

Economic & City Development Overview & Scrutiny Committee

23 July 2014

Report from the Office of the Chief Executive

Supporting Older People Scoping Report

Summary

1. This report provides a suggested scope for the committee's contribution to the Council's corporate scrutiny review around supporting older people.

Background

2. Research demonstrates that people in employment have better outcomes in terms of health and wellbeing than people without work. There is evidence that these benefits apply to older workers too¹. Employment is therefore potentially a valuable component of any approach to increasing the wellbeing of older people.
3. Older people also represent for employers a potentially valuable source of skilled and experienced talent, to increase the productivity and profitability of their businesses.
4. Both these factors, alongside concerns about affordability of pensions, motivated the approach from central Government to changing the pension age, with the pension age for females rising to 65 in 2018 and to 66 for all in 2020. Pension age will continue to rise in line with continuing increases to life expectancy.

What do we know about older people in the workforce?

5. A full analysis is set out at Annex A. Headlines include:

¹ Work Longer, Live Healthier: The relationship between economic activity, health and government policy: IEA 2013

- York has a higher proportion of those aged 50-64 in employment than the regional or national proportions
- York has a lower proportion of those aged 65 and over than the region or national proportions.
- a higher proportion of males aged 50-64 are in employment than females
- a higher proportion of males aged 65 + are in employment than females
- a higher proportion of people aged 50-64 are in employment in 2013 than ever before (2004) in York and this rate is higher than the regional and national rate.
- a lower proportion of people aged 65 and over are in employment in 2013 in York than the regional and national rate.

What can we predict about future trends?

6. A fuller picture, including caveats around reliability of this kind of forecasting, is included at Annex A. Key headlines:
 - Between 2014 and 2024 the number of all people in employment aged over 60 will increase by 103%, from 6200 to 12700
 - When the retirement age for females increases to 65 in 2018 this will have an effect of a potential additional 3400 people in the labour market between 2017 and 2018.
 - When the retirement age increases for both genders in 2020 this will have an effect of a potential additional 1400 people in the labour market between 2019 and 2020
 - Between 2014 and 2024 the number of females in employment aged over 60 will increase by 332%, from 1400 to 6100
 - Between 2014 and 2024 the number of males in employment aged over 60 will increase by 36%, from 4800 to 6500

What do we know about attitudes to older workers?

7. National research² sets out some useful evidence. Data from the British Social Attitudes Survey (2008) shows that 35 per cent of employees aged 50+ agreed they would 'want' to work beyond the age of 65 and 42 per cent of those aged 50+ agreed they would 'enjoy' working in their current job beyond the age of 65.
8. The same research cites a British Chambers of Commerce (BCC) survey of over 3500 members which suggested that over a third had employees over 65. The Age & Employment Network (TAEN) reported that *conversations with employers over the past three years' show employers who have adopted age friendly retention and recruitment policies almost without exception emphasise the business benefits of doing so'*. Benefits cited include skill, commitment, work ethic, loyalty and flexibility.
9. We therefore have significant information and evidence at the headline level. However, there is a lot we do not know, for example:
 - How many over 50s want work but cannot get it?
 - How does this compare to other age ranges (e.g. 16-24s Not in Employment, Education or Training (NEET))?
 - What jobs do people want and what is the market failure that means that they can't get this through existing channels?
 - What are the characteristics of people in this category (e.g. are older people being made redundant because they no longer have relevant skills; are they long term unemployed; is it the result of sector shifts; or are there other characteristics which enable us to provide a targeted response?)

² Review of the Default Retirement Age: Summary of the stakeholder evidence A report of research carried out by Independent Social Research on behalf of the Department for Work and Pensions (2010)

Scope

10. The Committee should consider the topic from a number of viewpoints.
 - i. How do we identify more intelligently current and potential future demand for support for older people who are actively seeking work, and where there is evidence that current interventions are not meeting their needs adequately?

Objective: to create an evidence base that will allow the Council with partners to consider any unmet needs, and the resourcing thereof.
 - ii. What represents current best practice in terms of attracting and retaining older people in employment?

Objective: to ensure as a city we are adopting the most appropriate strategies in enabling older people to be in employment.
 - iii. How widely are these practices adopted by businesses and support providers in the city, and are there particular challenges for certain types of businesses which can be collectively addressed?

Objective: to create opportunities for all employers in the city to benefit from the experience and expertise of older people.

Analysis

11. This scoping report is presented for information only.

Council Plan

12. This report is directly linked to the '*create jobs and grow the economy*' element of the Council Plan 2011-15.

Implications

13. There are no known financial, human resources, equalities, legal or other implications associated with this report.

Risk Management

14. In compliance with the Council's risk management strategy there are no known risks associated with this report.

Recommendations

15. Having considered the information provided in this scoping report, the Committee are recommended to agree whether or not to proceed with a review based on the suggested focus outlined in paragraph 11 above.
16. If a decision is taken to proceed the Committee are asked to agree:
- A Task Group to carry out the review on their behalf
 - A timeframe for completing the review

Reason: To progress the work of the Committee in line with Scrutiny procedures and protocols

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Wards Affected: **Report Approved** **Date** 9 July 2014
All

For further information please contact the author of the report

Background Papers: None

Annexes:

Annex A – Age profile of those employed.

Abbreviations in this report and its annex

BCC – British Chambers of Commerce

IEA – Institute of Economic Affairs

JSA – Job Seekers Allowance

NEET – Not in Employment, Education or Training

ONS – Office of National Statistics

TAEN – The Age & Employment Network