

ERSA Submission to the Women and Equalities Committee inquiry on older people and employment



November 2017

1. Introduction

- 1.1. This paper has been developed by the Employment Related Services Association (ERSA) in response to the Women and Equalities Committee inquiry, *Older people and employment: Is Government policy effective?*
- 1.2. ERSA is the representative body of the UK employment support sector. It has around 260 members spanning the public, private and voluntary sectors, with over three quarters not for profit. ERSA's members provide frontline specialist employment support to jobseekers to help them enter, remain and progress in work.
- 1.3. Responses have been collated from organisations providing a range of services to job seekers of all ages, and tailored to reflect the needs of different labour markets and individual jobseekers and employees. This submission mainly addresses the following questions: *How successful are government policies on retraining and re-entry likely to be in helping people stay in work or find new employment?; What steps could the government take to reduce barriers to later life working?; What further steps need to be taken to reduce age discrimination in recruitment, and what evidence is there that an employer-led approach will be effective?; and How should government and employers respond to and improve age diversity in the workforce?*

2. Executive Summary

- ERSA members suggest that flexible working practices should be commonplace where appropriate, as barriers such as caring responsibilities mean that older people can remain hidden from the job market for long periods of time.
- Good quality training is essential to securing a sustainable journey back into work. This should be flexible able to build on transferable skills acquired in previous roles.
- Apprenticeships are a viable route back into employment and training. However, they are often seen as an option for young people. A substantial publicity drive is needed to increase awareness of apprenticeships as a viable route into work for older people.
- With the right support systems in place, people with multiple barriers can be helped into work or training. However, there appear to be problems with the support offered by Jobcentre Plus in developing an accurate assessment of jobseekers' needs.
- Effective employer engagement is crucial to opening the job market to older people.

3. Older people in work

- 3.1. The employment rate for individuals aged 50-64 has been increasing in recent years. In 2015, 69.4% of people aged 50-64 were in employment, 12.2 percentage points higher than the rate in 1995.¹ Despite this, the employment gap remains significant when compared to the proportion of 25-49 year olds in employment (82.3%).

4. Barriers to work for older people

¹ DWP (2016) Economic labour market status of individuals aged 50 and over since 1984 (experimental) https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/546643/economic-labour-market-status-of-individuals-aged-50-and-over-since-1984.pdf

- 4.1. ERSA members have identified some age-specific barriers that are faced by older workers looking to train or re-enter employment. These include a lack of confidence, declining industries and financial restrictions. It has been suggested that the right support from the initial assessment, as well as training that attracts older workers, will open up the job market to a wider range of job seekers and help those who have been long-term unemployed.
- 4.2. Factors which are not limited to, but may be experienced disproportionately by, over 50s include caring responsibilities and health-related issues. One member described supporting people who had worked in heavy manual jobs for a long period of time, but could no longer continue due to health problems.
- 4.3. Many older workers are underemployed or caring for relatives and are hidden from the labour market. Carers UK research from 2015 found that the largest age bracket of carers was 50-64 year olds, with 1 in 5 having caring responsibilities.
- 4.4. ERSA members suggest that flexible working practices should be commonplace where appropriate. Some have pointed out that this can work well for the employer, with offices operating for longer.
- 4.5. A lack of relevant skills also presents a barrier to some older people. At the same time, a fluctuating job market was identified as a unique barrier for older people entering work, particularly for those who had been long-term unemployed. The constant need to obtain qualifications relevant to the job market and retrain in a new industry can be discouraging, and opportunities to undertake relevant training that factors in previous skills and experience are scarce.
- 4.6. Members have therefore emphasised the importance of good quality training in securing a sustainable journey back into work. This should be flexible, accessible and able to build on transferable skills acquired in previous roles.
- 4.7. Apprenticeships were cited as a viable route back into employment and training. However, feedback from members suggests that while apprenticeship schemes are open to workers of all ages, they are often seen as an option for young people. For example, one member pointed out that the apprenticeship awards include categories such as “young apprentice of the year”. Currently few employers offer apprenticeships to older workers.
- 4.8. Providers were clear that a substantial publicity drive is needed to increase awareness of apprenticeships as a viable route for older people to take. Suggestions for what this would involve included marketing material such as adverts and leaflets to promote professional development for older people.
- 4.9. It was also suggested that older apprenticeships be ‘rebadged’ to help distance them from the youth associations of vocational education. A focus on them as re-training opportunities with greater emphasis placed on the goal (namely employment in a skilled trade) and the value of those trades and the skills they require.

5. The right support for older workers

- 5.1. The last national employment support programme specifically targeted at older workers was Labour’s New Deal for 50 Plus (ND50+), an extension of the broader New Deal for Employment programme. ND50+ was a voluntary programme which ran from 2000-2009, when the Flexible New Deal came in. Since ND50+ concluded, there has been no national programme tackling the issue.

- 5.2. With the right support systems in place, people with multiple barriers can be helped into work or training. However, there appear to be problems with the support offered by Jobcentre Plus in developing an accurate assessment of jobseekers' needs, particularly those who are or who are at risk of becoming long term unemployed. The fortnightly meeting between a jobseeker and a JCP Personal Advisor may not be enough to identify needs, and age-related barriers can go unnoticed.
- 5.3. Furthermore, caseloads in JCP are very high, limiting available time for face to face contact and one to one support. One member reported that their employment support mentors will work with a maximum of 25 people, which is significantly lower than the caseload of a typical JCP coach. Given the danger of older people becoming discouraged while undertaking job search activities, JCP may inadvertently drive older people further from the labour market.
- 5.4. Support should be personalised and tailored to individual need. An example of this type of provision is Radian Group:

Radian Employment Support and Training team provide intensive support for people with multiple barriers to work. They have developed a 'life coach' model for those that are furthest from employment. This involves an initial assessment, which looks at health and other support needs, and holistic support to follow, which links up to other services such as mental health.

6. Employers and an older workforce

- 6.1. There is a misconception that older people will cost more money to hire, due to perceptions about health and length of time in the job. Promotion of the benefits of hiring older workers through case studies, as well as employer incentives, were some suggested ways of opening up the job market to older workers.
- 6.2. Effective employer engagement is crucial to opening the job market to older people. B&Q was one employer cited as leading a campaign which championed the recruitment of older people.
- 6.3. ERSA members currently working with older people highlighted a few measures that they are taking to open up the job market to older people. Offering work trials alongside interviews, for example, allows people to showcase their skills and experience, as well as allowing the employer to see beyond an individual's CV.

7. Conclusion

- 7.1. As the overall employment rate continues to rise to record levels, it is important that support for certain groups – where unemployment remains high – is not overlooked. Cutbacks in employment support funding leaves older workers in a precarious position, with an already stretched Jobcentre Plus being expected to shoulder the burden of supporting older people into work.
- 7.2. Without real investment and a cohesive strategy behind it, older workers do not stand to receive the specialist support and training they need to enter the labour market, and Britain's economy and overall wellbeing will suffer as a result.

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