analysing Characteristics, Income and Wealth of the Self Employed', (2018), accessed via: www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/trendsinsel-femploymentintheuk/2018-02-07#the-characteristics-and-income-of-the-self-employed

45 Ibid

46 CIPD, 'MedaTrends: More Selfies?: A Picture of Self-Employment in the UK', (2018), accessed via: www.cipd.co.uk/Images/more-selfies_2018-a-picture-of-self-employment-in-the-UK_tcm18-37250.pdf

47 Ibid

48 Ibid

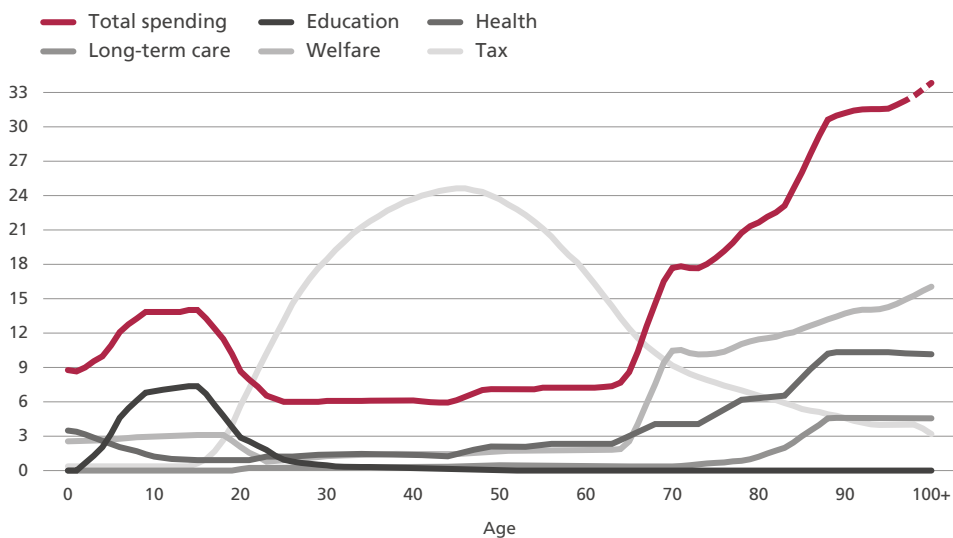
chapter two

Benefits and challenges of an ageing population

Fiscal impacts: pensions and out of work benefits

The demographic shift to an older population raises concerns over the fiscal stability of the UK in the future. As the graph below shows, total spending on individuals increases as they age.

Figure 6: Representative profiles for tax, public services, and welfare spending, 2021 to 2022, UK



Source: Fiscal sustainability report, January 2017, Office for Budget Responsibility

The state pension is the largest single item of welfare spending in the UK, accounting for 42 per cent of all welfare spending in the UK in 2018.⁴⁹ Spending on the state pension has increased from £17 billion in 1985–86 to £92 billion in 2016–17⁵⁰ in line with inflation, but rising life expectancy along with post-war baby boomers reaching SPA have increased this figure.⁵¹ This represents an increase from 3.9 per cent of GDP to 4.6 per cent GDP. This is

49 OBR (Office for Budget Responsibility), 'An OBR Guide to Welfare Spending', (2018), accessed via: https://obr.uk/docs/dlm_uploads/An-OBR-guide-to-welfare-spending-March-2018.pdf

50 Ibid

51 Ibid

lower than the OECD average of 8.2 per cent of GDP, but significantly higher than Iceland, where 2 per cent of GDP is spent on the state pension.⁵² In 2018, the Office for Budget Responsibility predicted that spending on the state pension is predicted to rise by 1 per cent of GDP, to 5.6 per cent of GDP by 2023.⁵³ This will amount to an increase by £20 billion.

This demographic change has resulted in a decreased proportion of working age people, which presents significant fiscal challenges. The table below shows the changing age distribution of the UK population, ranging from 1974 to 2039.⁵⁴ As the table shows, the proportion of the UK population at traditional working age, from 16 to 64 years of age, is projected to decline in future years, whilst the proportion of those aged 65 and over is projected to continue to increase. This will result in a lower fiscal support ratio, where the proportion of taxpayers to beneficiaries decreases. This is likely to impose a significant strain on public finances.

Table 2: Age distribution of the UK population, 1974–2039 (projected)

	Population aged 0–15 (%)	Population aged 16–64 (%)	Population aged 65 and over (%)
1974	25.2	61.0	13.8
1984	21.0	64.1	14.9
1994	20.7	63.4	15.8
2004	19.5	64.5	15.9
2014	18.8	63.5	17.7
2024	19.0	61.1	19.9
2034	18.1	58.5	23.3
2039	17.8	57.9	24.3

Source: Office for National Statistics

The Office for Budget Responsibility’s long-term projections state that age related spending will increase from 23.0 per cent to 26.2 per cent of GDP between 2025 and 2065.⁵⁵ This projection includes pensions spending, health spending, long-term care spending and education spending.⁵⁶

As a result of this demographic change, the old age dependency ratio (OADR), a ratio of the number people over 65 years and the number of people aged between 16 and 64, is increasing.⁵⁷ The value is expressed per 100 persons of working age.⁵⁸ In 1996, only

52 OECD, ‘Pensions at a Glance: Country Profiles: Iceland’, (2017), accessed via: www.oecd.org/els/public-pensions/PAG2017-country-profile-Iceland.pdf

53 OBR (Office for Budget Responsibility), ‘An OBR Guide to Welfare Spending’, (2018), accessed via: https://obr.uk/docs/dlm_uploads/An-OBR-guide-to-welfare-spending-March-2018.pdf

54 ONS, ‘Overview of the UK Population: February 2016’, (2016), accessed via: www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/articles/overviewoftheukpopulation/february2016#how-are-the-characteristics-of-the-uk-population-changing

55 Office for Budget Responsibility (OBR) ‘Age-Related Spending in Europe’, Fiscal Sustainability Report, (July 2018), accessed via: <https://obr.uk/box/age-related-spending-in-europe/>

56 Ibid

57 Eurostat, ‘Old Age Dependency Ratio: Per 100 Persons’, (2018), accessed via: <https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tps00198&plugin=1> [Date accessed: 26/02/19]

58 Ibid

a few areas of the UK had over 25 per cent of their local population aged 65 and over, but by 2036, over half of local authorities are projected to have 25 per cent or more of their population aged 65 and over.⁵⁹ The UK's current OADR stands at 28.6,⁶⁰ and this is predicted to increase to 48 by 2050.⁶¹

The fiscal impacts of the ageing population are compounded by early withdrawal from work, many of whom make up 'The Missing Million'. Early withdrawal from the workforce results in reduced income tax, increased expenditure of out of work benefits, early demand on private savings and pensions and increased reliance on the state to meet costs of living later in life. The DWP currently spends approximately £7 billion per year on the main out of work benefits for people aged 50 to SPA.⁶²

While Lee and Mason's (2014) research on low fertility recognises the real fiscal pressures of an ageing population, it is less pessimistic. Their research in Japan, where in 2016 those aged over 65 comprised 26.5 per cent of the population,⁶³ found that capital output had risen, and standards of living continue to increase at favourable rates.⁶⁴ They suggested that the effect of low fertility on the number of workers and taxpayers has been offset by greater human capital investment and reduced capital costs of equipping new workers.⁶⁵ In addition, their research found that the moderately low birth rate meant families did not have to stretch their income to raise their children, enabling families to maintain their standard of living, even with an ageing population.⁶⁶ This, combined with longer working lives, enables a greater accumulation of assets, which when invested, can boost productivity.

In 1996, only a few areas of the UK had over 25 per cent of their local population aged 65 and over, but by 2036, over half of local authorities are projected to have 25 per cent or more of their population aged 65 and over. The UK's current OADR stands at 28.6, and this is predicted to increase to 48 by 2050.

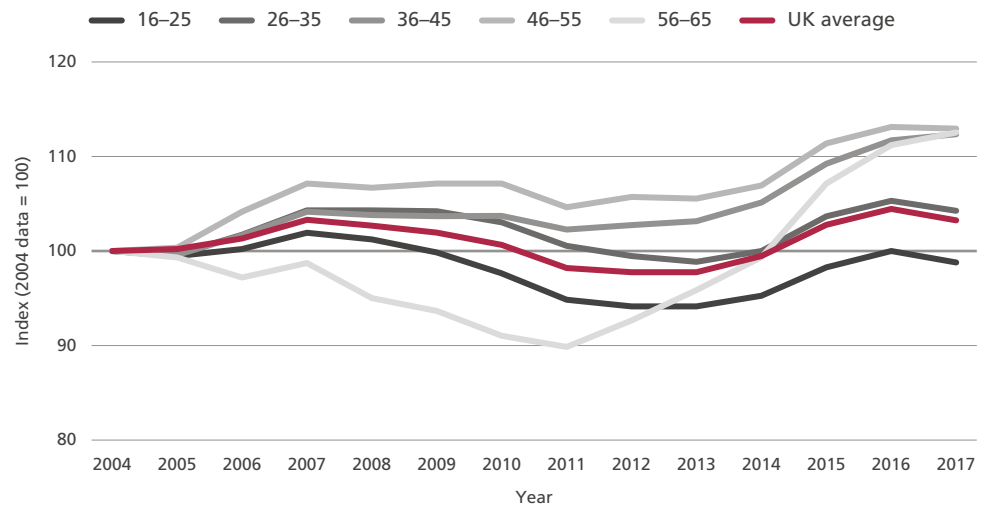
OECD

Furthermore, according to the ONS's income based human capital measurements, old age groups' capital stocks have shown the highest growth. Human capital is defined as 'the stock of skills, knowledge and experience of an individual or population, which can productively be applied in the economy and is widely referred to as one of the main drivers

-
- 59 ONS, 'Overview of the UK Population: February 2016', (2016), accessed via: www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/articles/overviewoftheukpopulation/february2016#how-are-the-characteristics-of-the-uk-population-changing
- 60 Eurostat, 'Old Age Dependency Ratio: Per 100 Persons', (2018), accessed via: <https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tps00198&plugin=1> [Date accessed: 26/02/19]
- 61 OECD, 'Old Age Dependency Ratio: Demographic and Economic Context', (2017), accessed via: www.oecd-ilibrary.org/docserver/pension_glance-2017-22-en.pdf?expires=1559215453&id=id&accname=guest&checksum=C882B0B69A6EE6B61A53343F99221AA2
- 62 Thomson, 'A Silver Lining for the UK Economy: The Intergenerational Case for Supporting Longer Working Lives', Centre for Ageing Better. Intergenerational Commission, (2018)
- 63 World Bank, 'Population Ages 65 and Above (% of total)', (2017), accessed via: https://data.worldbank.org/indicator/SP.POP.65UP.TO.ZS?contextual=default&end=2016&locations=JP-GB-IT-RU-FI&name_desc=true&start=1960&view=chart
- 64 Lee, R., and Mason, A., 'Is Low Fertility Really a Problem? Population Ageing, Dependency and Consumption', *Science*. Vol. 346, Issue 6206, (2014)
- 65 Ibid
- 66 Lee, R., and Mason, A., 'Is Low Fertility Really a Problem? Population Ageing, Dependency and Consumption', *Science*. Vol. 346, Issue 6206, (2014)

of economic growth'.⁶⁷ The graph below, which assumes a retirement age of 65, shows an increase of over 10 per cent in per person stock of both the 46–55 age group and the 56–65 age group in the 13 years between 2005 and 2017. This suggests that harnessing a greater quantity of the human capital of older people could contribute greatly to the UK economy.

Figure 7: Real full human capital stock values per capita, by age group, UK, 2004–2007



Source: Office for National Statistics, Annual Population Survey, Labour Force Survey

Indeed, research by the DWP and the National Institute for Economic and Social Research suggests that halving the employment gap between workers aged 50 to SPA and those in their late 40s could result in GDP growth of 1 per cent.⁶⁸ This would amount to £20 billion per year at 2017 prices.⁶⁹ The Centre for Ageing Better call this a ‘fiscal win-win’; increasing tax revenues whilst also reducing or deferring demand for state support.⁷⁰ While the UK has made gradual progress in increasing older worker employment, PwC’s Golden Age Index suggests that improvements in the employment rate of those aged 55–64 to New Zealand’s level of 78 per cent, could boost GDP by 9 per cent in the long run, equivalent to around £180 billion today. This could be especially important as the SPA increases.

67 ONS, ‘Overview of the UK Population: February 2016’, (2016), accessed via: www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/articles/overviewoftheukpopulation/february2016#how-are-the-characteristics-of-the-uk-population-changing

68 Department for Work and Pensions, ‘Fuller Working Lives: Evidence Base 2017’, (2017), accessed via: www.gov.uk/Government/publications/fuller-working-lives-evidence-base-2017

69 Ibid

70 Ibid

Healthcare costs and inequality

Today's older people are healthier than ever and score higher on cognitive tests.⁷¹ Alan Walker, professor of social policy and social gerontology at the University of Sheffield claims that 'for many people, 70 is the new 50'.⁷² Research by scientists at King's College suggests that ageing does not have to bring poor health and frailty and that keeping physically active significantly reduces the effects of ageing.⁷³

In addition, Healthy Life Expectancy is not keeping up with Life Expectancy. Healthy life expectancy is 'the average number of years that an individual is expected to live in a state of self-assessed good or very good health, based on current mortality rates and prevalence of good or very good health'. An ageing workforce still presents certain challenges related to health, including deterioration of visual acuity, hearing loss, decline in respiratory and cardiovascular functions, reduced muscle grip and strength.⁷⁴ With age, cognitive abilities such as working memory, reasoning and attention have been found to decline.⁷⁵ Ageing is the predominant risk factor for most diseases and conditions that limit healthspan.⁷⁶ Neurodegenerative diseases are particularly age related.⁷⁷

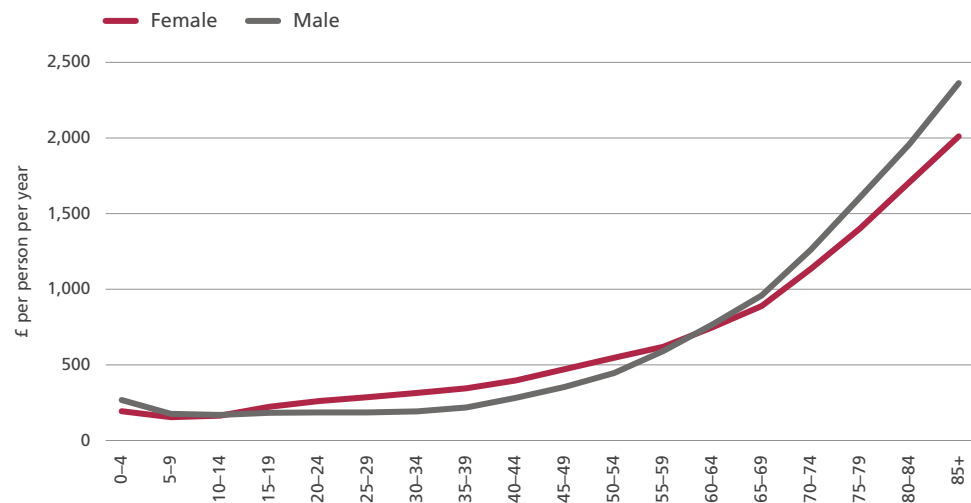
The Office for Budget Responsibility (OBR) projects expenditure to increase from 7.3 per cent to 8.3 per cent of GDP for health and from 1.1 per cent to 2.2 per cent of GDP for long-term care between 2015 and 2065.

OBR

Therefore, the ageing population will result in an increased demand for healthcare services. 44 per cent of people aged 50 to SPA have at least one long-term health condition.⁷⁸ The graph below shows this increase in cost by age in the NHS. Average hospital spending for an 89-year-old man is around three times higher than the average spending for a 70-year-old, and almost nine times more than a 50-year-old.⁷⁹

-
- 71 Sanderson, W. and Scherbov, S., 'If 75 is the New 65, We Need to Rethink What it Means to be Old', World Economic Forum, (April 2019)
- 72 Walker, A. in The Telegraph, 'Old Age Does Not Begin Until 74. Researchers Suggest in a New Report Which Looks at the Real Impact of an Ageing Population', (April 2015), accessed via: www.telegraph.co.uk/science/2016/03/15/old-age-does-not-begin-until-74-researchers-suggest-in-a-new-rep/
- 73 Pollock, R. D., Carter, S., Velloso, C. P., Duggal, N. A., Lord, J. M., Lazarus, N. R. and Harridge, S. D. R., 'An Investigation into the Relationship Between Age and Physiological Function in Highly Active Older Adults', *The Journal of Physiology Vol. 593, Issue 3*, (January 2015)
- 74 Government Office for Science, 'Future of an Ageing Population', (2016), accessed via: www.ageing.ox.ac.uk/files/Future_of_Ageing_Report.pdf
- 75 Health and Safety Executive, 'An update of the literature on age and employment'. Research Report RR832. HSE: London. (2011), accessed via: www.hse.gov.uk/research/rrpdf/rr832.pdf
- 76 Franceschi, C., Graragnani, P., Morsiani, C., Conte, M., Santoro, A., Grignolio, A., Monti, D., Capri, M. and Salvioli, S., 'The Continuum of Ageing and Age-Related Diseases: Common Mechanisms but Different Rates', *Frontiers in Medicine*, (March 2018)
- 77 Medical Research Council (MRC), 'Neurodegenerative Diseases and Dementia', (2018), accessed via: <https://mrc.ukri.org/funding/science-areas/neurosciences-mental-health/our-science-and-contacts-nmhb/neurodegenerative-diseases-and-dementia/>
- 78 Department for Work and Pensions, 'Fuller Working Lives: Evidence Base 2017', (2017), accessed via: www.gov.uk/Government/publications/fuller-working-lives-evidence-base-2017
- 79 Institute for Fiscal Studies (IFS), 'Public Hospital Spending in England: Evidence from National Health Service Administrative Records', IFS Working Paper W15/21, (2015)

Figure 8: NHS general and acute care age–cost curve, 2013–2014, England



Source: Technical Guide to Allocation Formulae and Pace of Change, 2016–2017, NHS England

The Office for Budget Responsibility (OBR) projects expenditure to increase from 7.3 per cent to 8.3 per cent of GDP for health and from 1.1 per cent to 2.2 per cent of GDP for long-term care between 2015 and 2065.⁸⁰ As the population ages, multi-morbidity will be a key driver for social care costs.⁸¹ The Lancet Public Health (2017) IMPACT-Better Ageing Model report predicts that between 2015 and 2025, the number of older people with care needs will expand by 25 per cent.⁸²

Deteriorations in health are most likely to impact those in the bottom 20 per cent of the income distribution. Life expectancy across the UK is not equal. Between 2014 and 2016, the gap in life expectancy between the most and least deprived areas of England was 9.3 years for males and 7.3 years for females.⁸³ Even more stark is the inequality between Life Expectancy and Healthy Life Expectancy across deprivation levels. The gap in healthy life expectancy between the most and least deprived areas of England was around 19 years for both males and females in 2014 to 2016,⁸⁴ as the graph below shows for males. This inequality in Healthy Life Expectancy has not changed since 2011. Similarly, the ONS state a healthy life expectancy gap of 18.5 years.⁸⁵ The graph below shows that those living in the most deprived areas are spending nearly a third of their lives in poor health compared with only about a sixth of those in the least deprived areas. The poorest fifth of

80 OBR, 'Fiscal Sustainability Report', (June 2015), accessed via: <http://budgetresponsibility.org.uk/fsr/fiscalsustainability-report-june-2015/>

81 Kasteridis, P. et al., 'Who Would Most Benefit from Improved Integrated Care? Implementing an Analytical Strategy in South Somerset' *International Journal of Integrated Care* 15 1–11, (2015)

82 The Lancet Public Health, 'Forecasted Trends in Disability and Life Expectancy in England and Wales up to 2025: A Modelling Study', (2017), accessed via: [www.thelancet.com/journals/lanpub/article/PIIS2468-2667\(17\)30091-9/fulltext?elsca1=tlpr](http://www.thelancet.com/journals/lanpub/article/PIIS2468-2667(17)30091-9/fulltext?elsca1=tlpr)

83 GOV.UK 'Chapter 5: Inequalities in Health', Public Health England, (September 2018), accessed via: www.gov.uk/Government/publications/health-profile-for-england-2018/chapter-5-inequalities-in-health

84 GOV.UK 'Chapter 5: Inequalities in Health', Public Health England, (September 2018), accessed via: www.gov.uk/Government/publications/health-profile-for-england-2018/chapter-5-inequalities-in-health

85 ONS, 'Health State Life Expectancies by National Deprivation Deciles, England and Wales 2014 to 2016', (2018), accessed via: www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthinequalities/bulletins/healthstatelifeexpectanciesbyindexofmultipledeprivationimd/englandandwales2014to2016

the population experiences worse physical and mental health and they are also more likely to have a disability.⁸⁶ This has significant implications for the accessibility of work for those in the bottom 20 per cent of income distribution.

Figure 9: Slope index of inequality in life expectancy and healthy life expectancy at birth, males, England, 2014–2015



Source: Public Health Outcomes Framework

Relatedly, disability increases with age. Disability outlined by the Equality Act 2010 is 'a physical disability or mental impairment which has a long-term (a year or more) and substantial adverse effect on their ability to carry out normal day-to-day activities'.⁸⁷ Only 17 per cent of people are born with their disability.⁸⁸ The majority of people acquire their disability later in life, as shown by the graph below. As the CSJ's 2017 *Rethinking Disability at Work* contends, more employment support is needed for this group of people.⁸⁹

Health benefits of working longer

There is substantial research indicating that working longer has positive impacts on health and wellbeing.⁹⁰ For many, work provides structure to life and important social networks⁹¹ that can provide a sense of purpose and self-esteem,⁹² as well as supporting

86 JRF (Joseph Rowntree Foundation), 'UK Poverty 2017: A Comprehensive Analysis of Poverty Trends and Figures', Report by the JRF Analysis Unit, (2017)

87 GOV.UK, 'Equality Act 2010: Guidance', (2013), accessed via: www.gov.uk/guidance/equality-act-2010-guidance

88 DLF, 'Key Facts'. (2018) Accessed via: www.dlf.org.uk/content/key-facts

89 Centre for Social Justice, 'Rethinking Disability at Work: Recommendations, Polling Data and Key Statistics.' (2017)

90 ONS, 'Living Longer: Fitting it all in – Working, Caring and Health in Later Life: An Overview of Two Barriers to Working at Older Ages – Health and Caring', (2018), accessed via: www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/ageing/articles/livinglongerhowourpopulationischangingandwhyitmatters/fittingitalinworkingcaringandhealthinlaterlife

91 Buckle, P., Woods, V., Oztug, O. and Stubbs, D., 'Workplace Design for the Older Research Capacity' (SPARC): Guildford, University of Surrey, Taylor Francis, 3–7, (2008)

92 Black C., 'Working for a healthier tomorrow: Dame Carol Black's Review of the health of Britain's working age population', Presented to the Secretary of State for Health and the Secretary of State for Work and Pensions March 2008. London, TSO, (2008)

health through mental, social and physical stimulation.⁹³ Scientists from Brigham Young University conducted a meta analytic review that found that individuals lacking social connections are at risk from premature mortality.⁹⁴ Their research found that changes in social networks related to an individual's transition out of full-time employment often resulted in a decrease in socialisation in occupational and public forums.⁹⁵ The reduction in face-to-face interactions with people throughout their day resulted in poorer health and decreased longevity.⁹⁶ Hence the Marmot Review included creating job opportunities for all in their framework to reduce health inequalities in the UK.⁹⁷

The Institute of Economic Affairs 2013 report on working longer found that retirement has a detrimental impact on both mental and physical health over time.⁹⁸ Their report found that retirement decreases the likelihood of being in 'very good' or 'excellent' self-assessed health by approximately 40 per cent, whilst increasing the probability of suffering clinical depression by approximately 40 per cent.⁹⁹ In addition, Rohwedder and Willis's 2010 study *Mental Retirement*, a report studying multiple nationalities, found that early retirement has a significant negative impact on the cognitive ability of people in their early 60s.¹⁰⁰ Relatedly, Dufouil et al.'s 2014 research in France found strong evidence of a significant decrease in the risk of developing dementia associated with older age retirement.¹⁰¹ This suggests that working longer has the potential to preserve physical and mental wellbeing and to defer, and possibly decrease, illness and associated health care costs.

Despite this, it is important to recognise that working up to and past state pension age might not be beneficial for everyone. The benefits of working longer very much depend on the individual and on the quality of work. Indeed, a study by the University of Manchester found that formerly unemployed adults who transitioned into poor quality work had greater adverse health outcomes compared with those who remained unemployed.¹⁰² Suffering stress at work in the form of job-strain, effort-reward imbalance and organisational injustice has been recognised as a risk factor for cardiovascular disease.¹⁰³

The occupational distribution of the bottom 20 per cent, particularly of males, means that declining physical capacity has the potential to disproportionately impact this group. For an ageing population this is particularly relevant as physical stressors are a potential cause of ill health and withdrawal from work. 25.6 per cent of elementary occupation jobs, which

93 Waddell G and Burton K, 'Is work good for your health and wellbeing?' Department for Work and Pensions, London, TSO Publications, (2006)

94 Holt-Lunstad, J. Smith, T. B., Baker, Mark, Harris, T. and Stephenson, D. 'Loneliness and Social Isolation as Risk Factors for Mortality: A Meta-Analytic Review', *Perspectives on Psychological Science*, (March 2015)

95 Holt-Lunstad, J. Smith, T. B., Baker, Mark, Harris, T. and Stephenson, D. 'Loneliness and Social Isolation as Risk Factors for Mortality: A Meta-Analytic Review', *Perspectives on Psychological Science*, (March 2015)

96 Ibid

97 Marmot, M., 'Fair Society, Healthy Lives: The Marmot Review,' *Strategic Review of Health Inequalities in England Post-2010*, (February 2010)

98 IEA (Institute of Economic Affairs), 'Working Longer, Live Healthier: The Relationship Between Economic Activity, Health and Government Policy', Gabriel H. Sahlgren. AEF Age Endeavour Fellowship, (2013)

99 IEA (Institute of Economic Affairs), 'Working Longer, Live Healthier: The Relationship Between Economic Activity, Health and Government Policy,' Gabriel H. Sahlgren. AEF Age Endeavour Fellowship, (2013)

100 Rohwedder, S. and Willis, R. J., 'Mental Retirement', *Journal of Economic Perspectives*. Vol. 24, No. 1, pp. 119–138, (2010)

101 Dufouil, C., Pereira, E., Chene, G., Glymour, M., Alperovitch, A. and Saubusse, E., 'Older Age at Retirement is Associated with Decreased Risk of Dementia', *European Journal of Epidemiology* Vol. 29, Issue 5, pp. 353–361, (2014)

102 Chandola, T. and Zhand, N., 'Re-Employment, Job Quality, Health and Allostatic Biomarkers: Prospective Evidence from the UK Household Longitudinal Study'. *International Journal of Epidemiology*. Vol. 47, Issue 1, pp. 47–57 (2018)

103 Jaskanwal, S. D., Prasad, M., Eleid, M. F., Zhang, M., Widmer, J. and Lerman, A., 'Association Between Work-Related Stress and Coronary heart Disease: A Review of Prospective Studies Through the Job Strain, Effort-Reward Balance, and Organisational Justice Models', *Journal of American Heart Association*, (2018)

often require physical exertion, are paid within 2 per cent of the NLW, compared to just 0.4 per cent of professional occupations.¹⁰⁴ Similarly, McNair et al.'s research found that declining physical capacity and health has the potential to disproportionately affect those in low paid manual occupations¹⁰⁵ which require a certain standard of physical strength.¹⁰⁶ Indeed, according to survey data, over 45 per cent of dismissals/redundancies for men aged 50–64 years old in the construction industry are due to health reasons.¹⁰⁷ There is scope for Government and employers to provide better support for this group of people.

Early retirement has a significant negative impact on the cognitive ability of people in their early 60s.

Rohwedder and Willis (2010)

Despite potential health complications, however, older workers are not at a higher risk of accidents. In fact, there is evidence to suggest that older workers are generally less likely to have accidents than younger workers.¹⁰⁸ Accidents involving older workers, however, can result in more serious injury and involve time off work.¹⁰⁹ This correlation, however, is perhaps caused by older workers being employed in higher risk occupations.¹¹⁰ Workers aged over 50 make up 50.3 per cent of workers in the agricultural sector¹¹¹ which, according to the Health and Safety Authority (HSA) has the highest rate of injuries at 30 per 1000 workers.¹¹² The HSA, however, has found that workers aged 65+ are disproportionately likely to experience fatal accidents compared with other age groups.¹¹³

Unpaid caring

Furthermore, the increasing OADR will also impact the demand for unpaid informal carers. Unpaid carers perform a vital role in supporting the social care system. As the population ages, it is likely that the demand for unpaid carers will also increase. This is likely to disproportionately impact women who have an increased likelihood of providing informal care and often have a weaker labour market attachment. In the UK, 15.2 per cent of the

104 ONS, 'Earnings and Low Pay: Distributions and Estimates from the Labour Force Survey', (2017), accessed via:

www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/earningsandlowpay/distributionsestimatesfromthelabourforcesurvey

105 McNair, S., Flynn, S., Myerson, J., Gheerawo, R. and Ramster, G., 'What are the Supply (Workforce) and Demand (Product) Implications of an Ageing Society?' Future of Manufacturing Project: Evidence Paper 22. Foresight, Government Office for Science, (2012) Accessed via: www.gov.uk/Government/uploads/system/uploads/attachment_data/file/283896/ep22-ageingsociety-implications-manufacturing.pdf

106 Sluiter, J., 'High-demand jobs: Age related diversity in work ability?', *Applied Ergonomics* 37, 429–440, 2006

107 Department for Work and Pensions, 'Fuller Working Lives: Evidence Base 2017', (2017) Accessed via: www.gov.uk/Government/publications/fuller-working-lives-evidence-base-2017

108 Robertson, A. And Tracey C.S., 'Health and productivity of older workers *Scandinavian Journal of Work and Environmental Health*', Vol. 24 (2) pp. 85–97 (1998)

109 Health and Safety Executive, 'An update of the literature on age and employment'. Research Report RR832. HSE: London. (2011), accessed via: www.hse.gov.uk/research/rrpdf/rr832.pdf

110 Robertson, A. And Tracey C.S., 'Health and productivity of older workers *Scandinavian Journal of Work and Environmental Health*', Vol. 24 (2) pp. 85–97 (1998)

111 CIPD, 'Avoiding the Demographic Crunch: Labour Supply and the Ageing Workforce', Policy Report, (June 2015), accessed via: www.cipd.co.uk/knowledge/work/trends/ageing-workforce-report

112 Health and Safety Authority (HSA), 'Summary of Workplace Injury, Illness and Fatality Statistics', (2017), accessed via: www.hsa.ie/eng/Publications_and_Forms/Publications/Corporate/HSA_Stats_Report_2017.pdf

113 Ibid

population are working as informal carers and one in five people aged 50–64 are informal carers. The role played by families is vital. 73 per cent of disabled people over 65 receive some care from a spouse or other family members.¹¹⁴

Caring has a significant financial impact on households and the Resolution Foundation found that those in their late 50s and 60s experience the biggest loss in earnings due to caring.¹¹⁵ On average carers over the age of 55 face a penalty of £12,000 to £13,000. This is £1,000 to £2,000 more than younger carers.¹¹⁶ Individuals in low to middle income families are more likely to provide intense care, measured at more than twenty hours per week.¹¹⁷ The more hours spent caring, the less likely that carer is to be in work.¹¹⁸ Evidence shows that carers who withdraw from work often do not return. Recognising and addressing the needs of these informal carers is critical, especially as the demand on informal caring continues to grow.

Workforce productivity

Much of the concern about the economic challenges of an older population arises from the assumption that older workforces are less productive than younger workforces. While in some areas, there is evidence to suggest that human function and performance can deteriorate with age, there is no consistent evidence to suggest that older workers are less productive than younger workers.¹¹⁹ Indeed, Metcalf and Meadows argue that there is extensive evidence to suggest that older workers are equally effective at work as younger workers.¹²⁰ Similarly, the DWP note that there are no age detriments in productivity or success in training and that older workers offset any reduction in speed with experience.¹²¹ Older workers have been found to be more reliable, more organised, more committed,¹²² less tardy and less likely to engage in counterproductive work behaviours.¹²³ Age is linked to higher motivation and satisfaction at work.¹²⁴ A diverse workforce provides a wider pool of talent, a greater access to skills and enhanced creativity and innovation.

In relation to the service industry, Johnson *et al.* found that older service workers have superior social and emotional competencies, better emotional control and reduced exposure to customer stressors.¹²⁵ Indeed, research by Lancaster University Management

114 Government Office for Science, 'Future of an Ageing Population', (2016)

115 Cory, G., 'Unfinished Business: Barriers and opportunities for older workers', Resolution Foundation, (2012), accessed via: http://resolutionfoundation.org/wpcontent/uploads/2014/08/Unfinished_Business_FINAL_3.pdf

116 Ibid

117 Ibid

118 Ibid

119 Health and Safety Executive, 'An update of the literature on age and employment'. Research Report RR832. HSE: London. (2011), accessed via: www.hse.gov.uk/research/rrpdf/rr832.pdf

120 Metcalf, H. and Meadows, P., 'Second survey of employers' policies, practices and preferences relating to age', Employment Relations Research Series No. 110. BIS/DWP: London. (2010)

121 Department for Work and Pensions, 'Employing older workers: An employer's guide to today's multi-generational workforce' DWP, (2013) Accessed via: www.gov.uk/Government/uploads/system/uploads/attachment_data/file/142751/employingolder-workers.pdf

122 Health and Safety Executive, 'An update of the literature on age and employment'. Research Report RR832. HSE: London. (2011), accessed via: www.hse.gov.uk/research/rrpdf/rr832.pdf

123 Ng and Feldman, 'The Relationship of Age to Ten Dimensions of Job Performance', *Journal of Applied Psychology*. Vol. 93, pp. 392–423 (2018)

124 Bertolino, M., Truxillo, D. M. and Fraccaroli, F., 'Age effects on perceived personality and job performance'. *Journal of Managerial Psychology* 28(7/8), 867–885, (2013)

125 Johnson, S. (2013) The wellbeing of an ageing workforce. *Occupational Health* 65(9), 27, accessed via: <http://search.proquest.com/docview/1436870936/fulltextPDF?accountid=12253>

School examining the performance of more than 400 McDonald's restaurants across the UK found that levels of customer satisfaction were on average 20 per cent higher in restaurants employing older staff.¹²⁶ 69 per cent of managers at McDonald's said staff aged over 60 empathise and connect well with customers, 47 per cent said that they deliver the best possible service, whilst 44 per cent believe that older employees play an important role in mentoring younger colleagues.¹²⁷

Age discrimination

Whilst the 2010 Equality act protects against age discrimination, research suggests that employers do not treat age discrimination as seriously as other protected characteristics. Employers biases relating to age often go unrecognised and are not interrogated.

In 2015 a Eurobarometer found that 42 per cent of people in the UK regard age discrimination towards those over 55 as 'widespread'.¹²⁸ The Centre for Ageing Better's *Later in Life* report found that approximately 11 per cent of people aged 50 and over in the UK have experienced discrimination at work or applying for work because of their age.¹²⁹ Discrimination at recruitment is particularly pertinent for women returning to work after time spent caring.

In addition, according to an Age UK survey, when asked when old age began, people in the UK stated on average 59 years of age.¹³⁰ This is a full 6 years before British retirement age and below the European average of 62 years old age.¹³¹ Thus, while there is no evidence to suggest that productivity declines with age, many employers believe that older workers' productivity does decline. Older workers are often stereotyped as slow, unwilling to adapt, and unproductive. These negative attitudes towards older employees have been found to impact employees' own attitudes towards their abilities. There is evidence to suggest that these stereotypes can lead older workers to question their own physical ability and their capacity to cope with technology and other changes at work.¹³²

Young workers

As the population demographic ages, some argue that older workers prevent young workers from entering the workforce and block career prospects. Indeed, a survey conducted in the financial times in 2014 found that 46 per cent of people agreed with the proposition that older members of staff should retire to allow younger members to

126 Lancaster University, 'Research Shows McDonald's Customers Prefer Older Workers', (2009), accessed via: www.lancaster.ac.uk/news-archive/BE8CC3DC5B5D9A3880257619003619DE.php

127 Ibid

128 European Commission, 'Eurobarometer on Discrimination 2015: General perceptions, opinions on policy measures and awareness of rights', (2015), accessed via: http://ec.europa.eu/justice/fundamental-rights/files/factsheet_eurobarometer_fundamental_rights_2015.pdf

129 Thomson, 'A Silver Lining for the UK Economy: The Intergenerational Case for Supporting Longer Working Lives', Centre for Ageing Better. Intergenerational Commission. (2018)

130 ILC, 'The Missing Million: Illuminating the Employment Challenges of the Over 50s', (2014) Accessed via: https://age.bitc.org.uk/system/files/research/prime_report_the_missing_million_0.pdf

131 Ibid

132 Wood, A., Robertson, M. and Wintersgill, D., 'A Comparative Review of International Approaches to Mandatory Retirement', Department for Work and Pensions DWP, (2010)

be promoted.¹³³ Despite this, evidence clearly demonstrates that retaining people aged 50 and over in employment does not mean fewer jobs for young people.¹³⁴ OECD reports from Canada, France, Ireland and Japan shows that there is no clear link between the employment levels of older workers and those of younger workers.¹³⁵ Disproving the ‘lump of labour fallacy,’ the IFS found that older workers do not take jobs or opportunities from younger workers, nor do they block others from progressing in work.¹³⁶ In fact, Banks et al. claim that employment prospects rise as the number of older people increases.¹³⁷ Undeniably, having more people in employment overall increases household incomes and therefore demand for goods and services increases, resulting in a growth of jobs in the economy.

Skills and technology

As discussed, evidence suggests that older workers are equally as productive as younger workers and possess essential experience and skills. Technological advancements mean that there are few jobs that the average 70-year-old physically cannot do, although certain infrastructure, technological and management practices might have to be refined to accommodate those with health issues.¹³⁸ Access to training and learning opportunities, however, is limited for older workers. Aviva’s research found that 44 per cent of older workers feel unsupported in their career ambitions.¹³⁹ In addition, rapid technological changes present a challenge for an older workforce. Older workers are less likely to say that they’re using future technological and digital skills than their younger counterparts.¹⁴⁰ Only 5 per cent of those in their 60s and 10 per cent in their 50s say they use programming language ‘often’ or ‘constantly’ compared to 23 per cent aged 18–30 and 28 per cent in their 30s.¹⁴¹ In addition, 12 per cent of workers in their 50s say they never use communication software in their current job – such as sending emails or instant messaging.¹⁴² Despite this, evidence suggests that older workers are able to adapt to change,¹⁴³ implying that with the right support, older workers have the potential to develop more advanced technological skills.

133 Financial Times (FT), ‘Young Workers Fear Later Retirement Blocks Career Prospects’, (2013), The Financial Times. Workplace Diversity & Equality, accessed at: www.ft.com/content/89a66206-e002-11e2-bf9d-00144feab7de

134 Government Office for Science, ‘Future of an Ageing Population’, (2016), accessed via: www.gov.uk/government/publications/future-of-an-ageing-population

135 Wood, A., Robertson, M. and Wintersgill, D., ‘A Comparative Review of International Approaches to Mandatory Retirement’, Department for Work and Pensions DWP, (2010)

136 Banks, J et al., ‘Releasing Jobs for the Young? Early Retirement and Youth Unemployment in the United Kingdom, Institute for Fiscal Studies. (2008) Accessed via: www.ifs.org.uk/wps/wp1002.pdf

137 Banks, J. Lessof, C. Nazroo, J. Rogers, N., Stafford, M., and Steptoe, A. (Eds.) ‘Financial Circumstances, Health and Well-Being of the Older Population in England’, The 2008 English Longitudinal Study of Ageing, Wave 4., (2010)

138 Government Office for Science, ‘Future of an Ageing Population’, (2016), accessed via: www.gov.uk/government/publications/future-of-an-ageing-population

139 Aviva, ‘Research conducted by Censuswide’, (2018), accessed via: www.aviva.com/newsroom/news-releases/2018/08/UK-over-50s-work-longer/

140 Business in the Community, ‘Missing Link: an ageing workforce in the digital era: older workers, technology and skills’ The Prince’s Responsible Business Network, (November 2017), accessed via: https://age.bitc.org.uk/system/files/research/bitc_age_report_older_workers_and_digital_0.pdf

141 Ibid

142 Ibid

143 Health and Safety Executive, ‘An update of the literature on age and employment’. Research Report RR832. HSE: London. (2011), accessed via: www.hse.gov.uk/research/rrpdf/rr832.pdf

Pensioner poverty

In 2018, the Joseph Rountree Foundation found that one in six pensioners were living in poverty, amounting to 1.9 million people.¹⁴⁴ This is a considerable improvement compared to two decades ago when nearly one in three pensioners lived in poverty. This downward trend in poverty amongst pensioners, however, seems to have stopped and underlying trends in housing and pension savings suggest that pensioner poverty may rise in the future unless action is taken.¹⁴⁵

Significantly, people typically do the majority of their saving for retirement after the age of 50, once children have left home, and therefore, the later working years are critical for building sufficient savings to avoid poverty in retirement. Working longer, at least until SPA or beyond, has the potential to increase retirement savings and decrease the length of time pensioners rely upon these savings. In addition, the introduction of auto-enrolment for private pensions from 2012 has increased the number of people participating in workplace pensions and has promoted saving for later life.¹⁴⁶

The 'Old Economy' – the new old¹⁴⁷

The ageing demographic provides opportunities for innovative products to support older people. The New Old exhibition at the Design Museum showcased how design can meet the challenge of a rapidly ageing society, especially for future cohorts of old people who are likely to be more comfortable with technology in their everyday lives.¹⁴⁸ Technology such as Paro, the therapeutic seal robot made in Japan especially for dementia patients, and ElliQ, the interactive robot designed to keep older people engaged and connected, demonstrate the considerable market opportunities. Certain products can also be used to extend working lives, such as Lisa Pape's assistive technology for walking and the Superflex Aura Powered Suit, designed to help people get up, sit down and stand for long periods of time. These products reveal a growing opportunity for technologists to design progressive products for the older market as part of the expanding 'silver economy.' Looking to the future, the projected ageing population will provide opportunities for business for firms and will result in the silver economy becoming increasingly influential.

144 JRF (Joseph Rountree Foundation), 'UK Poverty 2018: Summary', (2018)

145 JRF (Joseph Rountree Foundation), 'UK Poverty 2018: Summary', (2018)

146 Pensions Policy Institute (PPI) 'The Impact of Automatic Enrolment in the UK as of 2016,' Economic & Social Research Council, (January 2017)

147 The Design Museum, 'Designing for Our Future Selves', (2017), accessed via: <https://designmuseum.org/whats-on/pop-up-exhibitions/new-old>

148 Ibid

chapter three

Policy recommendations for an ageing society

As a society, we have failed to grasp and respond to the needs and vibrant potential of an ageing workforce. As the population ages, working longer has the potential to preserve mental and physical health, to contribute to the economy and to significantly relieve fiscal pressures. Without a fundamental change in employment culture and an increase in opportunities for older workers, however, individuals, businesses and the economy will suffer.

There has been limited research on the reasons why some people work beyond the SPA. De Gessa et al's research into the reasons people work beyond the SPA in the UK found that two thirds of people chose to do so because they enjoy working or to keep active or fit, whilst one third of people chose to work longer for financial reasons.¹⁴⁹ The ONS found that 49.5 per cent of people work past the SPA because they are not ready to stop working.¹⁵⁰ A Government survey of older workers explored which measures have the potential to make workplaces more welcoming for older employees.¹⁵¹ 78 per cent listed flexible working hours, 73 per cent listed part-time roles, 63 per cent listed retraining workers, 48 per cent listed support for workers with physical health conditions associated with ageing, 36 per cent listed support for workers suffering from hearing loss and poor vision and 27 per cent listed mental health support for workers.¹⁵² This suggests that job flexibility, support for those with health conditions, and training are important factors for older workers.

The top performing OECD countries for employment rates of 55–64-year olds are Iceland (84 per cent), New Zealand (78.2 per cent) and Sweden (76 per cent). The UK employment rate for 55–64-year olds is 64.1 per cent. These three countries share some similar characteristics, including good overall employment levels and high life expectancies. Iceland has an overall employment rate of 85.3 per cent, New Zealand 76.9 per cent, and Sweden 77.5 per cent.¹⁵³ The UK employment rate is 74.5 per cent.¹⁵⁴ The life

149 De Gessa, G., Corna, L., Price, D. and Glaser, K., 'The Decision to Work After State Pension Age and How it Effects Quality of Life: Evidence from a 6-Year English Panel Study', *Age and Ageing*. Vol. 47, pp. 450–457 (2018)

150 ONS, 'Participation Rates in the UK – 2014–3. Older People', (2015), accessed via: www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/compendium/participationratesintheuklabourmarket/2015-03-19/participationratesintheuk20143olderpeople#why-people-are-working-past-their-state-pension-age

151 GOV.UK, 'Views on the Ageing Society: Survey of Older People', (2018), accessed via: www.gov.uk/Government/publications/views-on-the-ageing-society-survey-of-older-people

152 Ibid

153 OECD, 'Employment Rate', (2018), accessed via: <https://data.oecd.org/emp/employment-rate.htm>

154 Ibid

expectancy of Iceland is 82.3, New Zealand is 81.7 and Sweden is 82.4. The UK is similar at 81.2 years.¹⁵⁵ The state pension age in Iceland and New Zealand is 65, the same as the current UK pension age. The Swedish minimum state pension age is 61, but this will rise to 64 by 2026.¹⁵⁶ The three best performers markedly in GDP per capita. Iceland has the highest GDP per capita, followed by Sweden, the UK and lastly New Zealand.¹⁵⁷ This variation suggests that countries with different underlying characteristics can arrive at similarly strong levels of employment.

The top performing OECD countries for employment rates of 55–64-year olds are Iceland (84 per cent), New Zealand (78.2 per cent) and Sweden (76 per cent). The UK employment rate for 55–64-year olds is 64.1 per cent.

OECD

While these measures can be illuminating, it is perhaps the cultural attitudes that have the biggest impacts on the employment rates of workers. Indeed, in the case of Iceland, research suggests that the high older employment rates can be attributed to the positive attitude towards work and being active in society.¹⁵⁸

Health issues, caring responsibilities and age discrimination represent a substantial barrier for those that want to work in later life, especially for those in the bottom 20 per cent income distribution. As mentioned earlier, there is a significant gap between the Healthy Life Expectancy of those in the most and least deprived areas of the UK. Policy solutions that aim to extend working lives without acknowledging this inequity may further entrench this inequality. In order to fully realise the potential of older workers, business and Government must embrace the need for greater dialogue between employers and employees in order to provide the workplace conditions and support needed for this demographic.

Culture and old age

The challenges and merits of ageing have been discussed since classical times. Old age has long been associated with a weaker body, a withdrawal from active pursuits and a closeness to death.¹⁵⁹ Notable writers have associated ageing with a return to childhood and total dependency.¹⁶⁰ It is only in the last two hundred years, however, that this collective perception of old age has been chronologically standardised.¹⁶¹ Leeson claims that three structures led to this standardised definition: almshouses, pension systems and the medicalisation of old age.¹⁶²

155 OECD, 'Life Expectancy at Birth', (2017). Accessed via: <https://data.oecd.org/healthstat/life-expectancy-at-birth.htm>

156 Resolution Foundation, 'Unfinished Business: Barriers and Opportunities for Older Workers', Resolution Foundation (2012)

157 OECD, 'Gross Domestic Product (GDP)', (2018), accessed via: <https://data.oecd.org/gdp/gross-domestic-product-gdp.htm>

158 NordPlus Horizontal, 'The Pension System and Labour Market for 55+ in the Baltic and Nordic Countries', NordPlus Horizontal, (2014)

159 Cicero, M. T. 'Cicero De Senectute (On Old Age)' trans. Andrew P. Peabody, Boston: Little, Brown and Company, (1884 [44 BC])

160 Shakespeare, W. *As You Like It*. Trans. Horace Furness. New York: Dover Publications, (1963 [1623])

161 Leeson, G. W., 'Realizing the Potentials of Ageing', *Population Ageing*. Vol. 10, pp. 315–321, (2017)

162 *Ibid*

Almshouses, which were originally designed for the poor and disadvantaged people of all ages in the eighteenth century, increasingly became institutionalised spaces for older people.¹⁶³ Contained in these spaces, old people were increasingly marginalised as a homogenised group. Furthermore, the introduction of pension systems introduced a chronologically defined age at which people become 'old.' This age is the time when people are separated from the younger population and become dependants.¹⁶⁴ The Belgian statistician Quetelet (1796–1874) further cemented this perception through his statisticalisation of old age.¹⁶⁵ In relation to this, the medical field of geriatrics was born in 1840. This resulted in the medicalisation of old age.¹⁶⁶ Older people were increasingly defined by the tired, failing and ageing body.¹⁶⁷ These structures combined resulted in a chronologically defined and standardised collective perception of old age in the mid-19th century.¹⁶⁸

Extended life expectancies are challenging the assumed inevitable physical and mental decline of a chronologically defined and homogenised 'old age.' Realising the potential of older people is not simply a question of supporting them into work, however, but requires a reconceptualization of what ageing and old age means.

A large proportion of older people are capable of working and want to work, and it is crucial that these people are provided with the support to do so. Evidence suggests that older people are just as productive as younger people. Working longer has the potential to increase private retirement savings and reduce poverty amongst pensioners. The opportunities available for older people in the world of work must be increased.

As mentioned in the preceding chapter, there is substantial evidence to suggest that working longer has a positive impact on health and wellbeing through providing structure, social networks, a sense of purpose, self-esteem and maintaining cognitive function. Deteriorations in health are most likely to impact those in the bottom 20 per cent income distribution and support must be in place for these people.

Retaining and supporting older workers

Policy must do more to retain and support older workers in the workforce. The subsequent discussion addresses healthcare, flexible working, skills and training, workplace infrastructure, age discrimination and employer-employee communication.

Healthcare

Health and informal caring responsibilities are two main reasons why people leave the workforce before state pension age.¹⁶⁹ The Government needs to urgently address how to provide care and support these people. According to the Resolution Foundation, several countries that perform better than the UK in older employment rates have more

¹⁶³ Ibid

¹⁶⁴ Ibid

¹⁶⁵ Ibid

¹⁶⁶ Ibid

¹⁶⁷ Ibid

¹⁶⁸ Ibid

¹⁶⁹ Centre for Ageing Better (2018) Health Warning for Employers: Supporting Older Workers with Health Conditions. Accessed via: www.ageing-better.org.uk/sites/default/files/2018-04/Health-warning-for-employers.pdf [Date Accessed: 19/02/19]

comprehensive state care systems.¹⁷⁰ Indeed, countries with higher old age employment rates tend to have a lower proportion of over-50s working as informal carers.¹⁷¹ In Sweden, the proportion of the population working as informal carers is just 8 per cent, compared to 15.2 per cent in the UK, and those who are carers, do so less intensively than in the UK.¹⁷² In addition, it might be relevant that in 2014 public spending on long-term care accounted for 2.6 per cent of GDP in Sweden, but only 1.4 per cent of GDP in the UK.¹⁷³

There are several mechanisms that work to support older workers healthcare needs. The NHS health check, for those aged 40–74 is designed to detect early signs of illness and give constructive advice on how to improve health. The NHS Long-Term Plan released in January 2019 includes the major theme of ‘supporting people to age well’.¹⁷⁴ This includes dissolving the divide between the NHS primary care and social care community services and helping people live independently at home for longer.¹⁷⁵ This could have a significantly positive effect on long-term social care services and could provide greater support for informal carers. Furthermore, the plan intends to introduce evidence-based NHS prevention programmes through tailored screening and early diagnosis.¹⁷⁶ This focus on prevention has the potential to ensure healthy ageing for more of the population, improve workplace health, reduce workplace absence and reduce involuntary withdrawal from work. In addition, the plan aims to tackle health inequalities by providing differentiated support along with regional objectives and targeted funding.¹⁷⁷ This is an important step to addressing significant inequalities in work opportunities between the most deprived and least deprived in the UK.

Despite this, there is a serious lack of comment on the role of the NHS in occupational health. The Fit Note system, introduced in 2010, is applied when an employee becomes ill for seven consecutive days and serves as evidence of the advice doctors have given patients about their fitness for work. The Fit Note system is intended to encourage more meaningful conversation between employees, employers and doctors, but as the CSJ’s 2017 report *Rethinking Disability at Work* found limited early engagement and a disconnect between GP’s endorsement of the logic of the scheme and the demonstrated action.¹⁷⁸ GPs were found to seldom use fit notes to certify that individuals may be ‘fit for work’ with the right adjustments, neglecting the opportunity for early engagement between employers and employees.¹⁷⁹ A similar lack of engagement between GPs and employers was found for the now terminated Fit for Work Programme.¹⁸⁰ In line with the aims of prevention and reducing sickness absence and involuntary withdrawal from work, occupational health should be a key priority for the NHS.

170 Resolution Foundation (2012) *Unfinished Business: Barriers and Opportunities for Older Workers*. Resolution Foundation 2012

171 Ibid

172 Ibid

173 OECD, ‘Long-Term Care: Public Spending on Long-Term Care (Health and Social Components)’, (2018), accessed via: www.oecd.org/els/health-systems/long-term-care.htm

174 NHS, ‘The NHS Long Term Plan’, (2019), accessed via: www.longtermplan.nhs.uk/wp-content/uploads/2019/01/nhs-long-term-plan.pdf

175 NHS, ‘The NHS Long Term Plan’, (2019), accessed via: www.longtermplan.nhs.uk/wp-content/uploads/2019/01/nhs-long-term-plan.pdf

176 Ibid

177 Ibid

178 Centre for Social Justice, ‘Rethinking Disability at Work: Recommendations, Polling Data and Key Statistics’, (2017)

179 Ibid

180 Ibid

Recommendation

GPs must be better trained in occupational health. Following the CSJ's recommendation (11) in the 2017 report *Rethinking Disability at Work*, a compulsory module for GPs on occupational health, including sickness certification, should be introduced as a core component of continuing professional development.

The CSJ's report also found that GPs were more likely to refer employees to the service with mental health conditions, while employers were more likely to refer employees with musculoskeletal conditions. This raises the concern that employees are unwilling or feel discouraged from discussing mental health in the workplace. Nevertheless, the recognition of the importance mental health in the workplace has increased. The CIPD's report reveals that 51 per cent of employees are increasing the awareness of mental health issues across their workforce, compared with 31 per cent in 2016.¹⁸¹ Despite this, 37 per cent of organisations report that stress-related absence has increased, suggesting that more needs to be done.¹⁸² Organisations should encourage managers to undertake training in mental health first aid to increase the supportive dialogue between employee and employer.

Recommendation

Following Mind's guidelines,¹⁸³ organisations need to send a clear message to staff that mental health matters and will be treated in the same way as physical health. Training in mental health first aid (with Mental Health First Aid England) should be provided by employers to give managers the skills and confidence to support open conversations about mental health, make provisions for individuals who are experiencing a period of ill health, and to manage time off sick.

In addition, the Work and Health programme was launched in November 2017 by DWP to help the long-term unemployed, those who have a disability and specified disadvantaged groups. Those that qualify as disadvantaged include carers or former carers, homeless people, former members of the armed forces or reservists, the partner of a current or former member of the armed forces, a care leaver, a young person in a gang, a refugee, a victim of domestic abuse, a dependent (of have been dependent) on drugs or alcohol, an ex-offender and an offender serving a community sentence.¹⁸⁴

Whilst older people will be included in some of the categories of the Work and Health Programme, none of these categories directly target the older demographic and the heightened levels of social and economic marginalisation that this group face in the workplace. Consequently, this programme is unlikely to address the acute challenges that older people face in recruitment and the workforce. Barriers such as the increased

181 CIPD, 'Health and Well-Being at Work', (2018), accessed via: www.cipd.co.uk/knowledge/culture/well-being/health-well-being-work

182 Ibid

183 Mind, 'How to Support Staff Who are Experiencing a Mental Health Problem' Resource 4., (2016), accessed via: www.mind.org.uk/media/550657/resource4.pdf

184 GOV.UK, 'Work and Health Programme', (2017), accessed via: www.gov.uk/work-health-programme

prevalence of disability, health problems and age discrimination prevent many older people from accessing the benefits of working. More support should be provided to this group through the Work and Health programme.

Recommendation

People aged over 55 should be treated as a priority group and given tailored support via the Work and Health Programme and JCPs.

Flexible working

In 2014 the right to request flexible working for those who have worked for the same employer for at least 26 weeks was introduced. There is no agreed definition of flexible working, but it can include part-time work, job sharing, location flexibility, flexitime and compressed hours. The most common form of flexible working is part-time hours.¹⁸⁵ In 2017, 18 per cent of employees worked part time, and an additional 27 per cent of employees had one set of specified flexible working arrangements.¹⁸⁶ Women are most likely to use flexible working arrangements, along with younger workers, older workers and those with dependent children.¹⁸⁷ Employees in the public sector are more likely to use flexible working arrangements than those in the private sector.¹⁸⁸ While employees in smaller firms are more likely to work part time, employees in larger workplaces are more likely to have a larger range of flexible working arrangements available.¹⁸⁹ There is limited information on international comparisons, although evidence suggests that the UK has a relatively high proportion (36 per cent) of the labour force with some flexibility in working time arrangements compared to other OECD countries.¹⁹⁰ This proportion is significantly below Finland (55 per cent), Norway (51 per cent), Iceland (42 per cent) and Sweden (42 per cent).¹⁹¹

There is growing evidence of the benefits of flexible working. Flexibility enables more people to manage caring responsibilities, attain work life balance and access and stay in the labour market. Indeed, a DWP analysis of the British Attitudes Survey found that increased flexibility encourages people over 50 to work longer.

There is growing evidence of the benefits of flexible working. Flexibility enables more people to manage caring responsibilities, attain work life balance and access and stay in the labour market. Indeed, a DWP analysis of the British Attitudes Survey found that increased flexibility encourages people over 50 to work longer.¹⁹² According to their

185 CIPD, 'MegaTrends: More Selfies?: A Picture of Self-Employment in the UK', (2018), accessed via: www.cipd.co.uk/Images/more-selfies_2018-a-picture-of-self-employment-in-the-UK_tcm18-37250.pdf

186 Ibid

187 Ibid

188 Ibid

189 Ibid

190 Ibid

191 Ibid

192 Department for Work and Pensions, 'Flexible Hours Key to Working Longer, Says New Report,' (2016), accessed via: www.gov.uk/Government/news/flexible-hours-key-to-working-longer-says-new-report

analysis of employee attitudes, 46 per cent stated that working part time would encourage a delayed retirement and 47 per cent stated that working flexible hours would encourage a delayed retirement.¹⁹³ Similarly, phased retirement has been found to encourage employees to work later¹⁹⁴ and evidence suggests that there is a high demand for phased retirement.¹⁹⁵ Flexible working, therefore, is one of the most important levers to increase participation and opportunity for older people in the workforce.

Access to flexibility has been found to reduce absenteeism as employees are better able to manage disability, long-term health conditions and caring responsibilities.¹⁹⁶ Flexible working is particularly crucial for older people returning to the workforce, especially women. In New Zealand, where the employment rates for those aged 55–64 is 14.1 percentage points above the UK, a Positive Ageing Strategy was launched in 2001 with a key goal to promote flexible work.¹⁹⁷ The related increase in access to flexible working has been associated with the increase in the employment rates of older people.¹⁹⁸

In addition, access to flexible working is associated with improved engagement, job satisfaction, commitment and loyalty.¹⁹⁹ Improvements in engagement have been linked to significant advantages for employers, potentially generating 43 per cent more revenue in comparison to disengaged employees.²⁰⁰ Research suggests that 9 out of 10 employees consider flexible working to be a key motivator of their productivity at work.²⁰¹ In addition, advertising jobs as flexible broadens the talent pool, supports diversity and has the potential to increase productivity.²⁰² In the UK B&Q is a distinguished example in their flexible workplace culture. Working with Timewise, a champion of flexible job support provider, B&Q regularly seek feedback and opinions from its work force via Grass Roots, its employee information and consultation forum.²⁰³ B&Q have experienced decreased staff turnover and improved customer satisfaction ratings.²⁰⁴

Despite this, many older workers feel that access to flexible work is limited.²⁰⁵ Research by CIPD found that 87 per cent of people want to work flexibly, but only 11 per cent of jobs are advertised as flexible.²⁰⁶ Timewise Flexible Job Index similarly found that only 9.8 per cent of jobs are advertised or recruited as flexible and figures vary greatly across industries.²⁰⁷ In construction, only 3 per cent of jobs are advertised as flexible.²⁰⁸ This is

193 Ibid

194 Wood, A., Robertson, M. and Wintersgill, D., 'A Comparative Review of International Approaches to Mandatory Retirement', Department for Work and Pensions DWP, (2010)

195 Dixon, S., 'Transitions from work to retirement, Wellington: Statistics New Zealand and Department of Labour', Wellington: Statistics New Zealand, (2018)

196 CIPD, 'Flexible Working: the Business Case', (2018) Accessed via: www.cipd.co.uk/Images/flexible-working-business-case_tcm18-52768.pdf

197 The New Zealand Positive Ageing Strategy, 'Towards a Society for All Ages: He Anga Oranga Kau mo ngaWhakatipuranga Katoa' (2001)

198 Ibid

199 CIPD, 'Flexible Working: The Business Case', (2018) Accessed via: www.cipd.co.uk/Images/flexible-working-business-case_tcm18-52768.pdf

200 Ibid

201 Ibid

202 Ibid

203 Hogarth, T. and Barth, M. C., 'Costs and Benefits of Hiring Older Workers: A Case Study of B&Q'. *International Journal of Manpower*. Vol. 12, No. 8, pp. 5–17 (1991)

204 Ibid

205 Centre for Ageing Better, 'Developing the Mid-life MOT', Centre for Ageing Better (2018)

206 CIPD, 'Flexible Working: The Business Case', (2018) Accessed via: www.cipd.co.uk/Images/flexible-working-business-case_tcm18-52768.pdf

207 Timewise, 'The Timewise Flexible Jobs Index 2017', Timewise Talent Through Flexibility with CEB, (2017)

208 Ibid

a problem most markedly in London, where only 8 per cent of all jobs are advertised as being open to flexibility, compared to Scotland, the North East and Wales, where 12 per cent of jobs are advertised as being open to flexibility.²⁰⁹ The Flexible Working Task Force was set up in March 2018 bringing together industry and Government to encourage employers to advertise jobs as flexible, regardless of level or pay grade.²¹⁰ The task force has called for employers to include the strapline 'happy to talk flexible working'²¹¹ in order to move to an assumption of flexible by default and to encourage hiring managers to consider how a role can be done flexibly from the start.

Recommendation

The Right to Request flexible working should be strengthened and should be a right for all employees from day one (rather than at 26 weeks). The Right to Request is due to be evaluated in 2019, which provides an opportunity to make this change.

Aviva's research found that once in work only 14 per cent of employees stated that their employer was willing to allow a reduction in working hours or flexitime.²¹² There is a lack of information as to what happens to workers whose requests are denied and whether this leads to an exit from workplace.²¹³ There is evidence, however, to suggest that older workers are often not aware of their rights and options regarding flexibility.²¹⁴ Furthermore, there is a lack of opportunities to retire gradually.²¹⁵ As Ros Altmann found in her research, many employees feel they face all-or-nothing 'cliff edge' retirement.²¹⁶ Phased retirement options are often limited to highly skilled, highly paid workers and are less available for those with low to middle incomes.²¹⁷ Phased retirement can support those with long-term health conditions to stay in work.

In addition, many part-time jobs on offer are of low quality and lack progression, especially for low to middle income workers.²¹⁸ Flexible working is used by some employers to transfer risk to workers and to exert control in a form of 'one sided flexibility'.²¹⁹ The Taylor Review states that too many employers are relying on zero hours contracts to reduce costs at the expense of the worker.²²⁰

209 Ibid

210 CIPD, 'Government and Employers Unite to Kick-Start Flexible Working', (2018) Accessed via: www.cipd.co.uk/about/media/press/flexible-working-taskforce

211 Working Families, 'Flexible Recruitment', (2017), accessed via: www.workingfamilies.org.uk/employers/httpfw/

212 Aviva, 'Research conducted by Censuswide', (2018) Accessed via: www.aviva.com/newsroom/news-releases/2018/08/UK-over-50s-work-longer/

213 Centre for Ageing Better, 'Developing the Mid-life MOT', Centre for Ageing Better (2018)

214 Thomson, P., 'Becoming an Age Friendly Employer', Centre for Ageing Better, (2018)

215 Cory, G., 'Unfinished Business: Barriers and opportunities for older workers', Resolution Foundation, (2012). Accessed via: http://resolutionfoundation.org/wpcontent/uploads/2014/08/Unfinished_Business_FINAL_3.pdf

216 Altmann, R. 'A New Vision for Older Workers: Retain, Retrain, Recruit', (2015) Accessed via: www.gov.uk/Government/publications/a-new-vision-for-older-workers-retain-retrain-recruit

217 Cory, G., 'Unfinished Business: Barriers and opportunities for older workers', Resolution Foundation, (2012). Accessed via: http://resolutionfoundation.org/wpcontent/uploads/2014/08/Unfinished_Business_FINAL_3.pdf

218 Ibid

219 Taylor, M. 'Good Work: The Taylor Review of Modern Working Practices', (2017) Accessed via: https://assets.publishing.service.gov.uk/Government/uploads/system/uploads/attachment_data/file/627671/good-work-taylor-review-modern-working-practices-rg.pdf

220 Ibid

The gig economy has been heavily criticised for these issues, but there is a wide range of attitudes towards 'gigging' by gig workers.²²¹ The gig economy is important for many to boost incomes, grant independence and provide the flexibility to manage a health condition or a caring responsibility.²²²

It is important that flexibility arrangements are mutually beneficial for both employer and employee. We concur with the Taylor review, that where possible employers should provide more certainty of hours and income to ensure that flexibility is genuinely a mutually beneficial arrangement.²²³ The Government has stated their intention to act on this recommendation in their Good Work Plan (December 2018).²²⁴

Skills and training

The National Careers Service, which is currently being redesigned, is intended to provide those of all ages with information and guidance about careers, skills and training. The opportunity to develop skills matters for UK productivity. According to the NIESR, skill improvements have accounted for around a fifth of the growth in labour productivity over recent decades.²²⁵ Older workers tend to be offered fewer training opportunities than younger workers and most funding is weighted towards younger groups.²²⁶ There is also a gender dimension to this. The National Careers Service, therefore, is an important resource to close the skills and performance gap between younger and older workers. Technology skills training are particularly important to enable older workers to adjust to technological change.²²⁷

As working life becomes more unpredictable and disorderly in a global workplace, lifelong learning is essential. Access to training and upskilling for older workers is crucial to enable them to thrive in work. The CSJ's 2019 *A Vision for the National Retraining Scheme* outlined the critical need for upskilling in the labour force. This paper outlined the need for a Personal Learner Account (PLA) as part of the National Retraining Scheme as well as further support for vulnerable groups. The PLA would take the form of a digital savings account that individuals, employers and the Government (under certain conditions) could pay in to for the exclusive use for individuals who want to seek adult learning opportunities at accredited providers. Those considered vulnerable include those that are 'unemployed and over the age of 50'. This group should be granted £500 for their PLA at a total cost to the government of £148,000,000.

221 CIPD, 'To Gig or Not to Gig: Stories from the Modern Economy', Survey Report. (2015), accessed via: www.cipd.co.uk/knowledge/work/trends/gig-economy-report

222 Ibid

223 Taylor, M. 'Good Work: The Taylor Review of Modern Working Practices', (2017), accessed via: https://assets.publishing.service.gov.uk/Government/uploads/system/uploads/attachment_data/file/627671/good-work-taylor-review-modern-working-practices-rg.pdf

224 HM Government, 'Good Work Plan. Industrial Strategy', (December 2018), accessed via: www.gov.uk/Government/publications/good-work-plan

225 Aznar, A. R., Forth, J., Mason, G., O'Mahony, M., Bernini, M., 'UK Skills and Productivity in an International Context'. NIESR BIS Research Paper. No. 262, (2015)

226 Thomson, 'A Silver Lining for the UK Economy: The Intergenerational Case for Supporting Longer Working Lives', Centre for Ageing Better. Intergenerational Commission. (2018)

227 PwC, 'PwC Golden Age Index: Unlocking a Potential \$3.5 Trillion Prize from Longer Working Lives', (2018), accessed via: www.pwc.co.uk/economic-services/golden-age/golden-age-index-2018-final-sanitised.pdf

Recommendation

The National Retraining Scheme should introduce and manage a Personal Learner Account (PLA) as stated in the CSJ's *A Vision for the National Retraining Scheme* report.

Workplace infrastructure

Research suggests that workplace design has a significant impact on workplace well-being, employer retention rates and productivity.²²⁸ For older workers, with specific physical and psychological needs related to ageing, workplace design and infrastructure can be especially important. Indeed, evidence suggests that employment in physically demanding jobs or in jobs with challenging working conditions is a leading cause of early labour-market exit among older workers.²²⁹ Capturing the infrastructural and design needs of older workers, therefore, is key to maximizing the 'workability' of older members of the workforce.

Studies of workplaces have consistently pointed to the relationship between workplace infrastructure and the performance of workers.²³⁰ Deficits in workplace wellbeing caused by challenging working conditions are strongly related to losses in productivity related to sickness and stress.²³¹ Reducing ergonomic risk factors, such as awkward postures, excessive force and high task repetition, have the potential to significantly increase productivity. Workplace adjustments have the potential to reduce absenteeism, which costs the UK economy more than £14 billion a year.²³²

From April 2019, those that qualify for the Access to Work grant will be able to claim up to £60,000 per year, up from the current 57,200, to help pay for any additional support that they might need.²³³ Those eligible must have a disability or health condition (physical or mental) that makes it difficult to do parts of their job or commute to work.²³⁴ This is in addition to reasonable adjustments provided by employers. This support includes the costs of practical support in the workplace, such as adjustable desks, IT equipment, voice recognition.²³⁵ Access to Work was introduced in 1994 and yet only 25 per cent of employers have heard of this scheme and understand the help they can receive.²³⁶

228 Royal College of Art (RCA) The Helen Hamlyn Centre for Design, 'Workplace & Wellbeing: What Aspects of Workplace Design are Most Important to People's Wellbeing? A Research Study 2015–2016', Gensler and Helen Hamlyn Centre for Design at RCA, (2016)

229 Jin Rho, H. (Centre for Economic and Policy Research), 'Hard Work? Patterns in Physically Demanding Labor Among Older Workers', Centre for Economic and Policy Research, (2010)

230 Sundstrom, E. & Sundstrom, M., 'Work Places: The Psychology of the Physical Environment in Offices and Factories', (1986), Cambridge University Press

231 Royal College of Art (RCA) The Helen Hamlyn Centre for Design, 'Workplace & Wellbeing: What Aspects of Workplace Design are Most Important to People's Wellbeing? A Research Study 2015–2016', Gensler and Helen Hamlyn Centre for Design at RCA, (2016)

232 Royal College of Art (RCA) The Helen Hamlyn Centre for Design, 'Workplace & Wellbeing: What Aspects of Workplace Design are Most Important to People's Wellbeing? A Research Study 2015–2016', Gensler and Helen Hamlyn Centre for Design at RCA, (2016)

233 GOV.UK, 'Get Help at Work if You're Disabled or Have a Health Condition (Access to Work)' (2019), accessed via: www.gov.uk/access-to-work/what-youll-get

234 Ibid

235 Ibid

236 Centre for Social Justice, 'Rethinking Disability at Work: Recommendations, Polling Data and Key Statistics.' (2017)

Recommendation

DWP should address the lack of awareness of Access to Work. DWP should work with local actors to better reach target audiences. This could be done by following previous CSJ recommendations to partner with the British Chambers of Commerce and Local Enterprise Partnerships to connect with business groups across the country. It should also fund a helpline to answer subsequent queries.²³⁷

Participatory or co-design initiatives that involve consultation with employees are particularly effective in making useful changes to the workplace.²³⁸ These projects have been found to increase productivity and satisfaction at work.²³⁹ Despite this, few organisations have been active in adjusting workplaces to accommodate older workers. A lack of reasonable adjustments to workplaces risk exacerbating ill health and increasing involuntarily labour market dropout rates. In relation to disability, reasonable adjustments are often simple and inexpensive, sometimes costing nothing.²⁴⁰ In some circumstances the Government scheme Access to Work will help with costs.

Workplace adjustments have the potential to reduce absenteeism, which costs the UK economy more than £14 billion a year.

Royal College of Art, The Helen Hamlyn Centre for Design

There are several areas for workplace adjustments for an older workforce. Firstly, lighting adjustments can be beneficial. This might include enhancing natural light, providing ambient zonally controlled lighting and individual task lighting.²⁴¹ Acoustic regulation can also be valuable. Loud activities like printing should be separated from quieter work areas, loud noises can be controlled through acoustic ceilings and sound absorbing surfaces and barriers, small meeting rooms or booths can be provided for conversations or telephone calls and quiet zones can be created.²⁴² In addition, ergonomics, as mentioned, can have a large impact. Adjustable furniture and desks with ease to use controls, as well as regular breaks for exercise can be useful.²⁴³ The structural layout of the office should be clear with effective signage and maps where appropriate.²⁴⁴ Lastly, certain spaces should be provided for rest and recuperation.²⁴⁵

Necessary adjustments vary by industrial sector. Buckle's research outlines potential adjustments by industry.²⁴⁶ In manufacturing, where in 2015 33.8 per cent of employees were 50 or over,²⁴⁷ adjustments include illumination and colour contrast of tools and devices,

237 Centre for Social Justice, 'Rethinking Disability at Work: Recommendations, Polling Data and Key Statistics', (2017)

238 Buckle, P., 'Workplace Infrastructure: Future of Ageing: Evidence Review. Government Office for Science, Foresight (2015)

239 Royal College of Art (RCA) The Helen Hamlyn Centre for Design (2016) Workplace & Wellbeing: What Aspects of Workplace Design are Most Important to People's Wellbeing? A Research Study 2015–2016. *Gensler and Helen Hamlyn Centre for Design at RCA*

240 ACAS (2017) Disability Discrimination: Key Points for the Workplace. [Online], available via: www.acas.org.uk/media/pdf/s/k/Disability_discrim_keypoints_workplace_Nov.pdf [Date accessed: 14/02/19]

241 Smith, J. 'Collaborative Project, Welcoming Workplace: Designing Office Space for an Ageing Workforce in the 21st Century Knowledge Economy', (2008)

242 Ibid

243 Ibid

244 Ibid

245 Ibid

246 Buckle, P., 'Workplace Infrastructure: Future of Ageing: Evidence Review. Government Office for Science, Foresight (2015)

247 CIPD, 'Avoiding the Demographic Crunch: Labour Supply and the Ageing Workforce,' Policy Report, (June 2015), accessed via: www.cipd.co.uk/knowledge/work/trends/ageing-workforce-report

elimination of heavy lifts, reduction of standing time, reduction in noise levels, installation of skid flooring, increased task rotation, increased time allowed for making decision and the provision of opportunities for practice and time to develop task familiarity.²⁴⁸

For the construction industry, where in 2015 33.1 per cent of employees were aged 50 and over,²⁴⁹ adjustments involve preventing musculoskeletal complaints, which has been found to increase the willingness and ability of construction workers to work longer.²⁵⁰ Potential adjustments include lighter hand tools, use of assistive equipment to alleviate heavy lifting and use of ear defenders along with the promotion of good manual handling practices, such as keeping a straight back, bending one's knees and getting assistance from colleagues.²⁵¹

In regard to nursing and healthcare work, the physical strain of long hours has been found to exacerbate age related health problems and may lead to chronic fatigue.²⁵² Technology and equipment required to reduce physical strain on nurses and carers does exist but has not been fully utilised.²⁵³ In the retail industry, workers are at risk of musculoskeletal pain and chronic venous insufficiency from prolonged standing and sitting.²⁵⁴ Rotation between sitting and standing can reduce this risk, as well as the use of ergonomic chairs. In addition, appropriate lighting levels as well as changes to workstations to reduce bending and reaching can be beneficial.²⁵⁵ While it is useful to have examples of reasonable adjustments, it is important to emphasise that the most beneficial and industrious adjustments are those that are designed through participation with employees and are individualised to suit the particular industry, company and individual.

Case study

BMW have been at the forefront of innovative approaches to workplace design for older workers. BMW's Today for Tomorrow initiative responds to an ageing demographic of workers. This bottom up innovative approach was created with production managers and through workshops with workers.²⁵⁶ BMW chose a production line with an average age of 47 and together with employees enhanced the workplace environment through 70 changes. These changes included wooden flooring and weight adapted footwear to reduce joint strain, ergonomic chairs for working and relaxing during breaks, and the installation of flexible magnifying lenses to reduce eye strain and reduce mistakes.²⁵⁷ Overall the pilot line achieved a 7 per cent productivity improvement, equalling the productivity of lines staffed by younger workers.²⁵⁸ In addition, absenteeism dropped by 2 per cent, to below that of the plant average.²⁵⁹

248 Buckle, P., 'Workplace Infrastructure: Future of Ageing: Evidence Review. Government Office for Science, Foresight (2015)

249 CIPD, 'Avoiding the Demographic Crunch: Labour Supply and the Ageing Workforce', Policy Report, (June 2015), accessed via: www.cipd.co.uk/knowledge/work/trends/ageing-workforce-report

250 Oude Hengel, K. Blatter, B. M., Geuskens, G. A., Koppes, L. J. and Bongers, P. M, 'Factors Associated with the Ability and Willingness to Continue Working Until the Age of 65 in Construction Workers,' *Int Arch Occup Environ Health*. Vol. 85, pp. 783–790, (2012)

251 Eaves, S., Gyi, D. E. and Gibb, A. G. F., 'Building Healthy Construction Workers: Their Views on Health, Wellbeing and Better Workplace Design,' *Applied Ergonomics*. Vol. 54, pp. 10–18, (2016)

252 Buckle, P., 'Workplace Infrastructure: Future of Ageing: Evidence Review. Government Office for Science, Foresight (2015)

253 Ibid

254 Ibid

255 Ibid

256 Loch, C. H., Stong, F. J., Bauer, N and Mauermann, H., 'How BMW is Defusing the Demographic Time Bomb', *Harvard Business Review* (March 2010)

257 Ibid

258 Ibid

259 Ibid

Age discrimination

In 2010, the Equality Act was introduced, which made any discrimination on the basis of age unlawful. This followed the 1999 European Code of Good Practice, the 2003 Pensions Green Paper and the 2006 Employment Equality (Age) Regulations.²⁶⁰ Despite this, evidence suggests that age discrimination is not approached in the same way as other protected characteristics.²⁶¹

Increasing the strictness of age discrimination law has the potential to deter employers from employing older workers. Rather, the position of older workers in the workforce needs to be improved through workplace support and constructive messages regarding the value of older workers.

The Centre for Ageing Better highlight barriers in recruitment for older people.²⁶² A study reporting on the impact of age in recruitment explored the different experiences of a 25-year-old applicant and a 51-year-old applicant with identical CVs, apart from their date of birth. The 51-year-old received less than half the positive responses as the 25-year old.²⁶³ Biases and stereotypes often go unchallenged in recruitment practices. Training for recruitment managers on recognising these biases and considering the value of older workers could be effective in reducing biased recruitment practices. Championing age positive companies such as B&Q could also be useful in reducing bias.

Case study

B&Q is well known for welcoming older workers into its workforce. In 1989, a B&Q store opened in Macclesfield that employed only 50-year old. This store was 9 per cent more profitable than the company wide average and boasted improved reported customer service.²⁶⁴ SMEs have been found to be less inclusive than larger organisations and for this reason it is important that they are given the support needed to understand and resolve this problem.²⁶⁵

In addition, the store has operated without a retirement age for many years and offers the same benefits and training opportunities for all employees. B&Q are partners with the Business Disability Forum (BDF) who help them to provide facilities, work environment adjustments and technology solutions to make business an inclusive place for all.

The National Careers Service has established a network of 'Older Claimant Champions' located in all Jobcentre Plus Districts. These Champions work to highlight the benefits of employing older job seekers and share best practice.²⁶⁶ Despite this, the Centre for Ageing

260 Wood, A., Robertson, M. and Wintersgill, D., 'A Comparative Review of International Approaches to Mandatory Retirement', Department for Work and Pensions DWP, (2010)

261 Thomson, P., 'Becoming an Age Friendly Employer', Centre for Ageing Better, (2018)

262 Thomson, 'A Silver Lining for the UK Economy: The Intergenerational Case for Supporting Longer Working Lives,' Centre for Ageing Better. Intergenerational Commission, (2018)

263 Policy Exchange, 'Too Much to Lose: Understanding and Supporting Britain's Older Workers', (2012), accessed via: <https://policyexchange.org.uk/publication/too-much-to-lose-understanding-and-supporting-Britain's-older-workers/>

264 Hogarth, T. and Barth, M. C. (1991) Costs and Benefits of Hiring Older Workers: A Case Study of B&Q. *International Journal of Manpower*. Vol. 12, No. 8, pp. 5–17

265 Fuertes, V. Egdell, V. and McQuaid, R. (2013) Extending Working Lives: Age Management in SMEs. *Employee Relations*. Vol. 35, pp. 272–293

266 Women and Equalities Committee, 'Older People and Employment,' House of Commons. Fourth Session 2017–2019, (2018), accessed via: <https://publications.parliament.uk/pa/cm201719/cmselect/cmwomeq/359/359.pdf>

Better's analysis of the Government's Work Programme shows just 16.2 per cent of people over the age of 50 are supported into a long-term job. This is much lower than any other group, regardless of gender, ethnicity or disability.²⁶⁷

In addition, the language used in recruitment is important. The wording used in job descriptions is very important in influencing who applies for the role. Research suggests that job advertisements are often stereotypically coded to attract younger applicants.²⁶⁸ Younger applicants are typically associated with being open to new ideas and learning new skills.²⁶⁹ Using neutral language that avoids this stereotypically coded language has the potential to broaden the range of applicants and increase the employment rates of older people.

Other countries that perform better in older employment rates, such as Iceland, have been found to have more positive attitudes towards ageing and towards being active in the workplace at older ages.²⁷⁰

In New Zealand, a Positive Ageing Strategy was set up in 2010 to eliminate ageism.²⁷¹ This policy included implementing fair and inclusive HR policies in the Government sector, as well as working with the business sector to encourage the provisions of flexible working.²⁷² Qualitative interviews with recruitment professionals have found that employers are now adopting a more open attitude towards employing older workers,²⁷³ suggesting that this kind of intervention can constructively change employment practices. It has been argued, however, that the high employment rate of older people in New Zealand can be attributed to a skills shortage that forced employers to employ older workers.²⁷⁴ This in itself is said to have improved attitudes towards older workers.²⁷⁵

In the UK, the age positive initiative was established in 2013 to provide information on effectively managing an ageing workforce. The initiative was established to provide information on effectively managing an ageing workforce, but was withdrawn in 2018, despite a clear need for a more age positive culture.

Improving employer-employee communication

The removal of the Default Retirement Age in 2011 has allowed many to work for longer. This change, however, has led many employers to become hesitant or unwilling to discuss future careers plans and prospects of older employees.²⁷⁶ In many firms this has resulted in a lack of open and productive conversations about obstacles and opportunities for older

267 Centre for Ageing Better, 'Written Submission from Centre for Ageing Better', (2017) accessed via: <http://data.parliament.uk/WrittenEvidence/CommitteeEvidence.svc/EvidenceDocument/Women%20and%20Equalities/Older%20people%20and%20employment/written/72968.html>

268 Centre for Ageing Better, 'Becoming an Age-Friendly Employer', (2018) accessed via: www.ageing-better.org.uk/sites/default/files/2018-09/Becoming-age-friendly-employer.pdf

269 Ibid

270 NordPlus Horizontal, 'The Pension System and Labour Market for 55+ in the Baltic and Nordic Countries', NordPlus Horizontal, (2014)

271 Wood, A., Robertson, M. and Wintersgill, D., 'A Comparative Review of International Approaches to Mandatory Retirement', Department for Work and Pensions DWP, (2010)

272 Ibid

273 Ibid

274 Ibid

275 Ibid

276 Centre for Ageing Better, 'Developing the Mid-life MOT', Centre for Ageing Better (2018)

workers.²⁷⁷ Indeed a 2018 census found that only 6 per cent of employees aged 55 and over surveyed reported a dedicated member of staff to talk to about challenges and issues in the workplace.²⁷⁸ Research suggests that many employees with health conditions or informal caring demands fail to seek or receive reasonable work adjustments and struggle on until they are forced to withdraw from work.

The Governments Mid-Life MOT scheme, introduced in 2019, is a welcome addition to employment support. In March 2017, John Cridland's independent review of the state pension argued that the Mid-Life MOT could be a useful starting point for conversation between employers and older employees. More recently, Alok Sharma, the Minister for Employment, spoke of the potential for the Mid-Life MOT to 'ignite a cultural shift in how people plan for their later careers'.²⁷⁹ Mid-Life MOTs have the potential to trigger conversations regarding flexible working, reasonable workplace adjustments and training opportunities. Indeed, MOTs provide the worker with a voice, a crucial requirement for fair and decent work.²⁸⁰

Currently the Mid-Life MOT works as an informative page on the HM Government website titled 'Get to Know Your Pension'²⁸¹ and thus far the evidence of engagement with Mid-Life MOTs is lacking and the impact is unlikely to be transformative.²⁸² While pension information is important and links to information regarding 'Your Job' and 'Your Health and Wellbeing' are included, the Mid-Life MOT currently fails to be a holistic tool and is ill-suited to initiate a meaningful conversation between employers and employee. Mid-Life MOT schemes run by businesses have been more promising.

Case study

The Mid-Life MOT pilot scheme run by Aviva, Legal & General, the Pensions Advisory Service and Mercer in 2018, found a high rate of demand and engagement for employees aged 45 and above. The style and delivery varied across the companies, ranging from one to ones, online and group seminars and the pilots found that the MOTs were more successful when individualised for the employee's needs.²⁸³ There is no single definition for what a Mid-Life MOT should include, but its potential lies in supporting older people who wish to stay in work to do so. This research has highlighted three key areas that should be considered within all MOT frameworks: flexible working, workplace adjustments and training opportunities.

Aviva and Legal & General ran a series of face-to-face workshops with employees, The Pension Advisory Service ran one-to-one pilot for self-employed workers in the UK and Mercer developed and tested the design of an online tool to support workers in mid-life.²⁸⁴ At Aviva,

277 Kroon, A. C., Van Selm, M., ter Hoeven, C. L. and Vliegthart, R., 'Dealing with an Ageing Workforce: Locating Threats and Opportunities in Corporate Media', *Educational Gerontology*. Vol. 42, pp. 818–834 (2016)

278 Aviva, 'Research conducted by Censuwide', (2018), accessed via: www.aviva.com/newsroom/news-releases/2018/08/UK-over-50s-work-longer/

279 Sharma, A., 'Fuller Working Lives: 2 Years On: Speech', DWP, (2019), accessed via: www.gov.uk/Government/speeches/fuller-working-lives-2-years-on

280 Taylor, M. 'Good Work: The Taylor Review of Modern Working Practices', (2017) Accessed via: https://assets.publishing.service.gov.uk/Government/uploads/system/uploads/attachment_data/file/627671/good-work-taylor-review-modern-working-practices-rg.pdf

281 HM Government, 'Mid-Life MOT: Take Control of Your Future', (2018) Accessed via: www.yourpension.gov.uk/mid-life-mot/

282 UK Parliament, 'Empowering Savers to Save. Pensions Freedoms', (2018), accessed via: <https://publications.parliament.uk/pa/cm201719/cmselect/cmworpen/917/91706.htm>

283 Centre for Ageing Better (2018) Developing the Mid-life MOT. Centre for Ageing Better 2018.

284 Ibid

the MOT involved personalised guidance seminars covering wealth, work and health. Of the 100 employees invited to take part, 94 took part.²⁸⁵ According to Aviva, the MOT has the potential to boost employee's likelihood to keep on working and prepare those ready to exit the workforce for retirement.²⁸⁶ Following this pilot, Aviva is launching a Mid-Life MOT for all employees. All organisations participating in this pilot agreed on the benefits of engaging with employees on mid-life workplace related issues.²⁸⁷

Recommendation

Employee tailored holistic Mid-Life MOTs should be implemented by employers to discuss wealth, work and health. This should include discussion about opportunities for flexibility, workplace adjustments and training opportunities. Rather than being understood as retirement support, this structure should be conceptualised as a support tool for older workers to enable those that want to, to continue work.

An integrated approach: age confident employer scheme

In 2013 the Government introduced the Disability Confident employer scheme designed to help employers recruit and retain disabled people in the workforce.²⁸⁸ This scheme provides guidance for employers on inclusive recruitment practices and reasonable adjustments.²⁸⁹ Government Ministers in consultation with the CSJ in May 2019 affirmed the cost efficient, business focused and organic momentum of the Disability Confident scheme. By 2017, over 5,000 organisations had signed up, including major employer Sainsbury's. In 2019, the government released 'Disability Confident Promotional Material' that can be used by Disability Confident employers to promote the scheme.

Case study

The Disability Confident scheme is composed of three levels: Disability Confident Committed, Disability Confident employer and Disability Confident Leader. Each level works to challenge attitudes towards disability, increase understandings of disability, remove barriers to disabled people and those with long-term health conditions and ensure that disabled people have the opportunities to fulfil their potential and realise their aspirations.²⁹⁰ On completion of each level, employers are provided with a certificate and a badge for their website.

The success of Disability Confident has been questioned by some groups. Despite disability employment rates growing considerably, and take-up of the scheme by a number of employers, the Disability Confident scheme is argued by some to lack teeth.

²⁸⁵ Ibid

²⁸⁶ Ibid

²⁸⁷ Ibid

²⁸⁸ GOV.UK, 'Disability Confident: How to Sign Up to the Employer Scheme', (2018), accessed via: www.gov.uk/guidance/disability-confident-how-to-sign-up-to-the-employer-scheme

²⁸⁹ Ibid

²⁹⁰ GOV.UK, 'Disability Confident: How to Sign up to the Employer Scheme', (July 2016), accessed via: www.gov.uk/guidance/disability-confident-how-to-sign-up-to-the-employer-scheme#how-to-become-disability-confident

A similar 'Age Confident' scheme could work well to increase discussion, encourage good practice and provide the cultural change needed to fight stereotypes and reduce bias. Ros Altmann suggested this intervention in 2015.²⁹¹

Recommendation

The Government should initiate an 'Age Confident' employer scheme that would work similarly to the Disability Confident scheme. This scheme would highlight the benefits of employing a diverse workforce and work to break down barriers and offer solutions and support for all employers and employees. This would include recruitment guidance regarding workplace flexibility, infrastructural workplace adjustments, age discrimination, training and Mid-Life MOTs. On proven compliance with the standards set out by the Age Confident employer scheme, employers should be awarded a certificate and badge for their website.

- **Workplace flexibility:** employers should be encouraged to publicise flexible working options, making employees aware of their options. Where possible, job advertisements should include the tag line 'happy to talk flexible working' to encourage hiring managers to consider how a role can be done flexibly from the start.
- **Retirement flexibility:** retirement should be reconceptualised as a gradual process. Employers should offer phased retirement options to ease workers' transition into retirement.
- **Workplace adjustments:** Many businesses find it hard to know what reasonable adjustments mean in the workplace. Support should be provided through the Work and Health programme to help employers understand the scope and nature of reasonable adjustments. In addition, employers should be encouraged to make use of participatory/co-design initiatives to involve employees in the planning and implementation of workplace adjustments.
- **Age Discrimination:** encourage employers to model inclusive recruitment. Job advertisements should use age neutral language and recruitment managers should be trained to recognise and challenge biases. In addition, SMEs should be given appropriate additional support to comply with inclusive recruitment standards.
- **Employee Training:** Employers should encourage and support the use of the Personal Learner Account (PLA) by employees.
- **Employers should establish a Mid-Life MOT scheme to trigger conversations regarding flexible working, reasonable workplace adjustments and training opportunities. The Mid-Life MOT should be used as a support tool for older workers who want to continue to work, to do so.**

Reducing the fiscal impact of an ageing society

The fiscal pressure related to an increase in welfare spending in the form of the state pension in combination with a decrease in the working population presents a significant fiscal challenge. As stated earlier, the state pension is the largest single item of welfare

²⁹¹ Altmann, R. 'A New Vision for Older Workers: Retain, Retrain, Recruit', (2015), accessed via: www.gov.uk/Government/publications/a-new-vision-for-older-workers-retain-retrain-recruit

spending. The ageing population and the increasing Old Age Dependency Ratio (OADR) is raising serious concerns about long term fiscal sustainability in the UK. The state pension is an important benefit that provides security to those who have retired. If we expect this benefit to continue in the future along with the full functioning of public services, however, the UK's fiscal balance must be corrected.

As stated, the OBR project that age related spending will rise from to 26.0 per cent of GDP by 2065.²⁹² Public spending on health has increased more than tenfold in real terms since 1949–50 and the share of national income spent on health has doubled from 3.5 per cent to 7.3 per cent.²⁹³ The UK's current OADR stands at 28.2 (measured per 100 persons of working age) but is set to reach 48 by 2050.²⁹⁴

The first state pension schemes appeared at the end of the 19th and beginning of the 20th centuries. The age thresholds for these schemes stood at 65–70 years and at this time life expectancies were around 50 years. Yet, today in the UK the average life expectancy is 81 and the current SPA stands at 65. The state pension scheme still operates within the age thresholds set for the pioneer pension schemes over 100 years ago, revealing a disconnect between contemporary life expectancies and the state pension age. This raises the question of whether the state pension age is fit for the 21st century.

The early retirement schemes introduced in the 1970s and 1980s in Europe and North America reflect a misguided attempt to reduce youth unemployment. As already mentioned, there is no empirical evidence to suggest that a higher employment rate for older people increases youth unemployment, in fact, increasing effective retirement ages is likely to support the employment of both older and younger workers.

Provided the appropriate support is in place following the previous recommendations, increasing the SPA will support a dependency ratio within a manageable range.

Recommendation

The SPA should better reflect the longer life expectancies that we now enjoy and be used to support the fiscal balance of the nation. The SPA in the UK is set to rise to 66 by 2020 (Pensions Act 2011), to 67 between 2026 and 2028 (State Pension Act 2014) and to 68 between 2044 and 2046 (State Pension Act 2007). We propose accelerating the SPA increase to 70 by 2028 and then 75 by 2035. This will ensure the OADR remains in the range of 20 to 25²⁹⁵ for the next 20 years and would significantly improve the countries projected fiscal position.

292 Office for Budget Responsibility (OBR) 'Age-Related Spending in Europe', Fiscal Sustainability Report, (July 2018), accessed via: <https://obr.uk/box/age-related-spending-in-europe/>

293 Lee, T. and Stoye, G. 'UK Health and Social Care Spending,' *IFS*, (2018), accessed via: www.ifs.org.uk/uploads/publications/comms/R143_Chapter1.pdf

294 OECD, 'Old Age Dependency Ratio: Demographic and Economic Context', (2017), accessed via: www.oecd-ilibrary.org/docserver/pension_glance-2017-22_en.pdf?expires=1559215453&id=id&accname=guest&checksum=C882B0B69A6EE6B61A53343F99221AA2

295 CSJ calculation

Conclusion

This report is the sixth and final in a series on the Future of Work. In each report the focus has been on expanding the opportunities to work for everyone across the UK. The first report addressed regional growth imbalances in the British economy and called for a devolution revolution that puts power in the hands of local government and allows left behind communities to develop a new competitive edge in the global economy. The second report looked at how a National Retraining Scheme would best work by giving workers the opportunity to save towards their own upskilling and reskilling. Earlier this year we called on the Government to get ahead of the curve on technology take-up and set in motion a movement to allow the British economy to become more technologically advanced. In this report we address the challenges presented by an ageing population.

Removing barriers for older people to remain in work has the potential to contribute greatly to the health of individuals and the affordability of public services. Therefore, this paper argues for significant improvements in the support for older workers. This includes improved healthcare support, increased access to flexible working, better opportunities for training, an employer-led Mid-Life MOT and the implementation of an 'Age Confident' scheme.

As we prepare for the future, we must prioritise increasing the opportunity to work for this demographic to reduce involuntary worklessness. For the vulnerable and marginalised, a job offers the first step away from state dependence, social marginalisation and personal destitution.

In addition, provided that this support is in place, we propose an increase in the State Pension Age to 75 by 2035. While this might seem contrary to a long-standing compassionate attitude to an older generation that have paid their way in the world and deserve to be looked after, we do not believe it should be. Working longer has the potential to improve health and wellbeing, increase retirement savings and ensure the full functioning of public services for all.

Bibliography

- ACAS (2017) Disability Discrimination: Key Points for the Workplace. [Online] Available at: www.acas.org.uk/media/pdf/s/k/Disability_discrim_keypoints_workplace_Nov.pdf [Date accessed: 14/02/19]
- Altmann, R. 'A New Vision for Older Workers: Retain, Retrain, Recruit', (2015), accessed via: www.gov.uk/Government/publications/a-new-vision-for-older-workers-retain-retrain-recruit
- Aviva, 'Research conducted by Censuswide', (2018), accessed via: www.aviva.com/newsroom/news-releases/2018/08/UK-over-50s-work-longer/
- Aznar, A. R., Forth, J., Mason, G., O'Mahony, M., Bernini, M., 'UK Skills and Productivity in an International Context'. NIESR BIS Research Paper. No. 262, (2015)
- Banks, J et al., 'Releasing Jobs for the Young? Early Retirement and Youth Unemployment in the United Kingdom, Institute for Fiscal Studies, (2008), accessed via: www.ifs.org.uk/wps/wp1002.pdf
- Banks, J. Lessof, C. Nazroo, J. Rogers, N., Stafford, M., and Steptoe, A. (Eds.) 'Financial Circumstances, Health and Well-Being of the Older Population in England', The 2008 English Longitudinal Study of Ageing, Wave 4., (2010)
- Bertolino, M., Truxillo, D. M. and Fraccaroli, F., 'Age effects on perceived personality and job performance'. *Journal of Managerial Psychology* 28(7/8), 867–885, (2013)
- Black C., 'Working for a healthier tomorrow: Dame Carol Black's Review of the health of Britain's working age population', Presented to the Secretary of State for Health and the Secretary of State for Work and Pensions March 2008. London, TSO, (2008)
- Buckle, P., 'Workplace Infrastructure: Future of Ageing: Evidence Review', Government Office for Science, Foresight (2015)
- Buckle, P., Woods, V., Oztug, O. and Stubbs, D., 'Workplace Design for the Older Research Capacity' (SPARC): Guildford, University of Surrey, Taylor Francis, 3–7, (2008)
- Business in the Community, 'Missing Link: an ageing workforce in the digital era: older workers, technology and skills' The Prince's Responsible Business Network, (November 2017), available via: https://age.bitc.org.uk/system/files/research/bitc_age_report_older_workers_and_digital_0.pdf
- Centre for Ageing Better (2018) Health Warning for Employers: Supporting Older Workers with Health Conditions. Accessed via: www.ageing-better.org.uk/sites/default/files/2018-04/Health-warning-for-employers.pdf [Date accessed: 19/02/19]
- Centre for Ageing Better, 'Becoming an Age-Friendly Employer', (2018), accessed via: www.ageing-better.org.uk/sites/default/files/2018-09/Becoming-age-friendly-employer.pdf
- Centre for Ageing Better, 'Developing the Mid-life MOT', Centre for Ageing Better (2018)
- Centre for Ageing Better, 'Written Submission from Centre for Ageing Better', (2017) accessed via: <http://data.parliament.uk/WrittenEvidence/CommitteeEvidence.svc/EvidenceDocument/Women%20and%20Equalities/Older%20people%20and%20employment/written/72968.html>
- Centre for Social Justice, 'Rethinking Disability at Work: Recommendations, Polling Data and Key Statistics', (2017)

- Chandola, T. and Zhand, N., 'Re-Employment, Job Quality, Health and Allostatic Biomarkers: Prospective Evidence from the UK Household Longitudinal Study'. *International Journal of Epidemiology*. Vol. 47, Issue 1, pp. 47–57 (2018)
- Cicero, M. T. 'Cicero De Senectute (On Old Age)' trans. Andrew P. Peabody, Boston: Little, Brown and Company (1884 [44 BC])
- CIPD, 'Avoiding the Demographic Crunch: Labour Supply and the Ageing Workforce'. Policy Report, (June 2015), accessed via: www.cipd.co.uk/knowledge/work/trends/ageing-workforce-report
- CIPD, 'Flexible Working: the Business Case', (2018), accessed via: www.cipd.co.uk/Images/flexible-working-business-case_tcm18-52768.pdf
- CIPD, 'Government and Employers Unite to Kick-Start Flexible Working', (2018), accessed via: www.cipd.co.uk/about/media/press/flexible-working-taskforce
- CIPD, 'Health and Well-Being at Work', (2018), accessed via: www.cipd.co.uk/knowledge/culture/well-being/health-well-being-work
- CIPD, 'MegaTrends: More Selfies?: A Picture of Self-Employment in the UK', (2018), accessed via: www.cipd.co.uk/Images/more-selfies_2018-a-picture-of-self-employment-in-the-UK_tcm18-37250.pdf
- CIPD, 'To Gig or Not to Gig: Stories from the Modern Economy', Survey Report, (2015), accessed via: www.cipd.co.uk/knowledge/work/trends/gig-economy-report
- Cory, G., 'Unfinished Business: Barriers and opportunities for older workers', Resolution Foundation, (2012), accessed via: http://resolutionfoundation.org/wpcontent/uploads/2014/08/Unfinished_Business_FINAL_3.pdf
- Davies, E. Van der Heijden, B. I. J. M. and Flynn, M., 'Job Satisfaction, Retirement Attitude and Intended Retirement Age: A Conditional Process Analysis Across Workers Level of Household Income', *Frontiers in Psychology* (2018)
- De Gessa, G., Corna, L., Price, D. and Glaser, K., 'The Decision to Work After State Pension Age and How it Effects Quality of Life: Evidence from a 6-Year English Panel Study', *Age and Ageing*. Vol. 47, pp. 450–457 (2018)
- Department for Work and Pensions, '50 and Over, Trends Over Time: October 2018', (2018) https://assets.publishing.service.gov.uk/Government/uploads/system/uploads/attachment_data/file/747715/economic-labour-market-status-of-individuals-aged-50-and-over-oct-2018.pdf
- Department for Work and Pensions, 'Economic labour market status of individuals aged 50 and over, trends over time', (2018), accessed via: https://assets.publishing.service.gov.uk/Government/uploads/system/uploads/attachment_data/file/747715/economic-labour-market-status-of-individuals-aged-50-and-over-oct-2018.pdf
- Department for Work and Pensions, 'Employing older workers: An employer's guide to today's multi-generational workforce' DWP, (2013), accessed via: www.gov.uk/Government/uploads/system/uploads/attachment_data/file/142751/employingolder-workers.pdf
- Department for Work and Pensions, 'Flexible Hours Key to Working Longer, Says New Report', (2016), accessed via: www.gov.uk/Government/news/flexible-hours-key-to-working-longer-says-new-report
- Department for Work and Pensions, 'Fuller Working Lives: Evidence Base 2017', (2017), accessed via: www.gov.uk/Government/publications/fuller-working-lives-evidence-base-2017
- Dixon, S., 'Transitions from work to retirement, Wellington: Statistics New Zealand and Department of Labour', Wellington: Statistics New Zealand, (2018)
- DLF, 'Key Facts', (2018), accessed via: www.dlf.org.uk/content/key-facts

- Dufouil, C., Pereira, E., Chene, G., Glymour, M., Alperovitch, A. and Saubusse, E., 'Older Age at Retirement is Associated with Decreased Risk of Dementia', *European Journal of Epidemiology*. Vol. 29, Issue 5, pp. 353–361, (2014)
- Eaves, S., Gyi, D. E. and Gibb, A. G. F., 'Building Healthy Construction Workers: Their Views on Health, Wellbeing and Better Workplace Design', *Applied Ergonomics*. Vol. 54, pp. 10–18, (2016)
- European Commission, 'Eurobarometer on Discrimination 2015: General perceptions, opinions on policy measures and awareness of rights', (2015), available via: http://ec.europa.eu/justice/fundamental-rights/files/factsheet_eurobarometer_fundamental_rights_2015.pdf
- Eurostat, 'Old Age Dependency Ratio: Per 100 Persons', (2018), accessed via: <https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tps00198&plugin=1> [Date accessed: 26/02/19]
- Financial Times (FT), 'Young Workers Fear Later Retirement Blocks Career Prospects', (2013), The Financial Times. Workplace Diversity & Equality, accessed at: www.ft.com/content/89a66206-e002-11e2-bf9d-00144feab7de
- Finch, D. and Rose, H., 'A Mid Life Less Ordinary? Characteristics and Incomes of Low-to-Middle Income Households Age 50 to State Pension Age', Resolution Foundation: Briefing, (May 2017)
- Franceschi, C., Graragnani, P., Morsiani, C., Conte, M., Santoro, A., Grignolio, A., Monti, D., Capri, M. and Salvioli, S., 'The Continuum of Ageing and Age-Related Diseases: Common Mechanisms but Different Rates', *Frontiers in Medicine*, (March 2018)
- Fuertes, V. Egdell, V. and McQuaid, R. (2013) Extending Working Lives: Age Management in SMEs. *Employee Relations*. Vol. 35, pp. 272–293
- GOV.UK 'Chapter 5: Inequalities in Health', Public Health England, (September 2018), accessed via: www.gov.uk/Government/publications/health-profile-for-england-2018/chapter-5-inequalities-in-health
- GOV.UK, 'Disability Confident: How to Sign Up to the Employer Scheme', (2018), accessed via: www.gov.uk/guidance/disability-confident-how-to-sign-up-to-the-employer-scheme
- GOV.UK, 'Disability Confident: How to Sign up to the Employer Scheme', (July 2016), accessed via: www.gov.uk/guidance/disability-confident-how-to-sign-up-to-the-employer-scheme#how-to-become-disability-confident
- GOV.UK, 'Equality Act 2010: Guidance', (2013), accessed via: www.gov.uk/guidance/equality-act-2010-guidance
- GOV.UK, 'Get Help at Work if You're Disabled or Have a Health Condition (Access to Work)' (2019), Accessed via: www.gov.uk/access-to-work/what-youll-get
- GOV.UK, 'Views on the Ageing Society: Survey of Older People', (2018), accessed via: www.gov.uk/Government/publications/views-on-the-ageing-society-survey-of-older-people
- GOV.UK, 'Work and Health Programme', (2017), accessed via: www.gov.uk/work-health-programme
- Government Office for Science, 'Future of an Ageing Population', (2016), accessed via: www.ageing.ox.ac.uk/files/Future_of_Ageing_Report.pdf
- Health and Safety Executive, 'An update of the literature on age and employment'. Research Report RR832. HSE: London. (2011), accessed via: www.hse.gov.uk/research/rrpdf/rr832.pdf
- Health and Safety Authority (HSA), 'Summary of Workplace Injury, Illness and Fatality Statistics', (2017), accessed via: www.hsa.ie/eng/Publications_and_Forms/Publications/Corporate/HSA_Stats_Report_2017.pdf
- HM Government, 'Good Work Plan. Industrial Strategy', (December 2018), accessed via: www.gov.uk/Government/publications/good-work-plan

- HM Government, 'Mid-Life MOT: Take Control of Your Future', (2018), accessed via: www.yourpension.gov.uk/mid-life-mot/
- Hogarth, T. and Barth, M. C. (1991) Costs and Benefits of Hiring Older Workers: A Case Study of B&Q. *International Journal of Manpower*. Vol. 12, No. 8, pp. 5–17
- Hogarth, T. and Barth, M. C., 'Costs and Benefits of Hiring Older Workers: A Case Study of B&Q'. *International Journal of Manpower*. Vol. 12, No. 8, pp. 5–17 (1991)
- Holt-Lunstad, J. Smith, T. B., Baker, Mark, Harris, T. and Stephenson, D. 'Loneliness and Social Isolation as Risk Factors for Mortality: A Meta-Analytic Review', *Perspectives on Psychological Science*, (March 2015)
- House of Commons, 'Women and Equalities Committee: Older People and Employment'. Fourth Report of Session 2017–19, (2018)
- IEA (Institute of Economic Affairs), 'Working Longer, Live Healthier: The Relationship Between Economic Activity, Health and Government Policy', Gabriel H. Sahlgren. AEF Age Endeavour Fellowship, (2013)
- ILC, (International Longevity Centre) 'The Missing Million: Illuminating the Employment Challenges of the Over 50s', (2014), accessed via: https://age.bitc.org.uk/system/files/research/prime_report_the_missing_million_0.pdf
- Institute for Fiscal Studies (IFS), 'Public Hospital Spending in England: Evidence from National Health Service Administrative Records', IFS Working Paper W15/21, (2015)
- Jaskanwal, S. D., Prasad, M., Eleid, M. F., Zhang, M., Widmer, J. and Lerman, A., 'Association Between Work-Related Stress and Coronary heart Disease: A Review of Prospective Studies Through the Job Strain, Effort-Reward Balance, and Organisational Justice Models', *Journal of American Heart Association*, (2018)
- Jin Rho, H. (Centre for Economic and Policy Research), 'Hard Work? Patterns in Physically Demanding Labor Among Older Workers,' Centre for Economic and Policy Research, (2010)
- Johnson, S. (2013) The wellbeing of an ageing workforce. *Occupational Health* 65(9), 27, accessed via: <http://search.proquest.com/docview/1436870936/fulltextPDF?accountid=12253>
- JRF (Joseph Rountree Foundation), 'UK Poverty 2018: Summary', (2018)
- JRF (Joseph Rowntree Foundation), 'UK Poverty 2017: A Comprehensive Analysis of Poverty Trends and Figures', Report by the JRF Analysis Uni, (2017)
- Kasteridis, P. et al., 'Who Would Most Benefit from Improved Integrated Care? Implementing an Analytical Strategy in South Somerset', *International Journal of Integrated Care* 15 1–11, (2015)
- Kroon, A. C., Van Selm, M., ter Hoeven, C. L. and Vliedenthart, R., 'Dealing with an Ageing Workforce: Locating Threats and Opportunities in Corporate Media', *Educational Gerontology*. Vol. 42, pp. 818–834 (2016)
- Lancaster University, 'Research Shows McDonald's Customers Prefer Older Workers', (2009), accessed via: www.lancaster.ac.uk/news-archive/BE8CC3DC5B5D9A3880257619003619DE.php
- Lee, R., and Mason, A., 'Is Low Fertility Really a Problem? Population Ageing, Dependency and Consumption', *Science*. Vol. 346, Issue 6206, (2014)
- Lee, T. and Stoye, G. 'UK Health and Social Care Spending', IFS, (2018), accessed via: www.ifs.org.uk/uploads/publications/comms/R143_Chapter1.pdf
- Leeson, G. W., 'Realizing the Potentials of Ageing', *Population Ageing*. Vol. 10, pp. 315–321, (2017)
- Loch, C. H., Stong, F. J., Bauer, N and Mauermann, H., 'How BMW is Defusing the Demographic Time Bomb', *Harvard Business Review* (March 2010)
- Marmot, M., 'Fair Society, Healthy Lives: The Marmot Review', *Strategic Review of Health Inequalities in England Post-2010*, (February 2010)

- McNair, S., Flynn, S., Myerson, J., Gheerawo, R. and Ramster, G., 'What are the Supply (Workforce) and Demand (Product) Implications of an Ageing Society?', Future of Manufacturing Project: Evidence Paper 22. Foresight, Government Office for Science, (2012), accessed via: www.gov.uk/Government/uploads/system/uploads/attachment_data/file/283896/ep22-ageingsociety-implications-manufacturing.pdf
- Medical Research Council (MRC), 'Neurodegenerative Diseases and Dementia', (2018), accessed via: <https://mrc.ukri.org/funding/science-areas/neurosciences-mental-health/our-science-and-contacts-nmhb/neurodegenerative-diseases-and-dementia/>
- Mein, G., Martikainen, P. Stansfeld, S. A., Brunner, E. J., Fuhrer, R. and Marmot, M. G., 'Predictors of Early Retirement in British Civil Servants', *Age and Ageing*. Vol. 29, pp. 529–36, (2000)
- Metcalfe, H. and Meadows, P., 'Second survey of employers' policies, practices and preferences relating to age,' *Employment Relations Research Series No. 110*. BIS/DWP: London, (2010)
- Mind, 'How to Support Staff Who are Experiencing a Mental Health Problem' Resource 4., (2016), Accessed via: www.mind.org.uk/media/550657/resource4.pdf
- Ng and Feldman, 'The Relationship of Age to Ten Dimensions of Job Performance', *Journal of Applied Psychology*. Vol. 93, pp. 392–423 (2018)
- NHS, 'The NHS Long Term Plan', (2019), accessed via: www.longtermplan.nhs.uk/wp-content/uploads/2019/01/nhs-long-term-plan.pdf
- NordPlus Horizontal, 'The Pension System and Labour Market for 55+ in the Baltic and Nordic Countries', NordPlus Horizontal, (2014)
- OBR (Office for Budget Responsibility), 'An OBR Guide to Welfare Spending', (2018), accessed via: https://obr.uk/docs/dlm_uploads/An-OBR-guide-to-welfare-spending-March-2018.pdf
- OBR, 'Fiscal Sustainability Report', (June 2015), accessed via: <http://budgetresponsibility.org.uk/fsr/fiscalsustainability-report-june-2015/>
- OECD, 'Life Expectancy at Birth', (2017), accessed via: <https://data.oecd.org/healthstat/life-expectancy-at-birth.htm>
- OECD, 'Old Age Dependency Ratio: Demographic and Economic Context', (2017), accessed via: www.oecd-ilibrary.org/docserver/pension_glance-2017-22_en.pdf?expires=1559215453&id=id&accname=guest&checksum=C882B0B69A6EE6B61A53343F99221AA2
- OECD, 'Pensions at a Glance: Country Profiles: Iceland', (2017), accessed via: www.oecd.org/els/public-pensions/PAG2017-country-profile-Iceland.pdf
- OECD, 'Long-Term Care: Public Spending on Long-Term Care (Health and Social Components)', (2018), accessed via: www.oecd.org/els/health-systems/long-term-care.htm
- OECD, 'Employment Rate', (2018), accessed via: <https://data.oecd.org/emp/employment-rate.htm>
- OECD, 'Gross Domestic Product (GDP)', (2018), accessed via: <https://data.oecd.org/gdp/gross-domestic-product-gdp.htm>
- Office for Budget Responsibility (OBR) 'Age-Related Spending in Europe', Fiscal Sustainability Report, (July 2018), accessed via: <https://obr.uk/box/age-related-spending-in-europe/>
- ONS (2018) UK Population 2017 www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates [Date accessed: 7/12/18]
- ONS, 'Deaths Registered in England and Wales: 2017', (2018), www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/deaths/bulletins/deathsregistrationsummarytables/2017
- ONS, 'Earnings and Low Pay: Distributions and Estimates from the Labour Force Survey', (2017), accessed via: www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/earningsandlowpay/distributionsandestimatesfromthelabourforcesurvey

- ONS, 'Health State Life Expectancies by National Deprivation Deciles, England and Wales 2014 to 2016', (2018), accessed via: www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthinequalities/bulletins/healthstatelifeexpectanciesbyindexofmultipledeprivationimd/englandandwales2014to2016
- ONS, 'LFS: Employment Rate: UK: All: Aged 50–64: % SA', (2019), accessed via: www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/timeseries/lf2u/lms
- ONS, 'Living Longer: Fitting it all in – Working, Caring and Health in Later Life: An Overview of Two Barriers to Working at Older Ages – Health and Caring', (2018), accessed via: www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/ageing/articles/livinglongerhowourpopulationischangingandwhyitmatters/fittingitalinworkingcaringandhealthinlaterlife
- ONS, 'ONS Population Overview', (July 2018), www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/articles/overviewoftheukpopulation/november2018
- ONS, 'Overview of the UK Population: February 2016', (2016), accessed via: www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/articles/overviewoftheukpopulation/february2016#how-are-the-characteristics-of-the-uk-population-changing
- ONS, 'Overview of the UK Population: February 2016', (2016), accessed via: www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/articles/overviewoftheukpopulation/february2016#how-are-the-characteristics-of-the-uk-population-changing
- ONS, 'Participation Rates in the UK – 2014–3. Older People', (2015), accessed via: www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/compendium/participationratesintheuklabourmarket/2015-03-19/participationratesintheuk20143olderpeople#why-people-are-working-past-their-state-pension-age
- ONS, 'Trends in Self-Employment in the UK: Analysing Characteristics, Income and Wealth of the Self Employed', (2018), accessed via: www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/trendsinselfemploymentintheuk/2018-02-07#the-characteristics-and-income-of-the-self-employed
- ONS, 'Vital Statistics in the UK: Births, Deaths and Marriages – 2018 Update', (2018), accessed from: www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/vitalstatisticspopulationandhealthreferencetables
- Oude Hengel, K. Blatter, B. M., Geuskens, G. A., Koppes, L. J. and Bongers, P. M, 'Factors Associated with the Ability and Willingness to Continue Working Until the Age of 65 in Construction Workers', *Int Arch Occup Environ Health*. Vol: 85, pp. 783–790, (2012)
- Pensions Policy Institute (PPI) 'The Impact of Automatic Enrolment in the UK as of 2016', Economic & Social Research Council, (January 2017)
- Policy Exchange, 'Too Much to Lose: Understanding and Supporting Britain's Older Workers', (2012), Accessed via: <https://policyexchange.org.uk/publication/too-much-to-lose-understanding-and-supporting-Britain's-older-workers/>
- Public Health England, 'Chapter 1: Life Expectancy and Healthy Life Expectancy. Research and Analysis', (2017), accessed via: www.gov.uk/Government/publications/health-profile-for-england/chapter-1-life-expectancy-and-healthy-life-expectancy
- PwC, 'PwC Golden Age Index: Unlocking a Potential \$3.5 Trillion Prize from Longer Working Lives', (2018), accessed via: www.pwc.co.uk/economic-services/golden-age/golden-age-index-2018-final-sanitised.pdf [Date accessed: 24/01/19]

- Resolution Foundation, 'Unfinished Business: Barriers and Opportunities for Older Workers', Resolution Foundation (2012)
- Robertson, A. And Tracey C.S., 'Health and productivity of older workers Scandinavian Journal of Work and Environmental Health', Vol. 24 (2) pp. 85–97 (1998)
- Rohwedder, S. and Willis, R. J., 'Mental Retirement', Journal of Economic Perspectives. Vol. 24, No. 1, pp. 119–138, (2010)
- Pollock, R. D., Carter, S., Velloso, C. P., Duggal, N. A., Lord, J. M., Lazarus, N. R. and Harridge, S. D. R., 'An Investigation into the Relationship Between Age and Physiological Function in Highly Active Older Adults', *The Journal of Physiology* Vol. 593, Issue 3, (January 2015)
- Royal College of Art (RCA) The Helen Hamlyn Centre for Design (2016) Workplace & Wellbeing: What Aspects of Workplace Design are Most Important to People's Wellbeing? A Research Study 2015–2016. Gensler and Helen Hamlyn Centre for Design at RCA
- Sanderson, W. and Scherbov, S., 'If 75 is the New 65, We Need to Rethink What it Means to be Old', World Economic Forum, (April 2019)
- Shakespeare, W. As You Like It. Trans. Horace Furness. New York: Dover Publications, (1963 [1623])
- Sharma, A., 'Fuller Working Lives: 2 Years On: Speech', DWP, (2019), accessed via: www.gov.uk/Government/speeches/fuller-working-lives-2-years-on
- Sluiter, J., 'High-demand jobs: Age related diversity in work ability?', *Applied Ergonomics* 37, 429–440, 2006
- Smith, J. 'Collaborative Project, Welcoming Workplace: Designing Office Space for an Ageing Workforce in the 21st Century Knowledge Economy', (2008)
- Sundstrom, E. & Sundstrom, M., 'Work Places: The Psychology of the Physical Environment in Offices and Factories', (1986), Cambridge University Press
- Taylor, M. 'Good Work: The Taylor Review of Modern Working Practices', (2017) accessed via: https://assets.publishing.service.gov.uk/Government/uploads/system/uploads/attachment_data/file/627671/good-work-taylor-review-modern-working-practices-rg.pdf
- Taylor, M. and Geldhauser, H., 'Low Income Older Workers', In Shultz, K. and Adams, G. (Eds.) *Ageing and Work in the 21st Century*. Mahwah, NJ: Erlbaum (2007)
- The Design Museum, 'Designing for Our Future Selves', (2017), accessed via: <https://designmuseum.org/whats-on/pop-up-exhibitions/new-old>
- The Lancet Public Health, 'Forecasted Trends in Disability and Life Expectancy in England and Wales up to 2025: A Modelling Study', (2017), accessed via: [www.thelancet.com/journals/lanpub/article/PIIS2468-2667\(17\)30091-9/fulltext?elsca1=tlpr](http://www.thelancet.com/journals/lanpub/article/PIIS2468-2667(17)30091-9/fulltext?elsca1=tlpr)
- The New Zealand Positive Ageing Strategy, 'Towards a Society for All Ages: He Anga Oranga Kau mo ngaWhakatipuranga Katoa', (2001)
- Thomson, 'A Silver Lining for the UK Economy: The Intergenerational Case for Supporting Longer Working Lives', Centre for Ageing Better. Intergenerational Commission, (2018)
- Thomson, P., 'Becoming an Age Friendly Employer', Centre for Ageing Better, (2018)
- Timewise, 'The Timewise Flexible Jobs Index 2017', Timewise Talent Through Flexibility with CEB, (2017)
- UK Parliament, 'Empowering Savers to Save. Pensions Freedoms', (2018), accessed via: <https://publications.parliament.uk/pa/cm201719/cmselect/cmworpen/917/91706.htm>
- Waddell G and Burton K, 'Is work good for your health and wellbeing?', Department for Work and Pensions, London, TSO Publications, (2006)

- Walker, A. in The Telegraph, 'Old Age Does Not Begin Until 74. Researchers Suggest in a New Report Which Looks at the Real Impact of an Ageing Population', (April 2015), accessed via: www.telegraph.co.uk/science/2016/03/15/old-age-does-not-begin-until-74-researchers-suggest-in-a-new-rep/
- Women and Equalities Committee, 'Older People and Employment', House of Commons. Fourth Session 2017–2019, (2018), accessed via: <https://publications.parliament.uk/pa/cm201719/cmselect/cmwomeq/359/359.pdf>
- Wood, A., Robertson, M. and Wintersgill, D., 'A Comparative Review of International Approaches to Mandatory Retirement', Department for Work and Pensions DWP, (2010)
- Working Families, 'Flexible Recruitment', (2017), accessed via: www.workingfamilies.org.uk/employers/httfw/
- World Bank, 'Population Ages 65 and Above (% of total)', (2017), accessed via: https://data.worldbank.org/indicator/SP.POP.65UP.TO.ZS?contextual=default&end=2016&locations=JP-GB-IT-RU-FI&name_desc=true&start=1960&view=chart



The Centre for Social Justice
Kings Buildings,
16 Smith Square,
Westminster, SW1P 3HQ

www.centreforsocialjustice.org.uk
@csjthinktank