

Consultation Response

Public health guideline: draft scope

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This consultation by the National Institute for Clinical Excellence is aimed at developing the proposed guidance and best practice for healthcare organisations on managing an ageing workforce.

Key points and recommendations

- Age UK welcomes this guidance and believes it could, if disseminated effectively, help employers and individuals improve the health of the over 50s.
- Guidance relevant to individuals and employers on promoting good health could support other efforts to help people work for longer, for example the Health and Work Advisory Service.
- Older workers' health status is often the result of a complex web of factors, and it is difficult to view it as the only factor that impacts upon an individual's ability to work longer. Other factors, such as caring responsibilities, may also be barriers.
- Flexible working is particularly important for helping people to work longer and allowing them to manage caring responsibilities and health conditions. The guidance is an opportunity to promote good practice in flexible working to employers.
- Making reasonable adjustments helps improve productivity, while also reducing the risk of older workers having to leave work.
- Age UK supports the Mid-Life Career Review, as a means of planning for the rest of working life and beyond.

1. Introduction

The UK has an ageing workforce, and at present too few employers are ready for the implications this will have on their business.

There are many issues that need to be tackled, including improving managers' skills; improving age-friendly employer policies; and equipping individuals with the know-how to keep working.

In some areas, there is a great deal of work to be done. Negative stereotyping of older workers is rife, and this can prevent many people from changing jobs or progressing their careers as they would like.

Employer attitudes continue to disadvantage older workers, with the over 50s often viewed as being less able and productive in the workplace.ⁱ Such attitudes are unfounded, as shown by recent research published by Age UK.ⁱⁱ This demonstrates that it is not possible to discern someone's ability or capability on the basis of their date of birth. Many managers need to become better skilled at working with older staff.

There are various sources of existing guidance relating to older workersⁱⁱⁱ, but this often fails to address the health impact of working longer – there is therefore scope for the NICE guidance to examine more specific issues affecting health and wellbeing in the workplace.

Question 1 – What are the most effective and cost-effective methods of protecting and promoting the health and wellbeing of older workers?

Older workers are not a homogenous group and hold a wide range of jobs. This means that efforts to protect and promote health and wellbeing will often need to be workplace specific as well as at a public health level.

It also needs to be recognised that it is not just someone's health that determines whether they are able to keep working. Many factors working in combination can influence individuals' decisions around work in later life. This is demonstrated in a study by Milligan and Wise, which found that differences in health alone do not account for differences in employment rates of older workers across different countries. Wider factors carry a significant influence.^{iv}

The guidance should therefore recognise this and go beyond the immediate and obvious influences on older workers' physical or mental health. For example, it should consider issues such as employer attitudes to ageing and older workers, the social impact of working, the impact of caring responsibilities, and job quality, all of which can have an impact on health and wellbeing.

2. What are the most effective and cost-effective methods of supporting workers who wish to continue in employment up to and beyond the state pension age?

Mid-Life Career Review (MLCR)

The MLCR was piloted in 2013/14 by the Department for Business, Innovation and Skills. Careers advice was offered to people aged approximately 50 and helped people plan for the rest of their working life.

The pilots were delivered through independent providers, and reached people in varying situations. The results of the pilot were favourable, and BIS and the Department for Work & Pensions have agreed to fund a full evaluation.^v

Based on the initial results, Age UK believes this is an effective method of improving older workers' resilience and helping them to prepare for their retirement.

Reasonable adjustments

Helping older workers by making changes to the workplace is mutually beneficial, allowing individuals to work for longer and employers to improve their workforce's productivity.

For example, in manufacturing there is considerable evidence of the benefits from making such adjustments.

A well-known experiment was conducted by BMW. The company staffed one of its factory production lines with workers aged 45+ and made a series of adjustments, for example improving the lighting and floors, and providing stools for workers rather than requiring them to remain standing. The company found that after one year productivity had increased by seven per cent and was equal to the factory average.^{vi} Similar findings were made as part of research conducted by Daimler AG^{vii} and Mercedes Benz^{viii} examining productivity of older workers.

These studies suggest that if productivity can increase with age in the manufacturing sector, then in the service sector or other less physical occupations there is even more potential for it to do so.^{ix}

Such measures are also likely to prevent people from dropping out of the workplace due to ill health, and will support Government efforts to do so, notably the forthcoming Health and Work Advisory Service.

In addition, making reasonable adjustments can also have spillover effects on to younger members of staff. Gobel and Zwick (2010) find that doing so not only improves the productivity of older workers, but also of employees aged 40 and above.^x

Flexible working

Flexible working, which we define as a mutual agreement to deviate from the ideal working pattern expected by the employer, can come in many forms including home working, flexi-time or annualised hours.

It brings a range of benefits to individuals and employers alike: individuals can balance work with personal responsibilities, while employers can improve retention and workforce productivity.^{xi}

Older workers value flexible working for a variety of reasons, for example meeting caring responsibilities, managing a health condition, or winding down to retirement. As State Pension age rises, individuals are faced with more caring responsibilities, and a cliff-edge retirement becomes less common, flexible working will be increasingly important.^{xii}

The importance of employers across the economy embracing flexible working is paramount. Approximately 300,000 people each year are forced to leave work because of caring responsibilities, costing the UK economy £5.3 billion per annum.^{xiii} It is vital that more is done to ensure that carers do not have to leave their jobs.

However, employers often do not offer sufficient flexible working options to their older employees. In spite of the well-proven business case, there is still a prevailing attitude that flexible working is expensive and helps people evade their workplace responsibilities. Perhaps for these reasons, the proportion of people working flexibly has fallen between 2010 and 2012, which has particularly impacted on women.^{xiv}

The Government is set to extend the Right to Request flexible working to all employees in June 2014, but Age UK believes that, although welcome, this does not go far enough. Instead, the Government should commit to helping employers make all jobs 'flexible by default' by 2020.^{xv}

This means that employees could expect to be able to work flexibly, unless their employer could justify otherwise (using the existing business reasons). We believe this would help

change attitudes to flexible working and prevent it being viewed as an insurmountable obstacle to employing a person who may need to work flexibly.

3. What are the most effective and cost-effective ways of helping older workers plan and prepare for retirement?

Financial advice

Without sufficient income in retirement, many people will need to work for longer in order to make ends meet. The reforms to private pensions announced in the March 2014 Budget, which have significantly increased flexibility in how pension pots can be used, require the provision of good quality financial advice and guidance. Without this, individuals will be less able to make informed decisions about their futures, which has clear ramifications for their ability to retire on a reasonable pension income. Age UK would like to see the Mid-Life Career Review (see question 2) become the beginning of a process of receiving good quality financial advice, which will then continue throughout the approach to retirement and aid decision-making about future career plans.

Flexible working

Flexible working is also important for retirement preparation. For many older workers the ability to change their working pattern is important for achieving a work-life balance that allows them to keep working for longer. Both individuals and employers need to better understand different flexible working patterns and how these can be of mutual benefit, allowing for better retirement preparation and workforce planning respectively.

Older workers, in particular 50+ women, often have caring responsibilities that make attaining a satisfactory work-life balance essential. According to a recent study by the Institute for Public Policy Research, by 2017 there will be a 'family care gap', where there will be less adult children to provide care than required.^{xvi} This increasing care commitment for older workers makes access to genuinely flexible working a non-negotiable part of the settlement to keep people working longer, and emphasises the urgency of the Government supporting a 'flexible-by-default' policy.

Health

A recent review of the evidence on the health impact of retirement by Iparraguirre (2014) provides a comprehensive overview of the relevant research.^{xvii} It shows that the health effects of retirement are mixed and depend on various pre-retirement factors. However,

having control over the retirement process is most commonly associated with a positive transition and maintaining good physical and mental health.

It is important that the NICE guidance reflects the evidence base, and attempts to help individuals follow a retirement pathway that benefits them once before, during and after retirement (or stopping full-time work).

Pre-retirement training

For many people, attending a pre-retirement course can highlight issues that may arise during the retirement process and in later life. Such courses tend to be centred on financial advice, but do also include information on employment and volunteering, community activities, and healthy living.

ⁱ Metcalf H & Meadows P (2010), Second survey of employer policies practices and preferences relating to age, Department for Work & Pensions

ⁱⁱ See for example Age UK (2014), Productivity and age, available at [http://www.ageuk.org.uk/PageFiles/12808/Age%20and%20productivity%20briefing%20\(March%202014\).pdf?dtrk=true](http://www.ageuk.org.uk/PageFiles/12808/Age%20and%20productivity%20briefing%20(March%202014).pdf?dtrk=true)

ⁱⁱⁱ For example, the Chartered Institute of Personnel and Development, the TUC, the Department for Work and Pensions, and ACAS have all produced relevant information, advice and guidance aimed at employers.

^{iv} Milligan K & Wise D (2012), Health and work at older ages: using mortality to assess employment capacity across countries, NBER Working Paper 18229

^v <http://www.niace.org.uk/current-work/mid-life-career-review>

^{vi} http://www.bmwgroup.com/e/0_0_www_bmwgroup_com/verantwortung/whats_next/demografischer_wandel.html; also see <http://ageinnovators.org/2013/04/11/bmw-heute-fur-morgen-today-for-tomorrow/>

^{vii} Börsch-Supan A and Weiss M (2007), Productivity and the age composition of work teams: evidence from the assembly line

^{viii} Börsch-Supan A and Weiss M (2013), Productivity and age: evidence from work teams at the assembly line, Maastricht University

^{ix} See also the detailed review of the literature on the relationship between age and productivity available on the Age UK website, address above.

^x Göbel C. & Zwick T (2010), Which personnel measures are effective in increasing productivity of old workers?, ZEW Discussion Paper No. 10-069

^{xi} Hayward et al (2007) 3rd work-life balance employer survey, DBERR

^{xii} Age UK (2012), A means to many ends: older workers' experiences of flexible working

^{xiii} Age UK (2012) Estimation of the Financial Impact of Leaving Work due to Caring Responsibilities, building on work by Pickard L (2012), LSE.

^{xiv} <http://www.ageuk.org.uk/latest-press/flexible-working-decreases-as-older-women-frozen-out-of-work/>

^{xv} Age UK (2012), A means to many ends: older workers' experiences of flexible working

^{xvi} <http://www.ippr.org/publications/the-generation-strain-collective-solutions-to-care-in-an-ageing-society>

^{xvii} Prof. José Iparraguirre (2014), J Epidemiol Community Health jech-2014-203945 Published Online First: 2 April 2014 doi:10.1136/jech-2014-203945