

# Age-Friendly Employer Pledge Webinar

Good practice principles for discussing retirement ( and other options) with employees.

 Centre for  
Ageing Better

Age-friendly  
Employer  
Pledge



# Welcome - Speakers



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# 01

## Welcome and Context – John Kiernan



# Welcome

## Today's agenda:

- Context for today's webinar
- Understanding an Ageing Workforce
- Current law on Retirement Ages
- How to create an open and supportive culture
- Introduction to the guidance
- The guidance document
- Questions



# 02

## Osborne Clarke – Understanding an ageing workforce survey-Danielle Kingdon





# Osborne Clarke survey – understanding insights from different sectors

Some of the key data points from the survey:

## Workers' retirement plans:

- In an ideal scenario, where finances are not an issue, the expected age of retirement is 61.
- Respondents think that an annual income of £53k will allow for their retirements.
- **83%** of respondents said their company is supporting them plan for their retirement.
- Almost **100%** said there is at least one way employers could encourage them to work longer:
  - Flexible hours (**44%**)
  - More annual leave (**42%**)
  - A gradual retirement scheme (**42%**)
  - Salary increases (**42%**)

## Skill sets:

- **96%** said they will need additional training to ensure they can do their job until their intended retirement age (this involves training for digital skills, administration, planning and organisation).
- Though **37%** felt they were no longer useful to their company as they do not have the same skill set as the younger generation, **69%** did feel optimistic that they can learn new skills.
- **62%** were ambitious and wanted to better themselves, **38%** also felt pressure from their company to learn new skills that they did not think they could do.

## Financial confidence:

- **31%** of respondents were looking forward to their retirement and having lots of free time
- **27%** however anticipate needing to work in some form during their retirement.
- **22%** said they felt anxious when thinking about their retirement.

# 03

## The law on retirement ages-Danielle Kingdon



# Re-acquaint/reminder – the law on age discrimination and employment

Reminder of the law and what it means for employers and employees re:

- Thinking about and discussing retirement and other future career options
- When it is not clear when someone will retire
- Employers needing to have a gauge on when employees plan to retire so they can plan
- Ensuring risks of indirect and direct age discrimination are avoided
- Supporting employees throughout lifespan of work

Positive action

- Brief summary of what is possible under Positive Action





The default retirement age was **repealed** in 2011

## The current position



Employees have **autonomy** to decide at what age they redefine their lives. Influential factors include financial and socioeconomic circumstances, sector of employment, personal preference



Employers with a **compulsory retirement age** risk a direct discrimination claim under the Equality Act 2010, unless it can be shown that it is **justified**

- **'Justified'? Is there a proportionate means of achieving a legitimate aim?**
  - A legitimate aim
    - Must correspond with a real business need: is there a **social policy** or **public interest benefit** ?
      - social policy aims must be relevant to the individual circumstances and encompass intergenerational fairness and dignity e.g. aims of staff retention and workplace planning; promoting access to employment for younger people; sharing employment opportunities between generations (etc)
  - Is having a retirement age a **proportionate** way of meeting that aim?
    - This requires considering whether a retirement age achieves that aim; alternatives to a compulsory retirement age; why a particular age was chosen; whether it is applied consistently by the employer (etc)
    - The Tribunal will look to the facts of the particular situation and sometimes the state pension age can be an important reference point (currently set at **66 years** in the UK but will rise in 2026 to 67)
  - Is there a potential justification that a compulsory retirement age is an 'occupational requirement' e.g. airline pilots

## Positive Action

- Positive Action is a tool for increasing diversity and equal opportunities for those with protected characteristics under the Equality Act 2010
- **Proportionate action** to lessen a disadvantage or meet different group needs or increase the participation of a group can be taken if the employer **reasonably thinks** a protected group:
  - **suffers from a disadvantage that is connected to their protected characteristic;**
  - **has different needs;**
  - **has proportionately low participation in an activity**
- **'Reasonably thinks'** requires supporting evidence but does not need to be statistical or research
- **'Proportionate action'** requires looking at all the circumstances and determining whether other actions could effectively result in the same outcome
- Age is a context in which an employer can take positive action e.g. providing IT literacy training for those over a certain age; targeted networking opportunities; mentoring schemes; setting targets for increased participation of the targeted group (etc)

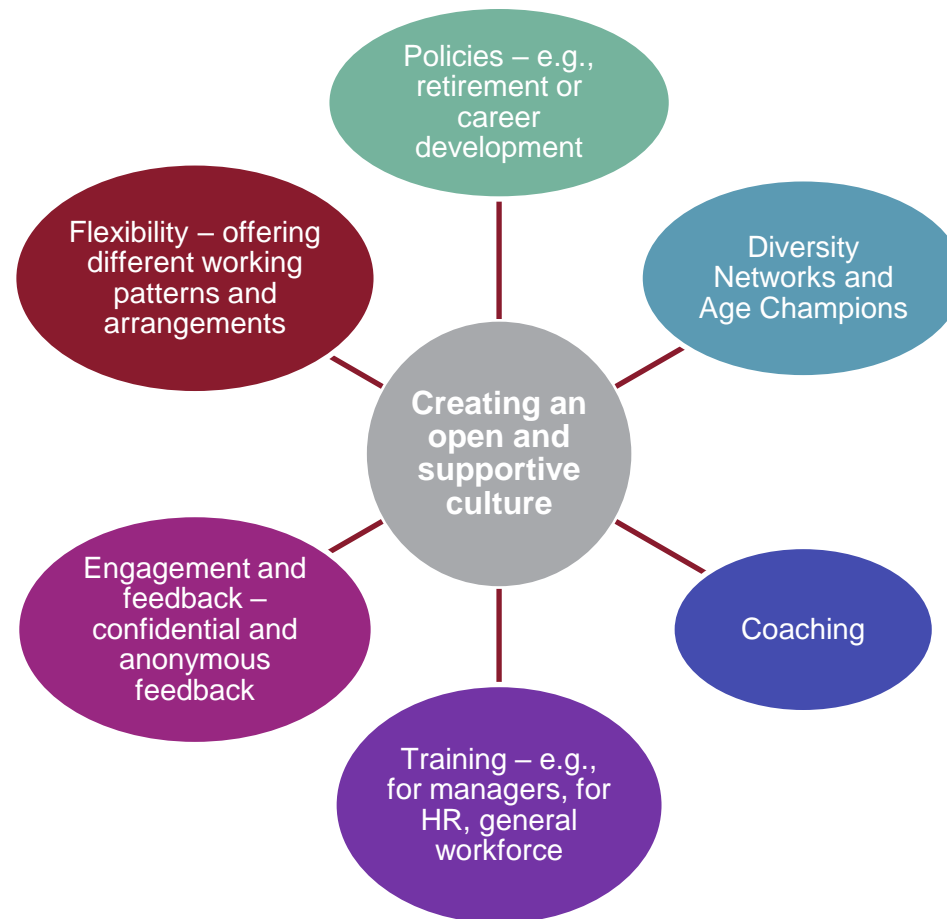
# 04

## How to create an open and supportive culture- Julian Hemming



## Creating an open and supportive culture

This should help employees when they consider redefining themselves at work or look to retire and avoid the pitfalls of age discrimination



## The guidance document

# Retirement (or redefining an employee's future)– Guidance for Employers



September 2024

- The guidance document reflects the key activities covered talking through the bubble graphic
- Do's and don'ts on the conversation
- How to access the guidance and the survey report after today's webinar



# Thank You