



# Longer Working Lives

## Draft proposals

June 2017

Longer Working Lives aims to identify ways to enable people to work up to or past State Pension Age if they want or need to.

Longer Working Lives is a piece of work that was initiated in response to the following States Resolution:

“To direct the Social Security Department, in consultation with all other relevant departments, to investigate measures aimed at supporting longer working lives and assisting older people who wish to work to remain in the workforce, and to report to the States of Deliberation with its findings no later than December 2017”.  
(Billet d’État IV of 2015)

# Foreword

In 2015 the States asked us to investigate measures aimed at supporting Longer Working Lives.

During 2016, through in-depth discussion groups, we talked to people from a range of backgrounds including recruitment agencies, HR professionals, employers, employees, self-employed people, and people claiming benefits. We drew on these discussions to help us to identify what people's key concerns were about working for longer. People had a wide range of suggestions, but there were a few points which we thought were key:

We heard people's concerns about whether their health would allow them to work for longer. People told us that they were concerned about people being asked to leave work before they were ready to finish simply because they reached the retirement age specified in their contracts. They told us that they thought more flexible working options would help and that there were more people looking for part time work than there were employers willing to offer it. They told us that their relationship with their line managers was important and that managers and employers would need to play a role in supporting their staff. We heard about people's difficulties finding information to help them plan for retirement. We heard concerns that raising the pension age might have a bigger impact on some people than others.

We have tried to respond to these key points.

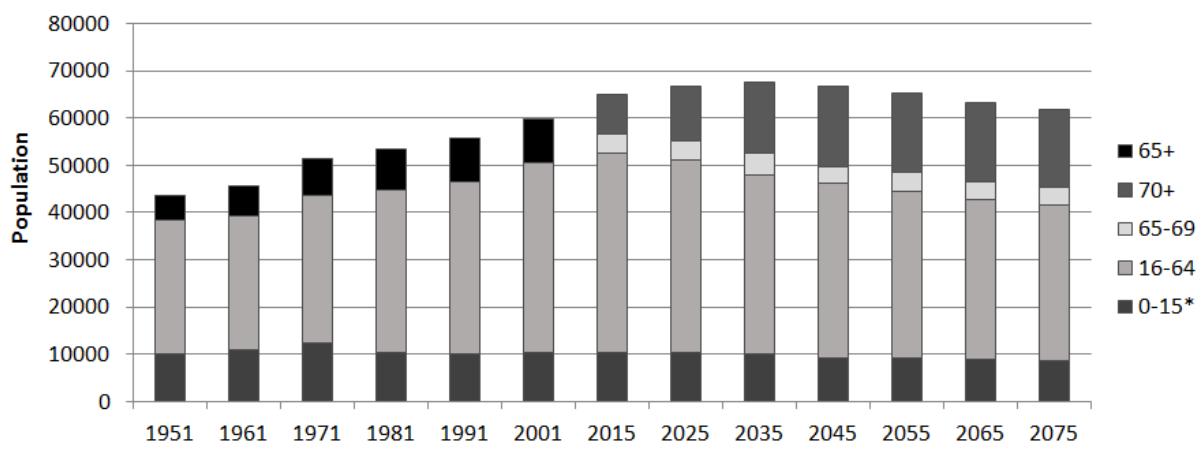
This document outlines our policy position and what we think are the priorities for the States to take forward. What is outlined is not fully developed yet but - until the 14<sup>th</sup> July 2017 - there is an opportunity for you to give us feedback. We want to know if you think we have our priorities right, or if you have suggestions about how we could meet the needs identified.

You can give us feedback online at [www.gov.gg/longerworkinglives](http://www.gov.gg/longerworkinglives). Or, if you'd prefer you can contact our project team on [longerworkinglives@gov.gg](mailto:longerworkinglives@gov.gg) or 01481 732546.

We intend to return a Policy Letter to the States in December 2017 with firm proposals about what we think would help us to support people who wish to continue working.

Deputy Shane Langlois, Vice-president of the Committee for Employment & Social Security

# Why is Longer Working Lives important?



Source: Data from Government Actuary Department projections, 2016

Based on +100 net migration

\* In 1951-2001 this was 0-14

Our population is changing in two important ways. Firstly, the generation moving through their 50s and 60s now is particularly large and our birth rate is relatively low – this means that a higher proportion of our population are approaching and past State Pension Age than ever before. So more of our workforce are in the 50+ age group than previously.

Secondly, on average we are living longer and are often starting work later than previous generations. This means that if we keep retiring at the same age we will all be trying to fund longer retirements from fewer years earnings. In combination with the fact that there will be less younger people paying contributions in future, the finances don't balance. So, in 2015 the States agreed to increase the pension age from 65, increasing at a rate of 2 months per year from 2020 reaching 70 in 2049. Some people are already choosing to work beyond State Pension Age.

The above graph shows a projection of what we think will happen. The mid-grey bars for 16-64 year olds (what has been referred to as 'the working age population', though there are people outside this age group that work currently) increase from 1951-2015, however we then expect fewer people will be in this age group in future. Between 2020 and 2049 the pension age will increase gradually to 70 which means that from 2049 onwards all the people in the light grey 65-69 age group will be under State Pension Age as well – if they continue to work this will help us to maintain our workforce.

We need to start planning for a future in which we live longer, and work later than we do now and for a future in which our workforce, as an island, is older. This might bring some advantages with it – older staff often bring benefits to the economy and island with significant experience from their working lives. Later working life can bring with it new opportunities to stay active, pursue interests, make a contribution to society, or pursue a different kind of career. Working in later life can be positive and support wellbeing.

However, we recognise that some people will find working longer more difficult than others, and (as at the moment) some people will be able to afford to retire earlier than others. Longer Working Lives' proposals will be particularly important to people who are struggling to stay in work. They aim to recognise that we need to think about how work is arranged at the moment so that we do not create unnecessary barriers to working for older people.

## Alderney

We recognise that the population in Alderney is also ageing. Alderney residents face similar issues to Guernsey residents around working for longer, but the different context in terms of legislation and service provision may mean that some of the actions outlined in this document are more relevant to Guernsey residents. We held a public meeting in Alderney in November 2016 and noted the views that were raised. We are currently engaging in initial discussions with the States of Alderney about the project but will return to Alderney to discuss further with residents in due course.

## Resourcing

We are still looking into resourcing options for these draft proposals. The control of expenditure across the States might mean that these proposals would need to be prioritised against other work, which could mean that, if they were agreed and taken forward, they would still take some time to implement.

# What are the draft proposals?

The Committee have focused on exploring the reasons why a person might leave the labour market before pension age and have suggested that to support people to work for longer would require policy change in the following areas:

## Partnership approach

While government can take some action to support people to work for longer, it is line managers and employers whose day to day interactions can make the most difference.

Proposed policy position:

We cannot implement the necessary changes as a Committee alone. We must work with businesses, the third sector and other government service areas to share our understanding of the strategic challenges of an ageing workforce, identify and communicate best practice, and bring about change.

Key action the Committee *for* Employment & Social Security will take forward:

The Committee will seek to develop a business case document outlining the strategic reasons why employers may benefit from actively including older workers and engaging with Longer Working Lives. This will form the basis of discussions with the business community about how they could be supported to lead change, to adapt their HR practices to the ageing workforce and to share good practice.

# People who care for, or support, their parents, grandchildren or other family members

Many grandparents care for their grandchildren in order to support parents to remain in the workforce. We also know that many people in their 50s and 60s provide support to older family members. Some people are simultaneously supporting children or grandchildren and their parents.

Policy position:

People who support family members or friends or who care for their children or grandchildren in the years approaching retirement undertake important roles and should be supported in these. Many people will wish to combine work with their care responsibilities but may encounter difficulties in doing so.

We should seek to make work and care responsibilities more compatible.

What is already being done:

**Care and Support Services** – Health & Social Care provide [a range of care and support services](#) for people with care and support needs. These can be of vital importance to working carers. Under the [Supported Living and Ageing Well Strategy \(SLAWS\)](#), developments will be sought in improving community care services, reablement and care coordination (amongst other things).

**Carers' Strategy** – the States has already resolved to develop a Carers Strategy as part of [SLAWS](#).

**Carer's Allowance** – [Carer's Allowance](#) was amended in 2014 so that working carers could receive the allowance if they met the criteria.

**Disability Discrimination Legislation** – legislation is being developed which will “prevent discrimination against disabled people and carers and provide for equality of opportunity” (Billet XXII, 2013, resolution 3).

**Signpost** – in response to public demand for improved information about care and support services and as part of the Disability and Inclusion Strategy the '[signpost.gg' website](#) has been developed to provide information on available services for people with care and support needs.

**Support returning to work** – [the Job Centre](#) does support carers back into work when their caring role changes or comes to an end.

**Pre-school education** - The Committee for Education, Sport & Culture introduced [free preschool placements](#) for 3-4 year olds for up to 15 hours per week, 38 weeks a year. This may help to support parents or grandparents to work.

Key action the Committee for Employment & Social Security will take forward:

Flexible working has been identified as key for carers' ability to continue working. It is also important for overcoming other kinds of barriers to work when approaching State Pension Age, including supporting people with health conditions to work and offering phased retirement options. The Committee will seek to promote flexible working. In the first instance, further consultation will be taken forward on whether to issue best practice guidance through the Employment Relations Service and promote flexible working, develop a legal right to request flexible working or whether another method is available.

## Ageism

During the initial discussions we encountered a number of people who were concerned about the fact that they believe they were being asked to leave work, or that their employer moved them onto a different contract once they reached 'retirement age' as specified in their contract of employment (this was sometimes lower than State Pension Age).

Policy position:

Age is not a good predictor of productivity, skills or capability to undertake a role. We should move towards a culture where employment decisions are based on an individual's competency not their age.

What is already being done:

The States resolved as part of the [Supported Living and Ageing Well Strategy](#) to investigate the **impact of ageism** in Guernsey and Alderney.

There is [no Default Retirement Age](#) in Guernsey.

The [Disability & Inclusion Strategy](#) included a resolution to establish an **Equality and Rights Organisation**, if established this could work to address ageism amongst other forms of prejudice and discrimination.

Key action the Committee for Employment & Social Security will take forward:

The Committee will consult with employers, employees and the public about the introduction of age discrimination legislation.

## Back-to-work support

We know that there are some issues which are experienced more frequently amongst older jobseekers. We also know that a higher proportion of older jobseekers than younger jobseekers are coming to the Job Centre from incapacity benefit claims rather than directly from the labour market.

Policy position:

We should continue to build on our work with employers and the medical profession around the Supporting Occupational Health and Wellbeing (SOHWELL) project (including [FitTogether](#)) to ensure that there is appropriate advice and support for people to move back to work as soon as possible after illness or injury (including self-employed people and people working for small businesses).

The Job Centre should continue to support adults back to work, building on existing good practice. The specific needs of older adults should be identified and taken into account.

What is already being done

**The Job Centre** – provides support which includes:

- **Advice and guidance**
- Matching people to **job vacancies**
- Support for people to undertake certain **short term and basic skills training**
- **Recruitment Grants** (if an employer recruits someone who has been claiming Unemployment Benefit or sickness benefits for more than six months, a Recruitment Grant of up to £2,500 may be payable. The Recruitment Grant is paid in three stages over 26 weeks and an additional training allowance element can be claimed if an employer provides detailed information about the training that is to be provided)
- **Back to Work Bonus** – A person who has been unemployed for 6 months or longer may be able to claim a lump sum (of up to £500) on return to work.
- **Work trial** – a person can be taken on a trial basis for up to two weeks during which benefit remains payable with a possibility to continue in the role if the person performs to standard.

- **Work experience** – work experience placements usually last up to two weeks with a focus on learning and building confidence
- **Voluntary work** – however, a person must be prepared to give this up if they are offered a paid work opportunity
- **Work rehabilitation** – one-to-one help, support and guidance for people who have significant barriers to employment.
- **Community and Environmental Project Scheme (CEPS)** – work and training opportunities for people who are not working. The person works under contract to Social Security and receives minimum wage.
- **Kick Start** – hands-on training on-the-job, a person is placed with an employer for up to 13 weeks. The person will work under contract to Social Security and receive minimum wage.
- **Job Start expenses** – longer term claimants may be able to apply for some support with the expenses associated with getting a job if this would otherwise be a barrier to taking up a job.
- **Work2Benefit** – A mandatory work and training scheme for unemployed persons in receipt of supplementary benefit. Placements are tailored to address an individual's specific barriers to work and participation is intended to be a work rehabilitation tool. Placements are unpaid but benefit remains in payment.

The [Guernsey Employment Trust](#) also supports disabled people to secure and maintain work.

Job Centre staff do some work by meeting people in firms which have announced **redundancies** before staff are made redundant.

The Job Centre can support people who are looking for work who are **past State Pension Age**, though the same financial benefits may not be available.

The first phase of the Supporting Occupational Health and Wellbeing (SOHWELL) project saw significant work undertaken on **medical certificates** from GPs for sickness benefit purposes. Certificates were adapted so that medical professionals could supply more information about what workplace adjustments could be made for a person to return to work sooner.

The second phase of the SOHWELL project is underway and involves communicating with employers about sickness absence and return to work and the launch of [FitTogether](#).

As part of [the Disability and Inclusion Strategy](#), **Disability Discrimination Legislation** is being developed. The introduction of this legislation should help the island move towards a

culture where reasonable workplace adjustments can be made and discrimination against disabled people can be challenged.

Key action the Committee for Employment & Social Security will take forward

The Committee will oversee ongoing operational improvements at the Job Centre to improve services and show greater recognition of the specific needs of older job seekers.

## Preventing job loss

Policy position:

We should seek to reduce the incidence of people losing their jobs (or self-employed business) due to mental or physical health issues or injury. In order to do this we will explore and, where possible, invest in cost-effective measures of preventing illness or injury in the workplace occurring in the first instance, or where it does occur, seeking to implement early interventions to prevent illness or injury leading to the loss of a job. This will be taken forward through considering prevention as part of the SOHWELL project.

What is already being done:

The Committee for Health & Social Care has a number of strategies in place to help people to stay healthy. There are a number of island wide [Public Health Strategies](#) (including smoking, obesity and drug and alcohol) as well as screening programmes. The **Health Promotion Unit** also undertakes work to promote healthy lifestyles with the general public. The **2020 vision** included a strategic focus for Health & Social care on early intervention and prevention.

The **Supporting Occupational Health and Wellbeing (SOHWELL)** Project has been working with employers and GPs to improve management of sickness absence and keep people in work. As part of this work information is being gathered from employers around what occupational health resources they have available to them.

As part of their ongoing work **Recreation Services** intend to ensure access to sports and leisure facilities to enable people to support their health.

The [Health & Safety Executive](#) regulate workplace health and safety in Guernsey and Alderney including providing advice, undertaking workplace inspections, investigating accidents and incidents and taking action to enforce Guernsey Health & Safety legislation.

The [Disability and Inclusion Strategy](#) includes work on the introduction of **Disability Discrimination Legislation** which should begin to create a culture in which it is expected to be normal to provide reasonable workplace adjustments to include disabled people in work.

The [Guernsey Employment Trust](#) assists disabled people to secure and maintain work.

**Gradual return to work** is offered to incapacity benefit claimants who can continue to receive some support from incapacity benefit as they gradually increase their working hours after a period of sickness absence.

The [Primary Care Mental Health and Wellbeing Service](#) provides support and individual and group therapy sessions free to those referred by their GP. It was established with the aim of providing intervention and early treatment to help to manage the number of mental health related incapacity benefit claims.

The [Employment Relations Service](#) provides advice and guidance about stress in the workplace and bullying and harassment at work.

Person centred enabling care is part of the aim of the **Supported Living and Ageing Well Strategy** and a number of projects are underway to help people to maximise their wellbeing and support their ability to do what they want to do. This includes a 'reablement' project which helps provide therapeutic support to return someone to the community after a health crisis.

Key action the Committee for Employment & Social Security will take forward  
A third phase of the Supporting Occupational Health and Wellbeing (SOHWELL) project will be developed. A staged approach will continue to be taken with the aim of achieving focused and concrete action. Consideration will be given to the priority for phase three, taking into account the opportunities identified for action in the development of Longer Working Lives.

# Career change and training

Longer Working Lives is likely to mean that more people will choose to change career during their later working life, and more people will feel that they have to change career in order to keep working up to the State Pension Age. Others will need to keep their training up to date in order to retain their jobs or progress in their careers in later life.

## Policy position:

We believe changing career is an individual process where the best outcome depends on a clear understanding of an individual's skills and life experience and the opportunities in the labour market at the time.

We should seek to ensure that people can access adult career guidance during mid-life. We should work with the Committee *for* Education, Sport & Culture and the Committee *for* Economic Development to ensure that appropriate training opportunities are available on island. We will explore ways of informing those who are at high risk of needing to change career about the services available to support them to make a change before they reach a point at which they are unable to continue in their original role.

## What is already being done

The [Job Centre](#) already provides support for jobseekers to undertake training which might improve the chances of their employability. These can include general and basic skills (such as IT training) but can also include support to get into particular sectors (for example, the Job Centre has recently run a 'Getting into Care' course which has successfully supported a number of jobseekers to find employment in the care sector).

The Committee *for* Education, Sport & Culture provides **adult career guidance** through [Careers Guernsey](#) which is open to all on appointment via the Careers Service. There is some **funding for courses** available through their Student Financing team (currently limited to people under 55) for on and off island training courses or degrees.

The [College of Further Education](#), the [Institute of Health and Social Care Studies](#), the [Guernsey Training Agency](#) and [BPP professional education](#) provide **on island training opportunities** for adults who are looking to obtain skills which will help them in their careers. Online and distance learning courses are also becoming increasingly available, though these are more relevant to some careers than others.

**Basic IT skills training** is available from the [College of FE](#) and the [Guille Allès Library, U3A](#). Guernsey have run a “using an iPad” course from the Digital Greenhouse.

Key action the Committee for Employment & Social Security will take forward

The Committee will work with other relevant service areas to develop a “mid-life review” which will provide a structured way for someone to think through their health, career and financial situation and plan for later life. We suggest launching this through a website and an annual drop-in event. These review resources can be marketed at people in their 40s and 50s and should prompt people at risk of not being able to sustain their career paths to consider what options are available to them before a crisis point is reached and signpost them to services which could provide more in-depth help.

## Self-employed people and small businesses

Policy position:

Many people enter self-employment in later life. This can come with financial risks. The Committee will not, therefore, seek to promote self-employment amongst those approaching or past State Pension Age, but believe it is important that there is sufficient information and advice provided to those who do become, or are considering becoming, self-employed in later life.

What is already being done

[Start-up Guernsey](#) provide advice, mentoring and network opportunities for people looking to start up their own businesses.

The [Economic Development Framework](#) has examined start-up funding sources in the island.

In 2015, the then Commerce and Employment Department undertook a **Red-tape Audit** examining the ways in which people starting businesses had to resubmit the same information to different States of Guernsey services and whether this could be streamlined.

The [Secondary Pension Project](#) should help to improve the access of self-employed people to pensions.

# Retirement planning and access to pensions

Through the Longer Working Lives discussion groups we had in 2016, it seemed as though some people were experiencing difficulties accessing information about their retirement income and pensions so that they could plan for their retirement. There were also concerns that the increase in pension age did not reflect the fact that some people started to work sooner than others, that life expectancy varied, or that some people would be unable to work up to a higher pension age.

Policy position:

We should seek to improve public access to information on pensions going forward. We will also give further consideration to whether it is possible to mitigate the financial impact of a higher State Pension Age on those who are unable to continue working by an alteration to the pensions and benefits system for those few individuals who would be most affected.

What is already being done

The Committee *for Employment & Social Security* is working on the development of a 'Secondary Pension'. This will be an opt-out savings scheme which should improve islanders' access to a private pension.

People can request information on their contribution records and what this means about their State Pension entitlement by calling Social Security. Thought is being given as whether improvements in access to this information can be designed into future system changes.

Key action the Committee *for Employment & Social Security* will take forward

The Committee will give further consideration to whether it is possible to mitigate the financial impact of a higher State Pension Age on those who are unable to continue working by adjusting the pensions and benefits system to support the few individuals who would be most affected.

# Monitoring progress

Policy position:

We will investigate opportunities to improve the information we have on the labour market to inform strategic decisions going forward. We will monitor the changes in the employment rates of those approaching pension age in order to determine the success of the implementation of these policies.

What is already being done

[Key labour market statistics](#) are already routinely published in the *Annual Electronic Census Reports* and the *Quarterly Population, Employment and Earnings* bulletins produced by Data and Analysis.

Further actions the Committee for Employment & Social Security will take forward

The Committee will:

- Review available data annually to determine whether policy objectives are being achieved.
- Review whether it is possible to collect improved data on the labour market through incorporating data collection requirements into planned systems changes.