



Public Policy Statement
Employment and contribution
September 2019

Summary

Older people make a significant contribution to Welsh life and the Welsh economy. After taking account of the costs of an ageing population, older people make a net contribution of almost £6 million per day to the Welsh economy.¹ Age Cymru believes that all people have an innate value in themselves, regardless of their age or other personal characteristics. Nevertheless, it is sometimes helpful to quantify the size of the contributions that are made by older people in order to combat ageist assumptions or negative attitudes. This policy statement focuses primarily on the major economic contributions that older people make through paid employment, voluntary roles, caring responsibilities and as consumers.

An ageing population may bring challenges but it is also a significant opportunity. To fully grasp this opportunity we must put aside outdated assumptions and recognise the skills and value that older people bring as employees and contributors to wider society and to the economy.

More people are working for longer than ever before. For some this is through choice while, for others, a combination of economic factors and policies such as the raising of the State Pension Age mean that continuing to work is a financial imperative. The increase in employment rates among older workers over the past few years is welcome but does not tell the full story of working life for the over 50s.

While many older people continue to enjoy fulfilling careers there are others who face discrimination and find they are unable to continue in their job or find new employment. For the country this is a waste of skills, and for the individual it is often devastating in relation to personal finances, health and self-esteem.

Age discrimination in employment is now illegal and the Default Retirement Age was abolished in 2011. However perceptions and stereotypes of older workers – usually negative – are still held, and challenging these is of great importance. Ensuring that older workers are not forced out of the labour market, and providing appropriate support to those who do find themselves unemployed, is increasingly crucial as a result of demographic change and the rising State Pension Age.

¹Centre for Health Economics and Medicines Evaluation (CHEME), Bangor University (2018), Living Well for Longer: the economic argument for investing in the health and wellbeing of older people in Wales.

Age Cymru believes that everyone should be able to remain in work as long as they desire and are capable of doing so, and that no-one should be disadvantaged because of their age. Tackling prejudice and discrimination is an essential part of making work better.

Older workers may also need to think differently about work and their own retirement aspirations from how they would have done in the past. This might include consideration of their motivation to continue in work and where their skills could best be used, eg in training and mentoring others, or in working freelance.

Because individual motivation will vary, the same roles, salaries and training or re-training opportunities will not be appropriate for everyone. Employers and governments should resist focusing on generic working practices or development programmes, such as assuming older employees will need to improve their I.T. skills. Opportunities for later-life career reviews and career development, including a career review at the age of 50, should be built into employment contracts and workplace culture.

All older people also make a large contribution to the wider economy as tax payers and consumers. The sum of taxes paid by older people is significant without even taking account of previous individual contributions. Furthermore, as a result of demographic trends and government policy, the net financial contribution from older people is set to increase. Estimates have indicated that the overall value of the economic contribution of older people will reach around £82 billion by 2030.²

Many older people also play significant roles in their communities on a voluntary basis. In fact many community groups, facilities and sports clubs would not operate without the vision and support of older volunteers. Volunteering does not just play an important role in delivering services, but also in improving the lives of the volunteers themselves. Nevertheless, older people sometimes face barriers, not least the ageist policies and practices of some organisations that impose upper age limits on volunteers. We believe that all organisations using volunteers should review and remove inappropriate or discriminatory age barriers.

Large and increasing numbers of older people also undertake vital caring responsibilities for partners, relatives, friends, neighbours and grandchildren. It has been estimated that unpaid carers provide 96% of all care provided in the community in Wales,³ and that they contribute over £8 billion worth of care annually in Wales.⁴ It is essential that carers are given the support they need to enable them to continue caring and maintain an acceptable quality of life.

Summary of public policy proposals:

- Welsh Government should implement the recommendations of the MAFA Working Group on Preparing for the Future through the next phase of the Employability Plan and the forthcoming Framework for an Ageing Population.

² RVS (2011), Gold Age Pensioners: Valuing the socio-economic contribution of Older People in the UK

³ Care Council for Wales (2010), Care at Home: Challenges, Possibilities and Implications for the Workforce

⁴ Carers UK, Valuing Carers 2015

- More must be done to tackle age discrimination in the workplace. This includes through educating employers and managers to avoid discriminating and to challenge stereotypes; and by improving access to redress where people are treated illegally.
- The UK and Welsh Governments and the Equality and Human Rights Commission should make the case for employing older workers more effectively, including improving awareness of age discrimination.
- The UK Government should consider how the Equality Act and its enforcement can be tightened to ensure that discrimination here is reduced.
- Given the UK's ageing workforce, employers must recognise that older workers often have the skills and expertise necessary to add value to their business, and judge people on their individual attributes rather than their age.
- Welsh Government and employers should introduce a mid-life career review, to give people the opportunity to plan ahead, re-skill and consider their finances and health.
- Employers should monitor the age profile of their workforce to ensure relevant policies and procedures are in place.
- Employers should consult older workers about their hopes and aspirations. Employees may not welcome the thought of continuing in their current role for a few more years, but might be open to new ideas and new opportunities.
- Welsh Government and key stakeholders to consider how the 'Becoming an age friendly employer' guide produced by Centre for Ageing Better⁵ can be implemented in Wales;
- The UK Government should abolish the 26-week qualifying period for flexible working, so that job applicants have a statutory right to request flexibility.
- The UK Government should introduce a system of "flexible by default", where employees could assume they can work flexibly unless the employer can demonstrate otherwise.
- Five days' paid carers' leave with a longer period of unpaid leave, should be introduced to help people balance their caring responsibilities and work.
- Employers should provide support for internal applications for apprenticeships from older employees wishing to re-train.
- The support provided to older jobseekers through Jobcentre Plus (JCP) must start from day one of a benefit claim, be better tailored to individual needs and recognise the barriers to returning to work often faced by those aged 50+.
- JCP must ensure all its advisers are trained to address the particular barriers facing older jobseekers.
- The UK Government's Work and Health Programme should be reformed to correct the failures of its predecessor scheme, the Work Programme, to ensure it better meets the needs of older participants. Support providers should be granted an extra payment for placing anyone aged 50+ in sustainable employment, and more disadvantaged jobseekers should be referred after six months unemployment rather than the rather than the proposed two years, by which point many people will find it very difficult to get back into work.
- The Fit for Work service should engage with employers to promote good age-management practices including health management and flexible working. It should also link people directly to skills and retraining provision, especially where they are unlikely to return to their previous job.

⁵ Centre for Ageing Better, Becoming an age-friendly employer, September 2018

- The Access to Work scheme, which provides funding for reasonable adjustments for people with disabilities, should be promoted more widely among people aged 50+.
- Welsh Government should consider findings of NESTA research into barriers to lifelong learning.⁶
- Welsh Government should commission research into self-employment and people over 50 to provide a robust platform for evidence-based policy making, and assess whether there is reasonable financial support for people over 50 who want to start their own business.
- The UK Government should work with employer's representative groups and others such as trade unions to ensure that all workers have access to accurate and impartial information about their retirement options and the financial implications of these.
- The Pensions Wise guidance available to people considering accessing their pension fund should provide access to information about retirement and financial options, and should consider offering people more than one session, rather than a one-off conversation, as recommended by the Work and Pensions Committee.
- People who are within three years of their State Pension age and realistically have a very low chance of working again – especially people claiming Employment and Support Allowance, Carers Allowance, or have been unemployed for 12 months or more – should have early access to their State Pension, at the full rate.
- Any future changes to State Pension Age should take into account differences in life expectancy between different groups and provide people with a minimum of ten years' notice of any change.
- Employers should broker early conversations about retirement and extending working lives with their employees.
- Welsh Government should encourage employers to consider their corporate responsibilities by supporting employees to volunteer.
- More organisations should consider making appropriate volunteering opportunities available.
- Organisations who recruit volunteers should consider how they can develop a range of volunteering options which recognize the diverse aspirations and needs of older people and the wealth of experience they can bring to volunteering roles.
- Public bodies should support organisations that give opportunities to volunteers. This could include both direct support for volunteer training, accreditation and resources, but also recognition that supporting a service delivered by volunteers doesn't just benefit the immediate service users, but also has a wider impact through the benefits to the volunteers.
- Public bodies and other funders must ensure volunteer management costs within funded programmes are properly costed for the level of volunteering being delivered. Whilst volunteering is freely given, it is not cost free.
- Local authorities should support registers of volunteering opportunities within their areas to help match opportunities with the skills of potential volunteers.
- Employers should signpost employees to organisations with whom they can become involved, eg, as volunteers, after retirement.

⁶ National Endowment for Science, Technology and the Arts, Invitation to Tender, What enables and drives adults in work to learn new skills?: a rapid evidence review, deadline for submissions: Noon (GMT), Friday 11th January 2019
https://media.nesta.org.uk/documents/ITT_Motivation_to_Learn_18_12_KzMNIzT.pdf

- Welsh Government, Local Authorities and other public bodies should support the training and accreditation of volunteers – for example, accredited health and safety and safeguarding training. They should consider developing their own relevant staff training programmes to include volunteers.
- In order to combat discrimination, including on the grounds of age, the UK Government should consider how volunteers can be brought under the scope of the Equality Act 2010.
- The benefits system should be reformed to ensure all carers have adequate incomes. This should include financial support for older carers who often receive no financial recognition of their role.
- Carers should have a statutory entitlement to the support needed to be able to achieve an acceptable quality of life, defined in terms of mental and physical health and opportunities for social and economic inclusion. They should not be expected to sacrifice mental and physical health, or opportunities for education and personal development in order to carry out their caring role.
- Five days' paid carers' leave with a longer period of unpaid leave, should be introduced to help people balance their caring responsibilities and work.

Employment and contribution

This policy statement covers:

- Employment
- Age discrimination in employment
- Mid-life career review
- Flexible working
- Jobseeker support and re-employment
- Self-employment
- Retirement
- Volunteering
- Caring

Public policy proposals

Employment

More people are working for longer than ever before. For some this is through choice while, for others, a combination of economic factors and policies such as the raising of the State Pension Age mean that continuing to work is a financial imperative. In Wales, 59,000 people aged 65 and over were employed in 2018, 9.3% of this age group in Wales.⁷

By 2050 45% of the Welsh population will be over 50. The current retirement age is 65, but this will rise to 68 by 2039.⁸ The Centre for Ageing Better's publication, *Becoming an age-friendly employer*,⁹ provides a practical summary of what employers can do to become more age-friendly, covering everything from recruitment to supporting health at work and how to help staff in mid-life to plan for their future.

Welsh Government's economic action plan, *Prosperity for All*, includes the ambition that "our communities will benefit from the valuable contribution that active older people can make,"¹⁰ and sets out the intention to help society benefit more from the contribution older people can make, capitalising on their knowledge and experience.

More than half of older people (63 per cent) surveyed for the Department of Business, Energy and Industrial Strategy said there should be more training and retraining schemes to help ageing workers gain new skills and deal with technology.¹¹ In October 2018, the Chartered Institute of Personnel and Development's acting chief economist, Ian Brinkley, told MPs at the House of Lords intergenerational fairness and provision committee that there was a "very thin offering" of learning choices for older workers, and that they were more at risk of ending up in "dead-end jobs."

⁷ Office for National Statistics, Regional Labour Market Statistical Bulletin, March 2019

⁸ Welsh Government, Employability Plan, March 2018

⁹ Centre for Ageing Better, *Becoming an age-friendly employer*, September 2018

¹⁰ Welsh Government, *Prosperity for All*, 2017.

¹¹ Department of Business, Energy and Industrial Strategy (2018), *Views on the ageing society: survey of older people*

Welsh Government's Employability Plan¹² recognises the need to upskill the existing workforce who will be working for longer, and to equip people with the right skills for a changing world. It acknowledges that: people are likely to work longer throughout their lifetime, and to change jobs and industries multiple times; as new jobs replace old jobs it is essential that older people adapt and learn new skills in order to maximise their opportunities to secure employment if their jobs are displaced; employers will also need to be more flexible to access the skills and abilities of this ageing workforce, and the aging workforce must be able to up-skill and learn throughout their lives to thrive in employment.

Welsh Government states that it will: work with Careers Wales and other partners to ensure that older workers are encouraged to think proactively about their career opportunities and skills needs throughout their lifetime; encourage lifelong learning in particular amongst older workers, pilot an individual learning account for workers to fund personal vocational retraining in sectors where there is a skills shortage; help industry to plan to replace the retiring workforce, in particular in areas where there is a skills gap and to prepare for an increasingly aging workforce in the future. While the progress report on the first six months of the Employability Plan includes initiatives to support young people and people with disabilities, these do not include support for older people.¹³

However, to inform the implementation of Phase 3 of its Strategy for Older People, in 2018 WG set up a number of working groups under the auspices of the Ministerial Advisory Forum on Ageing (MAFA), including one on Preparing for the Future. Age Cymru was represented on all working groups. The practical measures recommended by the Working Group to support older workers were:

- An online personalised portal/dashboard that allows individuals to monitor their planning and have access to suggestions;
- encouraging Welsh employers to deliver mid-life reviews;
- encouraging employers to consider their corporate responsibilities by supporting employees to volunteer;
- challenging ageist stereotypes and promoting positive images of ageing;
- employers to monitor the age profile of their workforce to ensure relevant policies and procedures are in place;
- Welsh Government and key stakeholders to consider how the 'Becoming an age friendly employer' guide produced by Centre for Ageing Better¹⁴ can be implemented in Wales;
- employers to broker early conversations about retirement and extending working lives with their employees;
- consider findings of NESTA research into barriers to lifelong learning.¹⁵

¹² Welsh Government, Employability Plan, March 2018

¹³ Welsh Government, Employability Plan: progress report 2018.

¹⁴ Centre for Ageing Better, Becoming an age-friendly employer, September 2018

¹⁵ National Endowment for Science, Technology and the Arts, Invitation to Tender, What enables and drives adults in work to learn new skills?: a rapid evidence review, deadline for submissions: Noon (GMT), Friday 11th January 2019
https://media.nesta.org.uk/documents/ITT_Motivation_to_Learn_18_12_KzMNIzT.pdf

The combined findings of all five workshops were discussed at a Welsh Government event in February 2019 and are expected to inform a new Framework for an Ageing Population, which is intended to replace the Older People's Strategy.

In March 2019, Welsh Government approved funding for research into 'ageing and work: employer and individual perspectives in Wales', due to take place in 2019.

Public policy proposals

- Welsh Government should implement the recommendations of the MAFA Working Group on Preparing for the Future through the next phase of the Employability Plan and the forthcoming Framework for an Ageing Population.

Age discrimination in employment

Age discrimination in employment remains widespread despite the introduction of the Equality Act 2010 (which absorbed the Employment Equality (Age) Regulations introduced in 2006). 40% of workers aged 50 and over believe they have been disadvantaged at work for appearing too old across the UK.¹⁶ Research by Age Cymru in 2010 found that 71% of people in Wales believed older people were discriminated against on the grounds of their age in employment, while 1 in 5 people (21%) between the ages of 50 and 64 believed they had personally experienced discrimination in employment because of their age.¹⁷

The abolition of the Default Retirement Age (DRA) by the UK Government in 2011 was a major step forward in providing equal rights for older employees. The DRA allowed employers to force people to retire at age 65 regardless of their wishes, competency and performance.

Opponents of the abolition cited a common misconception that longer working lives would prevent younger people from gaining employment and progressing their careers. However there is no evidence to support this view. The reality is that more individuals working for longer results in growing consumer spending power and economic activity, which feeds through into the creation of more jobs in the economy.¹⁸

Younger workers clearly have had a difficult time in the labour market during the economic downturn since 2008. It is perfectly legitimate to address youth unemployment. However, this is not caused by older workers or delayed retirement. In fact, there is often a correlation between high employment rates for older and younger workers, and the truth is that, regardless of the type of work, a strong economy is the key ingredient for anyone to be in employment. In reality older and younger jobseekers are unlikely to be in direct competition for the same jobs and the majority of older people continuing working are remaining in their existing jobs rather than seeking new ones.¹⁹ A 2011 article from *The Economist* on this subject concluded: "*The idea that society can become more prosperous by paying more of its citizens to be idle is clearly nonsensical.*"²⁰

¹⁶ CIPD/CMI (2010), *Managing an ageing workforce*.

¹⁷ ICM Opinion poll for Age Cymru, February 2010.

¹⁸ Saga and Cebr (2014), *The Saga Generations: Supporting employment across the UK economy*.

¹⁹ ONS (2012), *Older workers in the labour market*.

²⁰ *The Economist* (9 April 2011), p.13

However, despite these legislative changes, taking age into account in employment decisions is still not certain to be illegal. The law allows for age discrimination where it can be 'objectively justified' by an employer as 'a proportionate means of achieving a legitimate aim'. Legal judgments have also found that when employees are treated differently because of their age, the employer's actions must support a social policy objective, rather than simply their own private interests. Although this is intended to be difficult to prove, and should only happen rarely, it effectively means that the employee's interest can be overruled in some circumstances. Social policy objectives have been found to potentially include reducing unemployment, encouraging career progression and rewarding employee loyalty.²¹

A common misconception and cause of age discrimination is the belief that people become less productive in the workplace as they age. However, a growing evidence base increasingly proves this view as erroneous. The majority of research finds either a lack of relationship between productivity and age, or that older workers are at least as productive as their younger colleagues. Even in physically demanding situations, for example on a factory production line, a number of studies have found older workers to be just as productive.²²

Public policy proposals:

- More must be done to tackle age discrimination in the workplace. This includes through educating employers and managers to avoid discriminating and to challenge stereotypes; and by improving access to redress where people are treated illegally.
- The UK and Welsh Governments and the Equality and Human Rights Commission should make the case for employing older workers more effectively, including improving awareness of age discrimination.
- The UK Government should consider how the Equality Act and its enforcement can be tightened to ensure that discrimination here is reduced.
- Given the UK's ageing workforce, employers must recognise that older workers often have the skills and expertise necessary to add value to their business, and judge people on their individual attributes rather than their age.

Mid-life career review

With the State Pension Age due to increase to 67 in 2026-28 and with further rises likely in the 2030s and beyond, we are concerned that many people will find they are unprepared for a longer working life. We believe that, as the MAFA Working Group on preparing for the Future recommended, a career review at 50 should be introduced, to give people the opportunity to plan ahead, re-skill and consider their finances and health. Having this review at age 50 should become the social norm, so people have time to reap the benefits of flexible working, re-training or moving to a new career.

- Welsh Government and employers should introduce a mid-life career review, to give people the opportunity to plan ahead, re-skill and consider their finances and health.

²¹ Clarion Solicitors (2013), Justifying age discrimination <http://www.clarionsolicitors.com/blog/justifying-age-discrimination> (accessed August 2016).

²² Age UK (2014), Productivity and age briefing [http://www.ageuk.org.uk/PageFiles/12808/Age%20and%20productivity%20briefing%20\(March%202014\).pdf](http://www.ageuk.org.uk/PageFiles/12808/Age%20and%20productivity%20briefing%20(March%202014).pdf)

- Employers should monitor the age profile of their workforce to ensure relevant policies and procedures are in place;
- Employers should consult older workers about their hopes and aspirations. Employees may not welcome the thought of continuing in their current role for a few more years, but might be open to new ideas and new opportunities.
- Welsh Government should implement an online personalised portal/dashboard that allows individuals to monitor their planning for the future and have access to suggestions.
- Welsh Government and key stakeholders to consider how the ‘Becoming an age friendly employer’ guide produced by Centre for Ageing Better²³ can be implemented in Wales.

Flexible working

Flexible working practices are increasingly important to older workers and the economy as a whole because of increased caring responsibilities or health needs as the UK population becomes older. Some workers also indicate a preference to wind down to retirement by working part-time or flexibly, which can benefit both individuals and employers if they use the opportunity to use existing employees to mentor and train other staff. The proportion of workers aged 50 and over using some form of flexible working rose from 30% to 38% between 2005 and 2010.²⁴

As the workforce ages more people will need to use differentiated working patterns, such as job sharing, so increasing awareness of the benefits of flexibility among employers and individuals is important. These include increased productivity and improved employee retention. Around 60% of over 50s say they would like to continue working after state pension age on a part-time basis. Some 40% would like to stay in their current job, but have greater flexibility in their working pattern.²⁵ A 2018 survey for the Department for Business, Energy and Industrial Strategy (BEIS), found that over three-quarters (78 per cent) of respondents said they would like more flexible hours, and 73 per cent said they wanted to see more part-time positions offered.²⁶

However, there are also instances of employers forcing ‘flexibility’ on their employees. Flexible working is often at the employer’s discretion and used primarily as a workforce management tool, paying little regard to the individuals’ needs. Employers are often likely to consider ‘flexible working’ differently from employees, hence there is a danger that public debate around ‘workforce flexibility’ can be a euphemism for reducing employment rights.

An additional factor to consider is the ‘family care gap’, as identified by the Institute for Public Policy Research.²⁷ The supply of unpaid care to older people by their adult children (in England) is unlikely to keep pace with demand, whereas care provision by spouses is growing and is projected to continue to increase in importance. This additional strain on relatives’ time

²³ Centre for Ageing Better, Becoming an age-friendly employer, September 2018

²⁴ Age UK (2012), A means to many ends: older workers’ experiences of flexible working

²⁵ EHRC (2010), Working Better – The over 50s, the new work generation

²⁶ Department for Business, Energy and Industrial Strategy, Views on the ageing society: survey of older people, November 2018

²⁷ IPPR (2014), The generation strain: Collective solutions to care in an ageing society

and resources emphasises the importance of ensuring that everyone has access to flexible working.

The right to request flexible working enacted by the UK Government in June 2014 applies only to employees with more than six months' service, meaning people who may need some flexibility to move jobs or get back into the workforce have no legal right to request. We believe the 26-week qualifying period should be abolished so job applicants have a statutory right to request flexibility. Furthermore, the UK Government should introduce a system of "flexible by default", where employees could assume they can work flexibly unless the employer can demonstrate otherwise.

Public policy proposals:

- the UK Government should abolish the 26-week qualifying period for flexible working, so that job applicants have a statutory right to request flexibility.
- The UK Government should introduce a system of "flexible by default", where employees could assume they can work flexibly unless the employer can demonstrate otherwise.
- Five days' paid carers' leave with a longer period of unpaid leave, should be introduced to help people balance their caring responsibilities and work.

Jobseeker support and re-employment

Remaining in work or finding new employment is still a significant challenge for many 'older' people. Despite being illegal under the Equality Act 2010, older workers – typically those aged 50 and over – still face barriers in accessing work and training.

When people aged 50 are unemployed they tend to remain so for longer. Data on the number of people claiming Job Seekers Allowance (JSA) in Wales (the 'Claimant Count') shows that 60.8% of claimants aged 50+ have been claiming for more than 12 months, compared to 55.7% of those aged 25-49 and 32.3% of people 18-24. The differences are starker for men than women, and 64.3% of unemployed men aged 50 and over have been so for longer than 12 months.²⁸ The reasons for this are believed to include ageism among employers, outdated qualifications, a deficit of skills required in today's job market (such as IT) and declining self-confidence. For the country this is a waste of skills, and for the individual it is often devastating in relation to personal finances, health and self-esteem.

Recruitment is the point in the employment cycle at which discrimination is most likely to occur, even though it is rarely reported and difficult to take action against. The UK Government should consider how the Equality Act and its enforcement can be tightened to ensure that discrimination here is reduced.

Another part of the picture is that older jobseekers often find they are unable to access adequate back-to-work support. Jobcentre Plus advisers tend not to be trained on the specific issues facing this age group, for example how to minimise the effects of age discrimination or help with online job searching. The UK Government updated its Fuller Working Lives strategy in 2017,²⁹ focusing on: legislation to remove the "cliff-edge" of retirement; developing an

28 Office for National Statistics, Regional Labour Market Statistical Bulletin, March 2019.

29 Department for Work and Pensions, Fuller Working Lives; a partnership approach, 2017.

evidence-based call to action; supporting those who need more help, including women, carers, people with health conditions and BME groups; reforming the adult skills system, and improving the Jobcentre Plus offer for older workers, including Older Claimant Champions to increase awareness among work coaches of the barriers faced by older claimants. The strategy has helped raise awareness but we believe its focus on employer engagement is too narrow, and that it should do more to address other important issues, eg, encouraging take up of training or promoting flexible working.

The Work and Health programme is the new UK Government scheme for people who have been out of work for two years. However, the failures of its predecessor scheme, the Work Programme, the UK Government's previous flagship back-to-work programme for the long-term unemployed, have not been corrected, and significant changes need to be made. The proportion of people supported into sustained jobs generally declines with age, but drops steeply between the 45-49 age group and the 50-54 age group. The percentage of Work Programme participants in Wales aged 50 and over who had secured sustained employment was 13% in June 2015 (17% in England) compared to 23% overall and 29% of the 18-24 age group.³⁰ Other analysis has suggested that the low performance is not caused by higher incidence of disability or health conditions among older people, and research analysis has concluded that age is in itself a barrier to work.³¹

The same research made recommendations about the support requirements of older jobseekers. Because they are a diverse group, with varied skills, employment histories and no typical journey into long-term unemployment, they have a diverse range of different support needs and require tailored provision. However, there are also some cross-cutting issues identified which affect many older jobseekers. The research found that changes in health circumstances were common and could affect the type of work older jobseekers could consider. Ageism and the competitive nature of the job market both present overarching barriers to employment. For example, there is no upper age limit on apprenticeships, but they are extremely competitive and perceived to be exclusively for young people. Overall, it concluded that older jobseekers often face amplified barriers as compared to other jobseekers and so benefit from more intensive employment support.³²

Public policy proposals

- Employers should provide support for internal applications for apprenticeships from older employees wishing to re-train.
- The support provided to older jobseekers through Jobcentre Plus (JCP) must start from day one of a benefit claim, be better tailored to individual needs and recognise the barriers to returning to work often faced by those aged 50+.
- JCP must ensure all its advisers are trained to address the particular barriers facing older jobseekers.
- The UK Government's Work and Health Programme should be reformed to correct the failures of its predecessor scheme, the Work Programme, to ensure it better meets the needs of older participants. Support providers should be granted an extra payment for placing anyone aged 50+ in sustainable employment, and more disadvantaged jobseekers should be referred after six months unemployment rather than the rather

30 Public Policy Institute for Wales (Dec 2015), Rethinking the Work Programme for Wales

31 Age UK & Centre for Economic & Social Inclusion (2014), Employment support for unemployed older people.

³² Ibid.

than the proposed two years, by which point many people will find it very difficult to get back into work.

- The Fit for Work service should engage with employers to promote good age-management practices including health management and flexible working. It should also link people directly to skills and retraining provision, especially where they are unlikely to return to their previous job.
- The Access to Work scheme, which provides funding for reasonable adjustments for people with disabilities, should be promoted more widely among people aged 50+.
- Welsh Government should consider findings of NESTA research into barriers to lifelong learning.³³

Self-employment

The entrepreneurial route can be an attractive option for older workers. Many organisations including Prime Cymru, Age Cymru, Rotary groups and the Department for Work and Pensions provide support to people over 50 considering self-employment.³⁴ As well as financial support while starting up a new business, the UK New Enterprise Allowance and Welsh business start-up schemes can provide business planning support.

However setting up one's own business can potentially involve a significant financial risk and possibly impact on receipt of benefits. Some older people may be reluctant to take on these financial risks. Prime Cymru has an effective volunteer mentoring scheme in Wales which tends to focus on older people who want to set up small businesses. The majority of people that Prime Cymru work with will have successful small businesses that will only employ 1.5 staff in five years' time.

There is a lack of robust research on the types of businesses that are set up by people over 50: whether new businesses are in the industrial sectors that the person worked in before; how long the new businesses exist for; and how many people they employ. Although some very good work is being done, more support needs to be funded, focusing on prestart-up support and small business support.

Public policy proposals:

- Welsh Government should commission research into self-employment and people over 50 to provide a robust platform for evidence-based policy making, and assess whether there is reasonable financial support for people over 50 who want to start their own business.

Retirement

Report after report has highlighted the lack of planning for retirement – according to one report the average Briton spends more time planning their next holiday than planning their retirement.³⁵ Two-fifths of current retirees say they did not prepare adequately, and only a

³³ National Endowment for Science, Technology and the Arts, Invitation to Tender, What enables and drives adults in work to learn new skills?: a rapid evidence review, deadline for submissions: Noon (GMT), Friday 11th January 2019
https://media.nesta.org.uk/documents/ITT_Motivation_to_Learn_18_12_KzMNlzT.pdf

³⁴ National Assembly for Wales Enterprise and Business Committee, Employment Opportunities for People Over 50, 2015.

³⁵ <http://www.legalandgeneralgroup.com/media-centre/press-releases/2014/groupnews-release-1216.html>

third realised this before retirement, while more than two-fifths do not think they will ever make up this shortfall.³⁶

A key contributor to this lack of readiness is inadequate pension provision, often dating back to earlier parts of a person's working life. Pension policy is covered in detail in our Income and Finances policy statement. However, employees and employers could do more in the immediate period leading up to retirement to help ensure that it doesn't result in a precipitous fall in income.

For some, working longer may be an answer to boosting eventual retirement income. Enlightened employers will undertake retirement planning with their employees and consult older workers about their hopes and aspirations. Some employees may not welcome the thought of continuing in their current role for a few more years, but might be open to new ideas and new opportunities.

Working longer is not an option for everybody however and, unfortunately, this is most likely to be the case for the very people who are most in need of the income. Clearly, poor health is a barrier for some, and the option to continue to work can also depend on the profession or industry in which you work. Long-term unemployment also remains a particular problem for the 50–64 age group and being unemployed during this phase of life can have a severe impact upon income in retirement. For these reasons it is vital the UK Government takes into account health inequalities and varying life expectancy when making decisions about the State Pension Age in future.

Transitions into retirement have rightly become more complex in recent years. Retirement is now more likely to be an evolution, rather than a single event taking place around the State Pension Age, as demonstrated by the growth in flexible and part-time working in later life. For most people, starting to receive a workplace or private pension and leaving paid employment do not happen simultaneously.

It is important that the government, employers and employer associations, and trade unions ensure that adequate pre-retirement advice and information is available well in advance to everyone in the build-up to and the immediate period after retirement. This is vital to ensure that people have full access to the information they need to plan a suitable time and process for their retirement, and help them to make important financial decisions. This is especially important given UK Government reforms which allow greater freedom and choice to people over when they access their pension savings. Many older people would also welcome an opportunity to hand over their accumulated knowledge and wisdom to their employers and successors before retiring.

Public policy proposals:

- The UK Government should work with employer's representative groups and others such as trade unions to ensure that all workers have access to accurate and impartial information about their retirement options and the financial implications of these.
- The Pensions Wise guidance available to people considering accessing their pension fund should provide access to information about retirement and financial options, and

³⁶ HSBC (2013), The Future of Retirement, Life after work? UK Report.

should considering offering people more than one session, rather than a one-off conversation, as recommended by the Work and Pensions Committee.

- People who are within three years of their State Pension age and realistically have a very low chance of working again – especially people claiming Employment and Support Allowance, Carers Allowance, or have been unemployed for 12 months or more – should have early access to their State Pension, at the full rate.
- Any future changes to State Pension Age should take into account differences in life expectancy between different groups and provide people with a minimum of ten years' notice of any change.
- Employers should broker early conversations about retirement and extending working lives with their employees.

Volunteering

Volunteers make a significant contribution, in unpaid hours, to the economy of Wales. It is estimated that every year volunteers contribute 145 million hours, which is worth £1.7 billion. This is equivalent to 3.1% of Wales GDP.³⁷ A review of evidence by Bangor University found that older volunteers contributed £483 million a year to the Welsh economy in 2018, and this was expected to grow to £705 million per year by 2020.³⁸ Indeed many community groups are almost totally dependent on older people's contributions.

In 2018, Bangor University reported that more than half of all older people in Wales (and over two thirds of older adults aged 55-64) say that they do some informal volunteering, with activities including keeping in touch with a housebound person and providing transport. One in three older people reported volunteering formally with organisations and formal groups, including volunteering in children's activities within and outside school, sports and exercise, health and social care, community groups, faith based groups and working in charity shops.

In 2011, WRVS evidence suggested that older volunteers are providing considerable hidden value to the UK economy:

- An annual average of 104.6 hours of informal volunteering effort per person aged over 65
- An annual average of 54.5 hours of formal volunteering effort per person aged over 65.³⁹

Volunteering does not just play an important role in delivering services, but also in improving the lives of the volunteers themselves; improving physical and mental health; combating loneliness and personal isolation; boosting independence; providing satisfaction; and empowering people. Volunteering enables older people to remain active in the community, with two-way intergenerational benefits within the community and public sector services.

In spite of the positive figures above, older people do face some potential barriers when volunteering, not least upper age limits imposed by some organisations. There may also be physical challenges for older people with visual, auditory and cognitive impairment, or it could

³⁷ WCVA (2016), Third Sector Statistical Resource 2016.

³⁸ Centre for Health Economics and Medicines Evaluation (CHEME), Bangor University (2018), Living Well for Longer: the economic argument for investing in the health and wellbeing of older people in Wales.

³⁹ WRVS (2011), Gold Age Pensioners: Valuing the socio-economic contribution of Older People in the UK.

be something as simple as a lack of transport, or the timing of a meeting (if it is held late at night, many older people may be reluctant to attend it).

Recent research on volunteering amongst people aged 50+ by the Centre for Ageing Better found that older people with low incomes, older people from Black and Minority ethnic groups and older people in poor health are under-represented amongst older volunteers.⁴⁰

In 2015, the Commission on the Voluntary Sector and Ageing reported that many parts of the Third Sector did not recognise that older people can bring a wealth of experience to volunteer roles and can greatly enhance the quality of services.⁴¹ In addition, there are costs involved in recruiting, training and managing volunteers, particularly where those volunteers are highly skilled, eg, magistrates.

It is unclear what impact the trend towards people retiring later or the rising State Pension age will have on older people's ability to volunteer. For some, volunteering can be an important part of the transition into retirement, whilst for others it can be a route back into paid work.

We believe that all organisations using volunteers should value the contributions which are, and could, be made by older people and to remove inappropriate or discriminatory age barriers. A flexible and inclusive approach to developing and recruiting volunteers will help to encourage older volunteers.

Public policy proposals:

- Welsh Government should encourage employers to consider their corporate responsibilities by supporting employees to volunteer.
- More organisations should consider making appropriate volunteering opportunities available.
- Organisations who recruit volunteers should consider how they can develop a range of volunteering options which recognize the diverse aspirations and needs of older people and the wealth of experience they can bring to volunteering roles.
- Public bodies should support organisations that give opportunities to volunteers. This could include both direct support for volunteer training, accreditation and resources, but also recognition that supporting a service delivered by volunteers doesn't just benefit the immediate service users, but also has a wider impact through the benefits to the volunteers.
- Public bodies and other funders must ensure volunteer costs within funded programmes are properly costed for the level of volunteering being delivered. Whilst volunteering is freely given, it is not cost free.
- Local authorities should support registers of volunteering opportunities within their areas to help match opportunities with the skills of potential volunteers.
- Employers should signpost employees to organisations with whom they can become involved, eg, as volunteers, after retirement.
- Welsh Government, Local Authorities and other public bodies should support the training and accreditation of volunteers – for example, accredited health and safety and

⁴⁰ Centre for Ageing Better (2017), Drive to increase volunteering and community activity by people over 50.

⁴¹ Commission on the Voluntary Sector and Ageing (2015), <https://voluntarysectorageing.org>

safeguarding training. They should consider developing their own relevant staff training programmes to include volunteers.

- In order to combat discrimination, including on the grounds of age, the UK Government should consider how volunteers can be brought under the scope of the Equality Act 2010.

Caring

Wider policy in relation to carers is covered in Age Cymru's Carers policy statement, but it is important to recognise the valuable economic contribution made by older people who provide unpaid care.

The economic value of social care provided by older people is considerable. It has been estimated that unpaid carers currently provide 96% of community care in Wales,⁴² and that they contribute over £8 billion worth of care annually in Wales,⁴³ with the majority of those providing care aged 50 and over. Without this care, many older people would be left isolated with little or no support, and pressures on state care provision would significantly increase.

The Office for National Statistics (ONS) has reported data from the 2011 Census, which shows that 370,230 people in Wales provide unpaid care. People aged between 50 and 64 provided the greatest proportion of unpaid care, with 47% of those with caring responsibilities falling within that age group in England and Wales. In Wales the provision of unpaid care was greater than in England, with 18.7% of men and 25.5% of women aged 50 - 64 taking on unpaid caring roles. In Wales, approximately 14,300 of these people worked full-time while providing 50 hours or more in unpaid care.⁴⁴

The number of carers over the age of 65 is increasing more rapidly than the general carer population. Comparisons between the 2001 and 2011 censuses showed that whilst the total number of carers has risen by 11% since 2001, the number of older carers rose by 35%. The average number of care hours provided also increases with age, and people aged 65 and over provide the highest number, with 7.8% of men and 7% of women providing 50 hours or more each week.⁴⁵

When cuts take place to care and support services, unpaid carers are forced to work harder, often sacrificing their own health and wellbeing and their own identity as an independent person. Research by Carers Wales has found that 40% of carers in Wales have given up work to care, with a further 14% saying that they had reduced their hours of work in order to support the person they care for. 20% said they had taken a less qualified job or turned down a promotion as a result of their caring responsibilities or that they had retired early in order to provide care.⁴⁶

Unpaid carers are effectively propping up our current social care system and it is essential that they are given the support they need to enable them to continue caring and maintain an acceptable quality of life.

⁴² Care Council for Wales (2010), Care at Home: Challenges, Possibilities and Implications for the Workforce

⁴³ Carers UK, Valuing Carers 2015

⁴⁴ Office for National Statistics (2013), Inequality in the provision of unpaid care in England and Wales – Census 2011

⁴⁵ Ibid.

⁴⁶ Carers Wales, State of Caring Wales 2018.

Many older people also provide vital childcare for their grandchildren and other relatives, with the value of this across the UK recently being estimated at £7.3billion. 15% of all children aged 0 – 14 received grandparental childcare in 2010/11. Increasingly, the grandparents providing this care are also not the oldest members of their families, with 62% having an older relative: either their own parents, or an aunt or uncle.⁴⁷ Now sometimes described as the ‘stretched generation’, increasing numbers of people are caring both up and down the age range. Many older people are now expected to spend time caring for their grandchildren, as well as potentially working for longer, whilst needing to care for their partner or older relatives too. 30% have multiple caring responsibilities – they are also helping to look after a disabled or elderly relative or friend⁴⁸

Public policy proposals:

- The benefits system should be reformed to ensure all carers have adequate incomes. This should include financial support for older carers who often receive no financial recognition of their role.
- Carers should have a statutory entitlement to the support needed to be able to achieve an acceptable quality of life, defined in terms of mental and physical health and opportunities for social and economic inclusion. They should not be expected to sacrifice mental and physical health, or opportunities for education and personal development in order to carry out their caring role.

⁴⁷ Grandparents Plus (2013), Policy briefing: Grandparents and childcare (analysis of the Understanding Society Survey by Grandparents Plus and Age UK).

⁴⁸ Grandparents Plus, Kinship Care: State of the Nation 2017.