

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE *FOR* EMPLOYMENT & SOCIAL SECURITY

LONGER WORKING LIVES

The States are asked to decide:-

Whether, after consideration of the Policy Letter entitled 'Longer Working Lives', dated 10th November, 2017, they are of the opinion:-

1. To support the strategic aims of Longer Working Lives outlined in section 5 and the progression of the plan of action by the Committee *for* Employment & Social Security outlined in section 8 of this Policy Letter.
2. To agree that the Committee *for* Employment & Social Security will use its annual Benefits and Contribution Rates uprating Policy Letter to report on the progress of the plan of action outlined in section 8 of this Policy Letter.
3. To agree that the Committee *for* Employment & Social Security will return to the States with detailed proposals for the enactment of legislation to provide employees in Guernsey with a right to request flexible working as outlined in section 6.3 of this Policy Letter.
4. To agree that the Committee *for* Employment & Social Security will return to the States with detailed proposals for the enactment of legislation to prevent age discrimination in Guernsey under the Prevention of Discrimination (Enabling Provisions) (Bailiwick of Guernsey) Law, 2004 as outlined in section 6.4 of this Policy Letter.

The above Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the States of Deliberation and their Committees.

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE *FOR* EMPLOYMENT & SOCIAL SECURITY

LONGER WORKING LIVES

The Presiding Officer
States of Guernsey
Royal Court House
St Peter Port

10th November, 2017

Dear Sir

1 Executive Summary

- 1.1 People experience barriers which prevent or discourage them from staying in work up to or past retirement age. They would like to have more opportunity to continue to work and options about how and when they retire. The projected changes in the population age profile will have a significant impact on our workforce, economy and revenue. Longer life expectancy may also present challenges to people hoping to fund long retirements. If people work for longer this will help to mitigate the impact of these demographic changes, help to maintain the workforce, and help to sustain public and household finances.
- 1.2 In response to a resolution “to investigate measures aimed at supporting Longer Working Lives”¹ the Committee *for* Employment & Social Security has examined barriers that may prevent or discourage older people from working. Much work is already being done that will help people to work for longer through, amongst other services and strategies, the Job Centre, the Skills Strategy, the Supported Living and Ageing Well Strategy, the Disability & Inclusion Strategy, and the Supporting Occupational Health & Wellbeing Project.
- 1.3 More can be done. The Committee recommends that action is taken in a number of key areas. Further work should be undertaken to improve the islands’ occupational health and wellbeing. The use of retirement ages in contracts is a concern; employment decisions should be based on a person’s ability to do a job, not their age. To support change in this area, developing age

¹ Personal Tax, Pension and Benefits Review; Billet d’État IV of 2015

discrimination legislation was suggested in the Longer Working Lives consultation, 77% of respondents supported this suggestion², and its introduction is included in the recommended actions in section 8. To help people to balance family responsibilities with work, flexible working should be promoted, including via a legal right to request flexible working. Culture and attitudes towards older people, carers and flexible working can be biased and need to be engaged with. Employers should be supported to share best practice to prepare for an ageing workforce. Better access to information and advice on career change, retirement income, health and care is important for people in mid-life so that they can make good decisions and plan. In addition, further thought needs to be given as to whether there could be any adjustments to the pensions and benefits system to support those most affected by changes, and whether subsidised re-training can be provided to a targeted group.

- 1.4 All of these actions will need to be subject to prioritisation. Longer Working Lives is not currently one of the prioritised workstreams identified in the Policy & Resource Plan and so it is anticipated this will mean medium to long term implementation. Given this is a long-term strategy the Committee is happy to proceed on this basis. The Committee asks for States support to take the programme forward, and, in particular, endorsement for the in principle development of detailed proposals on the legislative elements – a right to request flexible working and age discrimination legislation.

2 Background

- 2.1 The Personal Tax, Pension and Benefits Review³ was brought forward by the Treasury and Resources Department and Social Security Department in March 2015 to address the long-term sustainability of public finances in the face of future pressures on income and expenditure, particularly due to the ageing population. As part of these proposals it was agreed that the State Pension Age would increase at a rate of two months per year from 2020 to reach the age of 70 by 2049. The report recognised that some older workers experienced barriers to working and may need support to work up to the higher pension age, and so there was also a 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

² See Longer Working Lives Consultation on Draft Proposals: Summary of Findings – Appendix 1

³ Billet d'État IV of 2015

its findings no later than December 2017.

This Policy Letter is a response to that resolution.

- 2.2 In addition, regarding population policy, the Policy Council's Maintaining Guernsey's Working Population report⁴ highlighted that due to population ageing "...without some sort of intervention, by 2035 Guernsey's workforce could be 13% smaller than it is today, albeit the overall population numbers would be similar to those seen in 2014..."⁵; and suggested that there was a need to focus on maintaining the island's working population. It was recognised one way to do this was to increase labour market participation rates of the existing population (thus reducing the need for immigration), including supporting more older people to stay in work. As a consequence there was a resolution coming from that report:

To direct all States Departments to consider how best to support and encourage employees to remain in the workplace until retirement age is reached.

- 2.3 Work is being undertaken by the States as Employer to further this resolution in alignment with the work undertaken by the Committee for Employment & Social Security (which focuses on the whole island). More information on the States as Employer workstream is included in section 9.

3 Why Longer Working Lives?

Demographic change

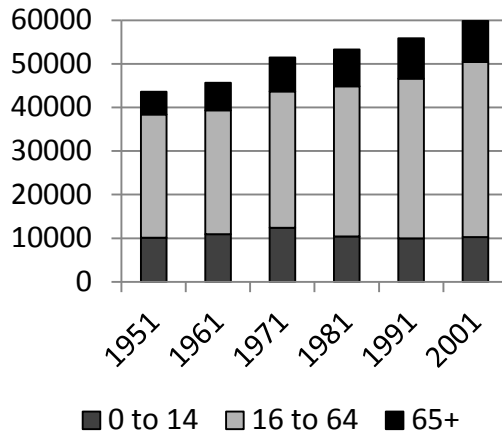
- 3.1 The populations of Guernsey and Alderney are ageing. In the past the working age populations have increased (see figure 3.1 and 3.2). In Alderney the working age population has already begun to decrease (figure 3.2). However, it is expected that in the next 50 years there will be a lower proportion of the populations in both Guernsey and Alderney under the age of 65. This is because of increased life expectancy, lower birth rates and the fact that the generation currently moving into retirement is larger than the generations following. This anticipated future change is illustrated in Figure 3.3, where it can be seen that the overall population remains over 60,000 but the mid-grey bars representing the population aged 16-64 begin to decrease⁶.

⁴ Billet d'État XXIV of 2015

⁵ Para 2.1, Billet d'État XXIV of 2015

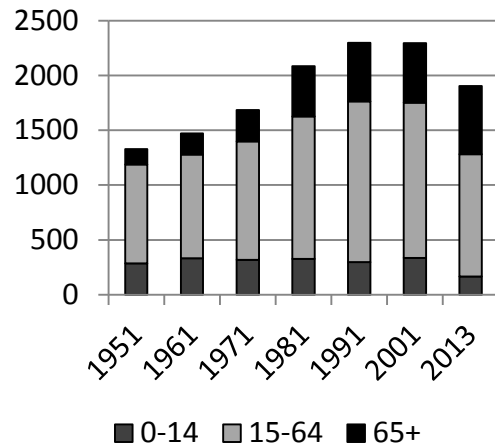
⁶ N.B. In the projections we can show the proportion of the population expected to be between 65-69 – some of these people will be gradually affected by the increase in the pension age from 65 to 70 between 2020 and 2049.

Figure 3.1 – Historic population growth Guernsey



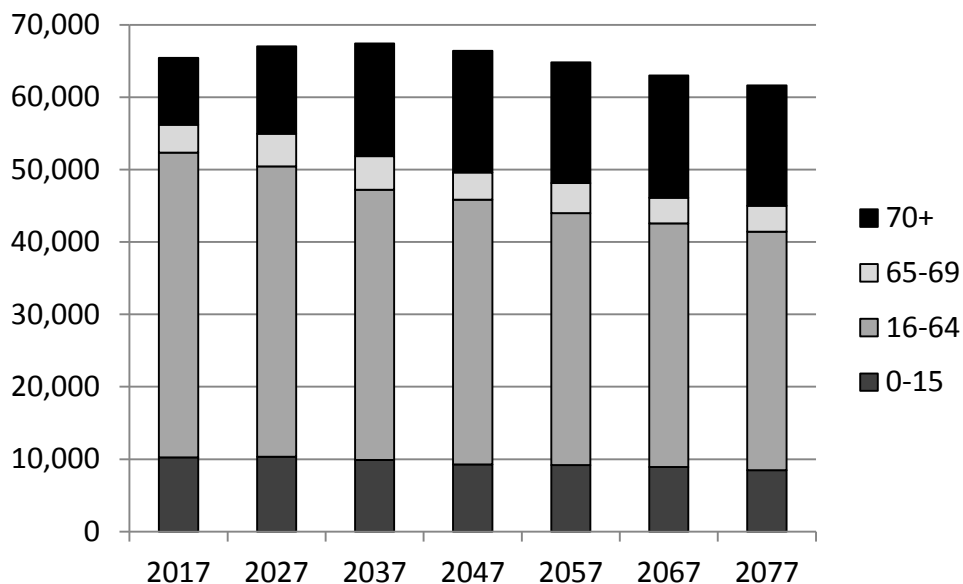
Source: States of Guernsey Censuses

Figure 3.2 Historic population growth and ageing in Alderney



Source: Alderney Census Report 2013

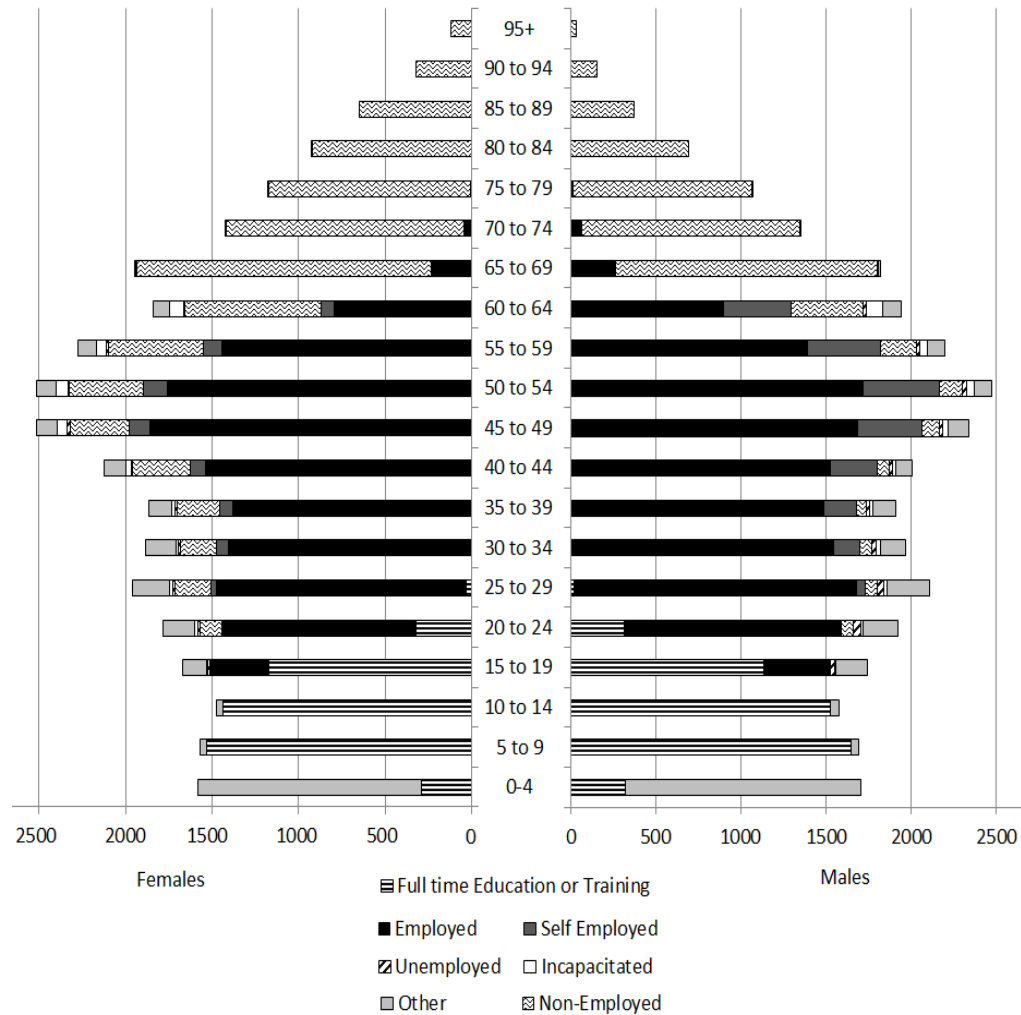
Figure 3.3 – Population projection, Guernsey and Alderney



Source: Government Actuary Department projections, 2016; Projections based on +100 net migration

- 3.2 At present (as illustrated in figure 3.4 below), labour market participation rates start to decrease when people are in their 50s.

Figure 3.4 Population of Guernsey by economic status and age (at September, 2016)



Source: States of Guernsey Data and Analysis, as published in the Guernsey Quarterly Population, Employment and Earnings Bulletin

*N.B. we do not currently have data on numbers of self-employed people over the age of 65, they will appear 'non-employed' but may be self-employed

Strategic reasons to promote longer working

- 3.3 The ageing population gives rise to five key strategic reasons why it is important to consider how to support and enable people to work for longer:
- 3.4 Firstly, it is important to the wellbeing of older people themselves. Some older people would like to work but they experience barriers which discourage or prevent them from working (outlined in section 6.1). They may feel that being able to work is important to help them to keep active, meet people, have a sense of purpose or maintain their finances. They would like more choice about when to retire⁷.
- 3.5 Secondly, being able to work longer can help people to have a better income in retirement⁸. As well as this having benefits for people's personal finances, with more retirees in the population in future, good retirement income will be key to maintaining consumer spending, which supports our economy. People who have better retirement incomes will also be less likely to require supplementary benefit in later life, which could help reduce the pressure on public finances. Whilst the Committee is seeking to support improvements in retirement income through the Secondary Pensions project⁹, the effects of this project will take some time to have an impact, and earned income will remain important to a person's ability to save. More opportunity to work and save aligns with the Policy & Resource Plan¹⁰ aim to "Encourage personal responsibility among individuals and families in planning for the future, including retirement".
- 3.6 Thirdly, it is important to maintain our workforce. As illustrated in figure 3.3, the current 'working-age' population may decline. If the number of people working is to be maintained (without resorting to high immigration), this will mean that the islands will need some of the people who are currently not working to do so – older people will be a significant group who may wish and be able to work but do not. Many of the barriers that might discourage or prevent older people from working (which are discussed in section 6.1) may also be experienced by younger people, so addressing these barriers will support more older people to stay in work but may also support greater workforce participation across all age groups – thereby helping to maintain the

⁷ See Longer Working Lives Consultation on Draft Proposals: Summary of Findings - Appendix 1

⁸ See examples in section 6.1: Department for Work & Pensions (2017) Fuller Working Lives Evidence Base 2017. Available at: <https://www.gov.uk/government/publications/fuller-working-lives-evidence-base-2017> [accessed 6th Sept 2017].

⁹ Billet d'État III, v.III of 2016

¹⁰ Billet d'État XXVIII of 2016

working population (a key aim of the Policy & Resource Plan¹¹).

- 3.7 Fourthly, the Policy & Resource Plan¹² also recognises that maintaining a balanced public sector budget is key. People who are over State Pension Age usually pay different rates of tax and Social Insurance Contributions¹³. People who retire ahead of State Pension Age often have a lower income than when they were working. If we see a higher proportion of people retired and/or past State Pension Age, then this will be likely to reduce both tax and social insurance contribution income. At the same time, demand for public sector services (particularly healthcare) and pensions are likely to increase. Consequently, the population ageing presents a significant challenge to the structure of public finances. However, if people work for longer, the effect on public finances of the population ageing will be reduced.
- 3.8 A decision was made as part of the Personal Tax, Pensions and Benefits Review¹⁴ that in order to improve the sustainability of the Guernsey Insurance Fund, the State Pension Age would increase at a rate of two months per year from 2020 to the age of 70 by 2049. However, increasing the State Pension Age will only be truly effective in improving public finances if more people work up to the age of 70. If we see significantly increased claims for unemployment or incapacity benefits from people in their late 60s this will also draw on the Guernsey Insurance Fund. Additionally, it is possible that if people are unable to work until pension age and do not have full contribution records, that this would imply further claims on supplementary benefit¹⁵, and, therefore, increased General Revenue costs. The effectiveness of the increase in the State Pension Age at improving the sustainability of the Fund is directly related to people's ability to continue to work. It is vital, therefore, to address barriers which prevent or discourage older people from staying in work.
- 3.9 Lastly, aside from the above points, it is likely the workforce in coming years will be older, simply because the population is ageing. It is important that both the States of Guernsey and employers start to consider what this means and plan to adapt to a situation in which there are more older people in work to ensure that, in the context of this demographic shift, the needs of older employees, and the needs of others, are met.

Strategic concerns about longer working

- 3.10 The three most frequent concerns that have been raised during our

¹¹ Billet d'État XXVIII of 2016

¹² *Ibid.*

¹³ See <https://www.gov.gg/tax> and <https://www.gov.gg/non-employedcontributions> for detail.

¹⁴ Billet d'État IV of 2015

¹⁵ Supplementary benefit will in future be called 'income support'

consultation about the aim “to support and enable people to work for longer” are:

- 3.11 Firstly, that people working for longer will mean that there will be fewer jobs available for younger people. There are two responses to this. One response is that there is not a limited number of jobs available. At a very simple level (and the picture is of course more complex) we might expect that if more people work, they will earn more, spend more and create demand for goods and services which will mean more jobs will be created. So more older people working may mean more jobs available. (In economics the idea that there is a limited number of jobs is called “the lump of labour fallacy”; internationally we do not see a pattern of higher youth unemployment in countries with higher labour market participation of older people¹⁶). Older and younger people are not necessarily in direct competition for a limited supply of jobs. The other response to the concern that younger people will not be able to find work is that we are expecting that the number of people retiring will still exceed the number of people coming into the jobs market from school or university, so there may be challenges in maintaining the workforce at its present size (see figure 3.3 above). Even with the increase in pension age to 70, we anticipate that our ‘working age’ population will be slightly smaller in ten years’ time and more than 10% smaller in 50 years’ time. During this time period we expect more people will be retiring than entering the workforce, though the age at which individuals begin and end their working lives varies, we know that the younger generation is predicted to be smaller than the generation retiring. In ten years’ time (2027) we are expecting around 660 islanders to turn 16 where we expect around 900 people to reach State Pension Age.
- 3.12 The second and third common concerns are related - that not everyone will be able to work for longer; and that if more older people worked this would mean that older people would be less available to care for grandchildren, family members or volunteer in the community. Whilst recognising that there may be some impacts on people needing to work for longer associated with the increase in pension age, the Committee’s focus in this Policy Letter is on removing barriers to work. It is recognised that some people may have health conditions, other priorities or responsibilities and will not be able to, or will choose (and be able to afford) not to work.

¹⁶ See for example Banks, Blundell, Bozio and Emmerson (2008) “Releasing Jobs for the Young? Early Retirement and Youth Unemployment in the United Kingdom”, Institute for Fiscal Studies Working Paper W10/02, available at: <http://www.ifs.org.uk/publications/4785> [accessed 12th Sept 2017]. or Section 3c of Department for Work & Pensions (2014) “Fuller Working Lives – Background Evidence”. Online. Available at: <https://www.gov.uk/government/statistics/fuller-working-lives-background-evidence> [accessed 6th Sept 2017].

- 3.13 Having considered both the reasons to promote Longer Working and the concerns, it is clear to the Committee that supporting people to work for longer is of strategic importance.

4 Method and consultation

- 4.1 Four stages were undertaken in the development of the proposals in this document.
- 4.2 Following an initial discussion about the aims of the project, a ‘discovery’ phase was undertaken in which small group discussions were held with a wide range of stakeholders in order to explore in-depth what their thoughts were on working in later life and what barriers to working they were aware of. These discussions included employees from a range of different roles and sectors, interested members of the public who came forward in response to a news article, self-employed people, employers, third sector organisations, recruitment agencies, HR professionals, benefit claimants, and unions. Key documents and research papers on the topic from the UK and elsewhere were also reviewed.
- 4.3 Secondly, a series of sessions were held with a sub-committee of the Committee *for* Employment & Social Security, chaired by Deputy Shane Langlois, to discuss the barriers to working which had been identified in the first phase and the opportunities to take action. The sub-committee prioritised the actions to identify those which it felt were most important to take forward and formulated these into a set of ‘draft proposals’.
- 4.4 Thirdly, the sub-committee’s ‘draft proposals’ were agreed with the full Committee and then used as a basis for consultation. Meetings were attended with the Committee *for* Economic Development, the Committee *for* Education, Sport & Culture, the Committee *for* Health & Social Care, the Policy & Resources Committee, the Supported Living and Ageing Well Strategy (SLAWS) Supervisory Group; and externally with a group of business and employer representatives, HR professionals, and Ageing Well in the Bailiwick. An evening session was held with people who had been engaged in the first ‘discovery phase’ to feedback their thoughts on the developments. A public consultation was issued online from 15th June, 2017 to 14th July, 2017 to which 248 responses were received, a summary of these responses is included in Appendix 1.
- 4.5 Lastly, the proposals were modified in light of the feedback received during consultation and drafted into this Policy Letter. Further discussion was undertaken with key relevant contacts during the drafting process.

5 Strategic framework

5.1 Longer Working Lives is underpinned by the following Policy & Resource Plan goals:

Our Economy	<ul style="list-style-type: none"> - Focus on maintaining an appropriately-sized working population - Look to remove barriers that are discouraging or preventing some people from pursuing or remaining in paid employment and provide additional support to those who need it to find and sustain employment - Achieve and maintain a balanced budget in the short-term and surplus in the medium-term
Our Quality of Life	<ul style="list-style-type: none"> - Focus on the prevention of, early intervention in, and protection from negative health outcomes, supporting the ongoing transformation work being undertaken in health and social care provision - Encourage active lifestyles for the benefit of the community's health and mental wellbeing
Our Community	<ul style="list-style-type: none"> - Provide support to informal carers - Encourage personal responsibility among individuals and families in planning for the future, including retirement - Ensure everyone in our community has the fullest opportunity to develop the knowledge and skills needed to pursue happy, healthy and fulfilling lives meeting the needs of our economy today and in the future - Provide and encourage opportunities for continuous personal development to all in our community - Improve digital and financial literacy across our community, for young and old

5.2 The strategic aims of Longer Working Lives can be articulated as follows:

Purpose	To support and enable people to work for longer		
Primary desired outcomes	People have more opportunity to work until pension age, and choose how and when to retire	Maintain workforce	Sustainable benefit expenditure
Secondary desired outcomes	Improved opportunities for work/life balance and support for carers	Higher levels of savings and private pensions on retirement	Better opportunities for finding employment or changing career in later life
	Workplaces that support health and wellbeing with better access to occupational health advice	Employment decisions based on performance and aptitude, not age. Misperceptions about older employees addressed.	

5.3 In order to monitor the impact that changes are having it is recommended that the following Key Performance Indicators (outlined in more detail in Appendix 2) are gathered and reviewed by the Committee *for* Employment & Social Security annually:

- KPI 1 Increase in labour market participation rate amongst those aged between 50¹⁷ and State Pension Age ('SPA' - currently 65, gradually increasing to 70)
- KPI2 Increase in median earnings amongst those aged 50-SPA
- KPI3 Decrease in the proportion of people aged 50-SPA claiming benefits related to unemployment
- KPI4 Shorter claim length for all unemployment related benefits amongst those aged 50-SPA
- KPI5 Decrease in proportion of those aged 50-SPA claiming long-term incapacity benefits

¹⁷ At present age 50 is around the point at which we begin to see a decrease in workforce participation.

- KPI6 Shorter claim length for those within ages 50-SPA claiming incapacity benefits
 - KPI7 Lower proportion of those aged 50-SPA persons claiming supplementary benefit
 - KPI8 Smaller (lower cost) claims for supplementary benefit amongst those aged 50-SPA
- 5.4 A number of decisions have been made which have influenced which actions were prioritised for inclusion in this Policy Letter.
- 5.5 The Committee has focused on how to remove barriers that may discourage or prevent older people who want to work from working. The focus of the project has been on barriers to work and not to alter the intentions of people who make a positive choice to retire. A decision was also made to focus primarily on supporting those who will be under (the increased) State Pension Age to work, and only secondarily those who wish to work beyond State Pension Age.
- 5.6 This Policy Letter has been written within a context where there is already significant work underway which is relevant to the aims of this Strategic Framework. The recommendations made focus on actions which are not already being pursued through other workstreams.

6 Addressing the barriers to working in later life

6.1 Barriers to working in later life

6.1.1 Through both the desk-based research, and in-depth conversations (see section 4) project staff identified a number of barriers to older people staying in work.

6.1.2 Different people can experience different barriers to work, these can include:

- health conditions or starting to feel ‘worn out’, which mean that people struggle or are unable to continue with the kind of work that they had previously been doing
- difficulty balancing work with caring for older relatives, their partner, children or grandchildren
- ‘retirement’ ages written into contracts of employment where people are asked, or feel they have to, leave work at the specified age
- leaving work and experience difficulty getting back into work once they have left (due to a range of factors such as attitudes, job search skills, out-of-date qualifications and so on)
- finding that the jobs market changes so that their skills are no longer in demand or relevant and experiencing difficulty finding opportunities to retrain

6.1.3 We know that people’s attitudes about age can also affect people’s job opportunities. This includes both employers’ attitudes (for example, thinking that people close to State Pension Age are not worth hiring because they will not stay with the company long) and people’s own attitudes (people thinking that they are too old to learn new skills).

6.1.4 There is a lot of work already happening which can help people to overcome these barriers. However, there are also opportunities to do more to support people. This section reviews a range of topics to identify what work is already being done and propose further action. The areas discussed will be:

- Working with employers
- Supporting people with family responsibilities
- Ageism
- Back-to-work support and preventing job loss
- Career change and training
- Self-employed people and small businesses
- Retirement planning, access to pensions and other financial support
- Monitoring progress

6.2 Working with employers and employees

6.2.1 While government can take some action to support people to work for longer,

it is line managers and employers whose day to day interactions with their employees, and employees themselves, who can make the most difference.

What is already being done?

- 6.2.2 Some local employers have established HR policies that demonstrate aspects of best practice in managing older workers. Professional and employer organisations at both the national (for example CIPD) and local level, often facilitate discussions around best practice in management. The Employment Relations Service routinely advises businesses and employees on a number of areas including retirement and changing working hours¹⁸. Social Security has also engaged with employers around the Supporting Occupational Health and Wellbeing Project¹⁹, including hosting events in March and July 2017 on workplace wellbeing.

What more could be done?

- 6.2.3 This foundation can be built on. The ageing workforce will bring about changes which the island will need to adapt to. Improving the management and retention of older workers can help to prepare for a future in which we expect fewer younger people will be available in the workforce; where more consumer spending will come from older people; and where retaining older staff may have a new importance in helping businesses to cope with an uncertain international labour environment. There are benefits - staff retention can reduce recruitment costs²⁰ and help to retain organisational knowledge, skills, experience and professional networks. We know that there will also be challenges to overcome – for example, in how firms manage succession planning.
- 6.2.4 The island will not make the most of the opportunities we have without raising awareness of the issues. Part of what is required is cultural change and good communication will be an essential component of addressing this. It is important to encourage conversations within business communities about how to adapt to a new demographic context. Government has a critical role to play in sharing information, challenging misconceptions and raising the profile of issues related to an ageing workforce. It may also have a role in working in partnership with business organisations to facilitate the sharing of best practice and look for opportunities to encourage conversations within the business

¹⁸ see www.gov.gg/employmentrelations of particular relevance, there are guides on “Dealing with Retirement” and “Varying Terms & Conditions of Employment”

¹⁹ see www.gov.gg/fittogether

²⁰ For information on recruitment costs see CIPD (2007) “Recruitment, retention and turnover” Available at: <http://www2.cipd.co.uk/NR/rdonlyres/746F1183-3941-4E6A-9EF6-135C29AE22C9/0/recruitmentsurv07.pdf> [accessed 6th Sept 2017].

community around finding solutions to the challenges. Raising awareness about the changing context amongst employees will also be important.

- 6.2.5 It is proposed in section 8 that the Committee *for* Employment & Social Security undertake a programme of engagement with employers and employees and seek to work with them to adapt to change.

6.3 *Supporting people with family and care responsibilities*

- 6.3.1 Many grandparents care for their grandchildren in order to support parents to remain in the workforce²¹. We know that many people in their 50s and 60s also provide support to older family members²² (we refer to people who support family members as ‘carers’). Some people are simultaneously supporting children or grandchildren and their parents. As our population gets older, there are likely to be more older people who need support and we might expect that there will be more people providing care or support to one or more older family members in future than we see now.
- 6.3.2 People who support family members or friends 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 doing so.
- 6.3.3 Parents of young children may also struggle to combine work and caring for their children. Whilst parents’ ability to manage care will link to how much demand there is on grandparents to provide support, there are also some direct effects to consider when thinking about Longer Working Lives. Parents who leave work to support children (who have historically been largely women) can encounter challenges returning to the workforce after a career break²³. This can have long lasting impacts on their career paths which could impact decisions about remaining in work later in life. In their own right, enabling more parents to work would also help to maintain the on-island workforce, alongside supporting older workers to remain in work.
- 6.3.4 In order to support carers, parents and grandparents to participate in the workforce, the Committee believes that the States should seek to make work and care responsibilities more compatible.

²¹ States of Guernsey Childcare Needs Survey 2009/2010

²² States of Guernsey Public Health (2013) Healthy Lifestyle Survey. Available at: <https://gov.gg/article/154885/Healthy-Lifestyle-Survey> [accessed 6th Sept 2017].

²³ See for example, research PWC (2016) “Women returners” available at: <https://www.pwc.co.uk/services/economics-policy/insights/women-returners.html> [accessed 18th October 2017].

What is already being done?

- 6.3.5 Community care services can and do help to support people with care and support needs in the community. Through the Supported Living and Ageing Well Strategy²⁴ (SLAWS) the States has already agreed to further develop community care services, reablement services and to develop the coordination of care services to make care easier to navigate. By supporting people with care and support needs, these services are crucial to assisting carers in managing their caring role and will also help carers to balance care and work better. SLAWS also included a resolution to develop a Carer's Strategy; this Strategy will look in more detail at how to support carers better in all aspects of their roles.
- 6.3.6 In Social Security, Carer's Allowance²⁵ was amended in 2014 so that working carers could receive the Allowance if they met the eligibility criteria. The Job Centre also supports carers who are able to work to find work and people whose care responsibilities have come to an end to get back into work.
- 6.3.7 The Disability and Inclusion Strategy²⁶, agreed by the States in 2013, included the development of disability discrimination legislation which will "prevent discrimination against disabled people and carers and provide for equality of opportunity". This should help to challenge discrimination against people because of their caring roles. A website 'signpost.gg' was also developed as part of the Disability and Inclusion Strategy work to provide better information about services and benefits for carers and people with care and support needs. As part of the Longer Working Lives work, information was added to this website on 'Working and Caring'.
- 6.3.8 The Committee for Education, Sport & Culture introduced free pre-school placements for 3-4 year olds for up to 15 hours per week, 38 weeks a year²⁷. This may help to support parents or grandparents to work.

What more could be done?

- 6.3.9 There are many things which could be explored to help to support carers and grandparents to stay in work. The Committee has discussed a number of avenues, including leave arrangements for carers, best practice in supporting carers in employment, accreditation schemes for employers relating to carers, advice for carers on balancing work and care, and has also discussed with the

²⁴ Billet d'État III v.II of 2016

²⁵ Decision made by States in Billet d'État XVII of 2011

²⁶ Billet d'État XXII of 2013

²⁷ Billet d'État XX of 2015

Committee *for* Education, Sport & Culture its intentions around reviewing the structure of the school day. However, it is felt that out of all that the Committee *for* Employment & Social Security could do, promoting flexible working was a priority.

6.3.10 Flexible working incorporates a range of ways in which working patterns and work locations can be varied to provide a better balance between personal and business needs. This includes but is not limited to part time working, working from home and remote working, job shares, flexitime (flexibility in when employees start or finish), annualised hours (a set number of hours a year but with different intensity at different periods in the year), compressed hours (full-time hours but over fewer days); only working during school terms; phased retirement (where someone may reduce hours as they approach retirement) and more. To give one example, an employee caring for their elderly parent may need to routinely help them to get up in the morning and help them to prepare lunch. In order to support the employee to do this an employer might offer slightly adjusted working hours (a later start and a longer lunch but working later in the day to maintain hours).

6.3.11 Flexible working is a priority because of the number of people it could assist: most people have care responsibilities for children or other family members at some point in their lives. As well as supporting older workers with care responsibilities, better access to flexible working might help people who want to ease into retirement, or manage health conditions also. Flexible working might help younger workers manage childcare responsibilities (which could, in turn, reduce pressure on grandparents to provide care).

6.3.12 It is clear that many employers already offer some kind of flexible working²⁸. At its best, flexible working can help to improve staff loyalty and productivity. However, it is recognised that some employers, due to the nature of their business, could not offer certain kinds of flexible working. Consequently, the strategic focus for change is on making sure that requests for flexible working are considered sufficiently by employers who are able to implement flexible working, but perhaps, are too quick to dismiss an idea which they are unfamiliar with.

6.3.13 While there is not a representative study to illustrate the difficulties employees might experience, it is noted that 20% of the carers interviewed in the second

²⁸ Commerce and Employment Department (2009) "Results of a survey on workforce participation"

CIPD and Mind Guernsey (2017) "Employee Outlook, Guernsey: Mental health in the workplace"

part of the Disability Needs Survey²⁹ reported that they had been unable to change their working hours to fit with their caring duties (and within this survey this was the most common barrier to work carers experienced). The survey reported that “These findings suggest that certain employers’ attitudes towards employees who are carers needs to change”³⁰ and the authors of that report were of the view that “Supporting carers in employment should be a relatively high policy priority”³¹. 81% of respondents to the Longer Working Lives consultation³² agreed or strongly agreed that flexible working would help people to overcome some of the challenges which prevent them from working for longer. The Committee believes that there is a case to promote flexible working.

6.3.14 This leaves a challenge around how to promote flexible working. In the Longer Working Lives consultation consultees were asked whether they thought the Committee should promote flexible working through communications and sharing best practice or whether the Committee should consider introducing a legal right to request flexible working. 82% of respondents thought that an approach to promoting flexible working which incorporated a legal right to request flexible working would ‘work best’³³.

6.3.15 Both Jersey³⁴ and the UK³⁵ have already implemented a legal right to request flexible working. The principle behind this legislation is not to force employers who really are unable to provide flexible working to do so against their business interests; but to require employers to seriously consider requests for flexible working and, where it is not possible to support their staff with flexible work arrangements, to explain why it is not possible. The UK originally introduced this right only for parents³⁶, then extended it to carers³⁷ and has since extended it to all employees³⁸. Respondents to our consultation suggested that singling out carers for special treatment may be counter-productive, as it may leave other team members feeling like carers are receiving special treatment which could increase bullying or reduce the number of carers willing to make

²⁹ BMG Research and the University of Nottingham (2012) Disability Needs Survey – Stage Two. Available at: <https://www.gov.gg/article/154882/Disability-Needs-Survey> [accessed 7th Sept 2017].

³⁰ *Ibid.* pg.114

³¹ *Ibid.* pg. 115

³² See Appendix 1

³³ See Appendix 1

³⁴ Employment (Jersey) Law 2003; Part 3A

³⁵ Employment Rights Act 1996; Part 8A (as amended)

³⁶ Employment Act 2002; Section 47

³⁷ Work and Families Act 2006; Section 12

³⁸ Children and Families Act 2014; Part 9

requests³⁹. There may be a range of legitimate reasons for requesting flexible working. Therefore, it is recommended (in section 8) that the Committee *for* Employment & Social Security develops detailed proposals to introduce a legal right to request flexible working for all employees in Guernsey, along similar lines to the UK and Jersey legislation. Good quality guidance for employers will need to be issued whilst the legislation is being drafted.

- 6.3.16 A change of practice amongst some employers will be needed if more people are to be able to work flexibly. A legal change will help to encourage a cultural change but will not be sufficient in itself. It is, therefore, also proposed that further information is provided to employers on flexible working and how flexible working can be implemented and that this be incorporated into wider communications around the Longer Working Lives project.

6.4 Ageism

- 6.4.1 During the initial discussions undertaken as part of Longer Working Lives, staff 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 specified retirement age was sometimes lower than State Pension Age).
- 6.4.2 During the research, staff also encountered people who believed that they had witnessed discrimination in recruitment practices on the basis of age. In addition, there were concerns that people's attitude about age (both from the employee and employer) could mean that older and younger staff are managed in different ways and that less attention is paid to older staff's performance and training due to an assumption that they are 'winding down' to retirement. This does not help to support older workers who are good at their job, wish to maintain their skills and stay in work and can create resentment amongst younger staff.
- 6.4.3 The Committee *for* Employment & Social Security believes that age is not a good predictor of productivity, skills or capability to undertake a role. The Committee believes that, if the States is to encourage longer working, there is a need to move towards a culture where employment decisions and management practices focus on an individual's competency, aptitude and skills and not their age.

What is already being done?

³⁹ See Appendix 1

- 6.4.4 The States resolved as part of the Supported Living and Ageing Well Strategy⁴⁰ to investigate the impact of ageism in Guernsey and Alderney; though this work has not yet begun, this investigation has a wider remit than employment and is intended to consider ageism in social care settings also.
- 6.4.5 There is no Default Retirement Age in Guernsey at present. The Employment Relations Service provides advice to employers on managing retirement⁴¹.
- 6.4.6 Under existing legislation, whilst many employers may follow sound procedure, if an employee is retired in a way which they believe to be unfair and they qualify for the right not to be unfairly dismissed, they may make a claim for unfair dismissal. The employer would then need to demonstrate that there was a fair reason for dismissal and a fair procedure was followed. Some employers currently include a retirement age in contracts which may provide some support to a defence in the event of a Tribunal. However, the legal force of a contractual retirement date has not been fully tested at a Guernsey Employment Tribunal⁴². In cases where employers have reason to pursue a dismissal, other routes may be followed, for example through capability procedures.
- 6.4.7 The Disability & Inclusion Strategy⁴³ included a resolution to establish an Equality & Rights Organisation which, if established, could raise awareness about ageism amongst other forms of prejudice and discrimination.

What more could be done?

- 6.4.8 The Committee has reviewed different options to address the issues of ageism (and particularly issues of contractual retirement ages which was of significant concern to some people). Ageism is a cultural issue and requires people's attitudes and misconceptions about older people (and people of other ages) to be challenged, this must involve communication. However, the Committee believes that if a standard of behaviour is to be set by which employers cannot unreasonably 'force' people to retire or change their contracts once they reach a certain age, then the introduction of age discrimination legislation will be necessary (as recommended in section 8 below). This aligns with the response to the Longer Working Lives consultation, where 77% of respondents expressed

⁴⁰ Billet d'État III v.II of 2016

⁴¹ Employment Relations Service (2016) "Dealing with Retirement". Available at: www.gov.gg/employmentrelations [accessed 7th Sept 2017].

⁴² Examples of the use of constructive unfair dismissal with regards age discrimination from the UK are available here: http://www.agediscrimination.info/search?q=constructive%20unfair%20dismissal&f_collectionId=5799e43f8419c26c922dbda2

⁴³ Billet d'État XXII of 2013

support for the introduction of age discrimination legislation⁴⁴.

6.4.9 Many other countries globally have introduced age discrimination legislation. Some consultees commented that they felt that it was good for Guernsey's international image to have comparable discrimination legislation to other jurisdictions⁴⁵. By introducing such legislation we would be following in the footsteps of other jurisdictions and not breaking new ground. The US first introduced federal age discrimination legislation in 1967; from the late 1970s it was introduced in all Canadian provinces; in Ireland and New Zealand legislation was in place from 1993; the UK from 2006 (now replaced by the Equality Act, 2010)⁴⁶; and in Jersey from 2016⁴⁷. Whilst some of this legislation did originally allow for a Default Retirement Age at which it was acceptable for companies to 'retire' staff, most of these countries now only permit mandatory retirement where objectively justifiable and by exception rather than as a rule. Legislation in Jersey is being phased in with the legislation initially permitting all employers to set a retirement age at or over State Pension Age. This provision will be removed from 1st September 2018⁴⁸.

6.4.10 The UK and Jersey models have a number of exceptions outlined in their age discrimination laws. It is still permissible in the UK, for example, in goods and services provision to offer discounts for pensioners or to organise 'under 30s' group holidays. Certain financial products, such as insurance, are allowed to vary premiums on the basis of age. In the realm of employment a concept of an 'employer justified retirement age' is used whereby some employers can set a retirement age for their staff if they can provide objective evidence that this is a proportionate means of achieving a legitimate aim within their business context (this could be on grounds of safety in certain professions, for example). Defining a set of exceptions to the rule of non-discrimination may be part of the development of any proposals in Guernsey and this is an area which can be consulted upon during the development work recommended in this Policy Letter.

6.4.11 The majority (52%) of employers who responded to the Longer Working Lives consultation supported the introduction of age discrimination legislation⁴⁹. However, some employers are concerned about the introduction of age

⁴⁴ See Appendix 1

⁴⁵ *Ibid.*

⁴⁶ Hornstein, Encel, Gunderson and Neumark (2001) "Outlawing age discrimination legislation: Foreign lessons, UK choices." Policy Press and Joseph Rowntree Foundation. Available at: <https://www.jrf.org.uk/report/age-discrimination-legislation-choices-uk> [accessed 7th Sept 2017].

⁴⁷ Discrimination (Age) (Jersey) Regulations 2016

⁴⁸ Discrimination (Age) (Jersey) Regulations 2016; paragraph 31

⁴⁹ See Appendix 1

discrimination legislation because they feel that this will increase 'red tape'; and would mean that older staff who previously would have been asked to retire may have to be 'managed out' through capability procedures if they under-perform. They are concerned that this may be less dignified for individuals than retiring. There are also concerns that knowing when a person is going to retire helps firms with succession planning and considering the promotion and careers of younger staff within their firms. Some firms who also operate in the UK or Jersey have already adapted their HR practices to comply with age discrimination in order to maintain the same employment standards across jurisdictions. Other companies in Guernsey have removed the use of contractual retirement ages from their working practices and have explored alternative ways of working and agreeing retirement dates with their staff. The fact that some local firms are already examples of good practice suggests that the concerns and problems raised by some employers can be overcome if this best practice is shared.

- 6.4.12 It is worth bearing in mind that age discrimination is often experienced by young people as well as older people⁵⁰. The development of the legislation will need to take into account all forms of ageism, not just ageism experienced by older workers. Good quality guidance on the legislation will need to be made available to employers before any law is introduced so that they can begin to adapt.

6.5 Back-to-work support and preventing job loss

- 6.5.1 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 come to the Job Centre from incapacity benefit claims rather than directly from the labour market⁵¹. Older jobseekers can need specific kinds of support in the Job Centre (help with contemporary job search skills, for example); but creating change may also involve considering how the States of Guernsey, health professionals and employers can better prevent people from losing work due to health conditions in the first place, and how we can support people back into work following illness or injury.

What is already being done?

- 6.5.2 The Job Centre provides support including advice and guidance; matching

⁵⁰ Abrams and Swift (2012) "Experiences and Expressions of Ageism: Topline Results for the UK from Round 4", European Social Survey. Available at: http://www.europeansocialsurvey.org/docs/findings/ESS4_gb_toplines_experiences_and_expressions_of_ageism.pdf [accessed 7th Sept 2017].

⁵¹ Internal Social Security Data

people to job vacancies; work experience placements; voluntary work placements (providing jobseekers will give this work up if they find paid work); and one-to-one work rehabilitation to provide more intensive support to people that have significant barriers to employment.

- 6.5.3 The Job Centre can also offer short-term and basic skills training; work trials where a person can be taken on for a trial basis whilst continuing to receive benefits for up to two weeks; the Community and Environmental Project Scheme (CEPS) which provides work and training opportunities for people who are not working, the person works under contract to Social Security and receives minimum wage; Kick Start – where people receive training on-the-job with an employer for up to thirteen weeks, the person works under contract to Social Security and receives minimum wage; and Work2Benefit, a mandatory work and training scheme for unemployed people 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 on the Work2Benefit scheme are unpaid but benefit remains in payment.
- 6.5.4 In addition there is some financial support and incentives available. Recruitment grants are available to employers who recruit someone who has been claiming unemployment benefit or sickness benefit for more than six months. A back to work bonus is available to a person who has been unemployed for six months or longer (payable only once they have stayed in work for four weeks and not more than once in twelve months); longer term claimants may also be able to apply for support with the expenses associated with starting a job if this would otherwise be a barrier to them working.
- 6.5.5 Alongside the Job Centre, the Guernsey Employment Trust supports disabled people to secure and maintain work. GROW Ltd also provides training, employment and occupation for people with learning disabilities.
- 6.5.6 As part of the Disability and Inclusion Strategy⁵², 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. This will help people (including older people) to be supported with workplace adjustments which enable them to take up work or continue in work when they would not otherwise be able to.
- 6.5.7 The Employment Relations Service provides advice and guidance about stress in the workplace and bullying and harassment at work (amongst other things)⁵³. This can support people to resolve difficulties before leaving a job.

⁵² Billet d'État XXII of 2013

⁵³ www.gov.gg/employmentrelations

- 6.5.8 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 Executive will be reviewing current legislation in order to update it.
- 6.5.9 The Supporting Occupational Health and Wellbeing project aims to examine how the States of Guernsey can maximise the Island's workforce by ensuring there is better occupational health and wellbeing advice for employers and employees. If more people are supported in work, at an earlier stage, this will also have a secondary benefit of reducing the duration of some incapacity benefit claims. The first phase of the project focused on medical certificates from GPs for sickness benefit. Certificates were adapted to provide opportunities for medical practitioners to give advice on an employee's present work capability, including the obstacles that may prevent an employee from returning to work. Space is now provided on the certificate for practitioners to also make basic recommendations about reasonable adjustments which may make an earlier return to work more likely. The second phase of SOHWELL is underway and has involved communicating with employers about managing sickness absence, return to work, and accessibility and experiences of using occupational health providers. The project has also seen the launch of the FitTogether⁵⁴ initiative.
- 6.5.10 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 early intervention and treatment to try and help people (with a mental health condition) stay in work. A service improvement plan has been implemented to make the service even more effective.
- 6.5.11 Recreation Services will ensure that access to its sports and leisure facilities will continue to be as accessible as possible to all, through the provision of a variety of initiatives, including LifeFit Exercise on Referral. It is the intention of this Service Area to continue working closely with other agencies in developing this provision as much as it is able.
- 6.5.12 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 programmes⁵⁵. The Health Promotion Unit also undertakes work to promote healthy lifestyles with the general public. The 2020 vision included a

⁵⁴ www.gov.gg/fittogether

⁵⁵ www.gov.gg/healthyliving

strategic focus for Health & Social Care on early intervention and prevention.

6.5.13 Person centred enabling care is part of the aim of the Supported Living and Ageing Well Strategy⁵⁶ 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.

What more could be done?

6.5.14 Through its routine work, the Committee will seek to support ongoing improvements in the way that the Job Centre functions to support people back to work. More can also be done to improve the way that incapacity benefits claims are managed.

6.5.15 The Committee believes that there is potential to build on the first two phases of the Supporting Occupational Health and Wellbeing project to further improve the chances of people staying in work or returning to work earlier.

6.5.16 Three issues have arisen from both the discussions coming out of Longer Working Lives and from the second phase of SOHWELL:

- the need for access to early interventions for back pain and other musculo-skeletal injuries, in the form of physiotherapy and occupational health advice (this is the second largest cause of sickness absence after mental health and is more common amongst older claimants);
- access to occupational health advice and support – particularly for self-employed people and small businesses. More than 80% of employers in Guernsey employ 10 people or less⁵⁷.
- negative beliefs about or attitudes towards Occupational Health from employees and/or managers and employers (for example, some employees seem to see Occupational Health negatively as a management tool rather than a potential source of support).

6.5.17 Further work will need to be undertaken to determine what changes could be made or work could be undertaken to address these issues effectively. The next step for SOHWELL, therefore, will be to further investigate all three of these areas and to test the feasibility of different approaches to addressing them.

⁵⁶ Billet d'État III v.III or 2013

⁵⁷ States of Guernsey (2017) Guernsey Quarterly Population, Employment and Earnings Bulletin. Available at: <https://gov.gg/population>

6.6 Career change, planning for the future and training

- 6.6.1 It is likely that we are moving towards a situation where it is normal for people to change career several times during their lifetimes. The Committee is pleased that the Committee *for* Education, Sport & Culture has recognised this – the new Bailiwick of Guernsey Curriculum Teacher Handbook notes in the Careers section that “Developing a young person’s career management skills is essential preparation for a changeable future with transitions throughout their working life”. Whilst some people will have some choice about how and when to change career; others may find that they simply cannot continue doing what they are doing due to health reasons or because their work is not compatible with their family care responsibilities. Unplanned and unavoidable changes in career may be difficult to navigate.
- 6.6.2 The Committee has considered how to support people who are unable to continue in their original role. It has concluded that 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.

What is already being done?

- 6.6.3 The Job Centre already supports jobseekers and can fund training to improve the chances of a person’s employability. This can include general and basic skills (such as IT skills 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).
- 6.6.4 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.
- 6.6.5 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. Some employers also offer degree level training opportunities for other career paths, for example KPMG working with the Digital Strategy has developed an on-island digital apprenticeship in association with the University of Exeter. Online and distance learning courses are also becoming increasingly available, though these are more relevant to some careers than others.

6.6.6 The States recognises the need to develop islanders' digital skills across the population. Digital skills will be key to the economic success of all sectors and ensuring that everyone has a minimum standard of digital skills will become increasingly important as job search resources, public services and work environments increasingly rely on a universal basic ability to use computers and the internet. Part of the Framework for Public Service Reform⁵⁸, SMART Guernsey, focuses on moving towards effective digital service provision within the States of Guernsey. In the context of 'going digital' it is important that people are not left behind, both in terms of those who currently are less confident using online services or working online, and that the younger workers keep pace with changing technology over the coming years. The Committee for Economic Development's Digital Sector Strategy Framework⁵⁹ contains an aim to develop 'the digitally skilled workforce of the future' and one of the action points being pursued is 'developing best in class digital skills, education and training'. An action plan for this point is under development at the time of writing this Policy Letter.

6.6.7 There are some existing services to support people with digital skills. The Digital Greenhouse undertakes a core role to 'improve the skills, knowledge and experience people and business have with technology and digital services'⁶⁰ and runs a series of events, clubs and special interest groups to support this aim. It has also developed online resources through their app and website for digital career pathway information with Careers Guernsey, with specific advice around digital opportunities for all ages. The College of Further Education currently provide basic IT skills training courses through their adult education programme. The Guille-Allès Library run a range of community groups around digital inclusion including 'First Click' training and 'Cyber Seniors'. The University of the Third Age have also run a group via the Digital Greenhouse to support the older generation with digital skills. These kinds of initiatives will be important in ensuring people have the skills they need to work, but also that they have the skills they need to find information and find work.

What more could be done?

6.6.8 Two areas might be further developed – one providing people with support and information to help them to better plan their later careers; and secondly to ensure that there is good access to training which can help people to change to a different career when they become unable to continue.

6.6.9 Sometimes people may face situations where they know that they need to

⁵⁸ <https://gov.gg/change>

⁵⁹ <https://gov.gg/article/159650/Digital-Sector-Strategic-Framework-published>

⁶⁰ <http://www.digitalgreenhouse.gg/about/overview/>

make changes to plan for their later life but struggle to access information or advice that they need to help them to think through their situation. The Longer Working Lives 'Draft Proposals' outlined the idea of introducing 'mid-career reviews' which would be marketed at people in their 40s or 50s to provide a structured way of thinking through their plans for later life. This could help to support people to plan effectively for their retirement and also to make career changes, where needed, before a crisis point is reached. These reviews could cover career development and career change but could also provide an opportunity to think about health, pension and retirement finances, managing care responsibilities and more. There were some concerns from the Longer Working Lives consultation respondents that any 'mid-career review' should be voluntary and it was important that the advice provided needed to be reliable⁶¹.

6.6.10 In considering how best to meet the need for information and advice identified it is suggested that the most effective starting point would be to develop a web-based resource that works through the challenges people might face, provides basic information and case studies, and signposts people to sources of more in-depth, specialist information (in order to maintain a high quality of information and advice). Since not everyone will find interacting with text-based information on the internet easy, it is suggested that other ways of communicating the information are also considered, including a face to face drop in opportunity or a series of presentations people can attend if they choose. One-to-one follow up with existing specialist advisers would be possible. This should be run on a trial basis and reviewed based on customer feedback.

6.6.11 The second point of action follows from the consultation on the Draft Proposals for Longer Working Lives: many respondents felt that more should be done to ensure that people who were no longer able to continue in the work they were doing had access to subsidised training to support them to retrain into a new kind of work⁶². The Committee *for* Education, Sport & Culture's Skills Guernsey Group have been reviewing workforce skill gaps to inform the development of training provision on the island. The Committee *for* Employment & Social Security believes that any retraining options should be linked to the Committee *for* Education, Sport & Culture's provision. The two Committees will work together to identify whether it is possible to improve access to on-island training opportunities for those who are unable to continue in their roles due to their health or due to care responsibilities. The Committee *for* Employment & Social Security will further investigate whether there is a 'spend to save' opportunity to invest in retraining for individuals who have not yet lost their jobs but have to change career when they otherwise might be at risk of

⁶¹ See Appendix 1

⁶² See Appendix 1

becoming long-term benefit claimants.

6.7 Those unable to continue working until 70

6.7.1 It is clear that there will be some people who will not be able to continue working until the age of 70 for a variety of reasons (including health and care responsibilities). Whilst it is true that not everyone is able to work until the age of 65 at present, the Committee is aware that the increase in the State Pension Age will disadvantage some people more than others, particularly those who are in low-paid work (who have been less able to save pensions throughout their lives), who are in contract work (not from choice), who are in work which depends heavily on physical fitness, who are in work which doesn't permit any flexibility in hours worked, who do not have private or occupational pensions or savings to enable them to retire early, and who do not have partners who can support them.

6.7.2 At present, if someone is unable to work until State Pension Age, depending on their contribution record and how much income and savings they have they may be able to access incapacity benefits, unemployment benefit or supplementary benefit. Some respondents to the consultation felt that the existing system of working-age benefits provided sufficient support to those who would be unable to continue working⁶³. The Committee intends to give further consideration as to whether existing benefits suffice or whether adjustments are needed.

6.8 Monitoring progress

6.8.1 As outlined in Appendix 2 the Committee intends (through the key performance indicators) to monitor developments in the labour market so that action can be adapted as necessary as the situation changes in order to meet the overall aims. Recent developments in data, such as the Rolling Electronic Census, will, with time, provide new kinds of data which will help to better understand how people move in and out of the labour market as they approach retirement age. However, it is clear that there are some significant gaps in the information the States of Guernsey currently have available about what work people are undertaking. In particular, we do not have information on how many hours people work or what occupation they work in. This can be significant for a number of policy aims, including understanding how people change career as they approach retirement, understanding the average wages of different professions, but also in helping us to understand pay gaps between different demographic groups to help us to develop equality policy, and to help us to monitor how many people work on the minimum wage.

⁶³ See Appendix 1

- 6.8.2 The Committee is reviewing whether it will be possible to incorporate into wider system changes a way to gather this information through our routine processes to allow for greater analysis of the labour market in future.

6.9 Topics considered but not recommended for further action

- 6.9.1 Some further topics were raised in the consultation, which have not been addressed in this outline of action.
- 6.9.2 Pension deferral (the ability to postpone taking the State Pension until a later date in return for a slightly larger amount each week when it was eventually claimed) was suggested as a potential way to both encourage people to work for longer and improve people's retirement finances. Whilst not denying that this may be a useful option for some people, the Committee feels that this is not a priority for Longer Working Lives compared to the other proposals presented (in section 8 below). Convincing evidence that pension deferral significantly increases the number of people who continue to work past State Pension Age has not been identified. The Committee also feels that demand for pension deferral will likely decrease as the State Pension Age increases to 70. As with any proposal, there would be costs attached to making such a change and resources directed to the strategic aim of supporting more people to work up to the new State Pension Age, would be more effective if used elsewhere.
- 6.9.3 It has also been suggested that people be allowed to access their State Pension earlier at an actuarially reduced rate – i.e. that people be able to claim their pension before they reach State Pension Age, but that the weekly amount is actuarially adjusted so that they receive less per week over the course of their retirement in response to having opted to do this. The Committee is concerned that allowing people to claim their pensions earlier in this way, whilst it could be calculated to be cost-neutral to the pension fund, would mean that people's annual retirement income would be lower which could mean that they may be more likely to need supplementary benefit later in retirement.
- 6.9.4 It is recognised that there might be wider issues around people who are (involuntarily) undertaking contract work. People who are working on contracts may have less access to benefits such as sick leave, paid leave, employer pension schemes or health insurance. They also live with higher levels of job insecurity. This is an issue which might affect some older workers. However, the Committee believes that support for contract workers needs to be looked at more generally and that the proper place to consider contract working is not within the Longer Working Lives programme.
- 6.9.5 The Committee has considered financial incentives, such as tax or contribution breaks, for people who are past pension age and continuing to work. Of course,

there are implicit costs associated with tax or contribution breaks. The feasible options for tax breaks tend also to be for people who have already passed State Pension Age. The Committee believes that the priority of these proposals should be on supporting people to work up to the new State Pension Age and removing barriers to work rather than providing incentives to work to those past State Pension Age. These options have not, therefore, been included.

- 6.9.6 Work was undertaken during the course of this project to consider how older people may relate to self-employment and whether self-employment might offer a route to continue working for some people. The Committee felt that there were substantial financial risks associated with starting up as self-employed or starting a small business. People may sometimes take risks with their pension savings in order to start a small business. Failure rates for start-up companies are high. This means that people could stand to lose substantial sums of money if they are not successful. The Committee, therefore, does not believe it is prudent to actively encourage people to go into self-employment in later life. It is important that if people wish to pursue self-employment that they receive the appropriate advice and support. Start-up Guernsey does currently offer advice to people starting small businesses.

7 Alderney

- 7.1 Alderney residents will face many of the barriers that Guernsey residents face to accessing work in later life. There are also some differences in the Alderney context which need to be taken into account.
- 7.2 During the first phase of consultation around Longer Working Lives a Public Meeting was held in Alderney and some in-depth discussions were undertaken to better understand residents' feelings on the barriers to working for longer. During the summer of 2017, the States of Alderney were also asked to comment on the Longer Working Lives Draft Proposals.
- 7.3 In terms of the general policy direction, the States of Alderney Policy and Finance Committee expressed "broad support for encouraging and empowering people to work past the current retirement age, if they are able to do so." However, they also expressed concern about the effect of an increase in pension age on manual workers in Alderney.
- 7.4 It is suggested that the proposed actions could be applied to Alderney as follows:
- 7.5 Working with employers and employees - Employers in Alderney may already have valuable experience of adapting to an ageing workforce, but it will be important to engage with and include employers in Alderney in discussions around the issues of the ageing workforce, and age-friendly employment to

ensure that best practice is shared on the island and between islands.

- 7.6 Supporting people with family and care responsibilities - Some Alderney residents will also struggle to combine working and caring for grandchildren and family members or friends who need support. The States of Alderney indicated that it does not wish to implement legislation around flexible working at this time. Some employers in Alderney already offer flexible working. It may be possible to promote this further in Alderney through engagement with employers.
- 7.7 Ageism – Whilst some employees in Alderney may encounter ageism, the legal context in Alderney is substantially different. Whilst Guernsey residents have reported challenges around the inclusion of retirement ages in contracts, there is not yet an existing legal right to a contract of employment, in Alderney. Without a foundation of employment legislation, the policy mechanisms to address the challenges of ageism must be different.
- 7.8 Having discussed employment legislation with the States of Alderney, the Policy & Finance Committee has advised that “there is total support for employees having the basic right to a written contract setting out the terms of employment”. The Committee for Employment & Social Security would encourage the States of Alderney to make progress in working towards realising this.
- 7.9 This has wider relevance to the provision of unemployment benefits and supplementary benefit to Alderney, as well as to the Equality and Rights Programme. If workers in Alderney are not properly supported by local employment and discrimination legislation this can impact demand for provision of social insurance and supplementary benefit, which Employment & Social Security have statutory responsibility to provide. A right to a written contract would be a fundamental first step.
- 7.10 In terms of addressing wider cultural issues around ageism, it may be possible to do so through engagement with employers.
- 7.11 Back-to-work support and preventing job loss – Alderney have been included in the first phases of the Supporting Occupational Health and Wellbeing Project, including work around medical certificates (as outlined in 6.5.9. above). It is the intention to seek to include Alderney in the next investigative stage.
- 7.12 Career change, planning for the future and training – Any information resources developed to support ‘mid-career reviews’ should also include information relevant to Alderney. Further consideration of potential subsidies for re-training opportunities should incorporate consideration of opportunities for Alderney residents.

- 7.13 *Those unable to continue working until 70 and Monitoring Progress* – the pensions and benefits available to Alderney residents are the same as those available to Guernsey residents, so any consideration of these will include Alderney. The Social Security data systems also incorporate data on Alderney residents and employers, so any adjustments to these systems will also apply to Alderney.
- 7.14 With some adjustments, it should be possible to include Alderney residents when taking forward these proposals.

8 Proposed plan of action

- 8.1 Following the policy discussion in section 6, it is recommended that the following key actions are taken forward if the States wish to address the strategic challenges (outlined in section 3).
- 8.2 In November this year the States agreed a set of priorities as part of the Policy & Resource Plan. For the Committee *for* Employment & Social Security these priorities included:
- Social and affordable housing policy
 - Disability and inclusion policy
 - Supported Living and Ageing Well Policy (for Employment *and* Social Security this includes consideration of Long-term Care Insurance)
 - Social welfare policy (which includes both the development of the recommendations of the Social Welfare Benefits Investigation Committee and the development of secondary pensions)

Progress on these four areas of work will be the priority of the Committee. Any work on the recommendations of Longer Working Lives, which does not fit into these priorities, will need to be taken forward around these priorities if possible, and/or will need to await prioritisation by the States.

- 8.3 The resources required to take forward this work will largely be staff time within Employment & Social Security. Rather than seeking new resource, it is intended that these actions will be taken forward by existing staff if and when it is possible around work on the priorities in 8.2. In order to give an indication of the amount of resource required, an estimate of the staff time required to implement the actions, and an estimated cost, are indicated (see Appendix 3 for further detail). It should be noted that these indications are Full Time Equivalent (FTE) estimates – i.e. the amount of time it would take a staff member to implement if this was all they were working on. If someone is working on the project as part of a larger workload, it will take longer than the time indicated to deliver. The cost estimates should not be read as funding bids – they indicate the estimated equivalent cost of existing resources (as at 2017), and are included for the sake of transparency only.

8.4 This approach to resourcing may mean that some actions will not be taken forward immediately. The Committee is satisfied that the objectives for this project are in the medium to long term. So, even if delayed, actions should have a positive impact. The timescale for the implementation of actions has not been specified for a number of reasons. Firstly, available resources will need to be allocated strategically to have the greatest impact towards the overall aims. For example, engagement with employers around age-friendly working practices could have a more immediate positive impact ahead of any legislative developments, so if limited resources become available this may be pursued earlier than other actions. Secondly, the order in which workstreams are developed may be influenced by the availability of specific staff resources and skill sets. Thirdly, the timescales for the implementation of some workstreams depends on other developments – for example, for discrimination legislation, disability is the highest priority for development, age following closely after. The form the age discrimination legislation takes and the date by which it can be implemented will be shaped by the disability discrimination legislation work. All of these factors indicate some judgement will be needed about how and when it is best to progress work; consequently, implementation timescales have not been specified.

8.5 Further detail on the intended scope of the actions outlined is included in Appendix 3.

8.6

Action	Estimated staff resource required
1. Communication and engagement with employers and employees around the ageing workforce, age-friendly employment and flexible working (<i>section 6.2 above</i>)	Initial 8 months FTE <i>including some admin costs equivalent to approximately £39,000</i>
2. The development of detailed proposals for a right to request flexible working to be returned to the States (<i>section 6.3</i>)	6 months FTE <i>equivalent to approximately £34,000</i> (ongoing: may impact demand on Employment Relations Service)

3. The development of detailed proposals for age discrimination legislation to be returned to the States (<i>section 6.4</i>)	1 year FTE <i>equivalent to approximately £67,000</i> (ongoing: may impact demand on Employment Relations Service)
4. Providing information and advice to people mid-career about career change, career development and other relevant issues such as retirement income, health and caring for family members (<i>section 6.6.9</i>)	8 months FTE to set up. <i>Including some admin costs equivalent to approximately £39,000</i> Potential ongoing 1 month per year to maintain
5. A third phase to the SOHWELL project investigating access to Occupational Health (especially for small businesses), attitudes to Occupational Health and early intervention for musculo-skeletal disorders (<i>section 6.5</i>)	It is intended that this is resourced as the continuous improvement element of the business as usual work of the Benefits Section. If, having undertaken further investigation, it becomes clear that additional resource is required this will be raised at a later date.
6. The Committee will work with the Committee for Education, Sport & Culture to investigate whether there is a 'spend to save' opportunity to provide subsidised training to a targeted group. (<i>section 6.6.11</i>)	2 months FTE for initial investigation <i>equivalent to approximately £10,000</i>
7. The Committee will review whether the pensions and benefits system could be adjusted to support those most impacted by the pension age changing (<i>section 6.7</i>)	2 months FTE for initial investigation <i>equivalent to</i>

	<i>approximately £10,000</i>
8. The Committee will explore whether it will be possible to gather data on working hours and occupation through changes planned in existing workstreams (<i>section 6.8</i>)	n/a - integrated into existing project
Total resource estimate	Just over 3 years FTE staff time plus admin costs (not necessarily consecutively) <i>Equivalent to approximately £199,000</i>

- 8.7 Updates on the progress of these actions can be provided annually via a short summary in the Benefit and Contribution Rates Up-rating Policy Letter.

9 States as Employer

- 9.1 The States of Guernsey (SOG) is the largest single employer in the Bailiwick employing approximately 5,500 Full-Time Equivalent's (FTE's) across a range of services including Health and Social Care, Education, Uniformed Services, Civil Servants and Public Service Employees. The Policy Council Review of the Public Sector Pension Schemes (PSPS), which was debated in April 2015, acknowledged that any increase in the State Pension Age and proposed PSPS changes would result in the employment of an older workforce. To consider this further the SOG as employer has been working with the Office *of the* Committee *for* Employment & Social Security during a discovery phase to understand the issues as employees see them; this approach enabled both the Office *of* the Committee for Employment & Social Security and the SOG as employer to undertake joint focus groups to gather what essentially may have been the same information for both parties.
- 9.2 Following the publication of the Committee *for* Employment & Social Security's proposals, the SOG as employer will be consulting with its employees and Trade

Unions both in response to the Committee *for* Employment and Social Security proposals and on its own position as an employer and measures it could take to support its employees working up to the increased State Pension Age.

SOG as employer – current position

9.3 Like all employers in the Bailiwick the SOG as employer adheres to local employment legislation and statutory provision; as the deliverer of public services and the largest employer in the Bailiwick it is arguably well placed to be able to consider and share best practice in changing processes to support Longer Working Lives. There are a number of areas in which the SOG is already delivering or working towards as follows:

9.4 Flexible Working for States' employees: There are lots of models of good practise across all staff groups where employees have a flexible working pattern to suit their particular needs such as:

- Compressed hours –working full time hours but over a shorter amount of days
- Variable working hours - particularly to suit caring responsibilities
- Part-time hours
- Term time only hours
- Shift patterns
- Job share
- Formal non-office locations
- Agile working
- Phased and flexible retirement

The SOG will consider these further to see if the options could be made available to more staff.

9.5 Occupational pension scheme – The SOG moved to a Career Average Revalued Earnings (CARE) model within the pension scheme in 2015 for all new starters, this is linked to the increase in State Pension Age. More information will be provided to employees to be able to understand their personal benefits in a timely manner and to be able to make informed decisions about the financial impact of retirement. Annual benefit statements will be issued this year for CARE and there is work underway on developing annual statements for those who have a mix of CARE and Final Salary Scheme benefits. Some investigation is being undertaken in to whether this could be made even more accessible electronically for employees.

9.6 A review of the States of Guernsey Occupational Health service has been undertaken so that it is more accessible to all SOG employees; this will change the model of the service to be a proactive partner to the organisation.

- 9.7 The SOG is implementing a Happy and Healthy Workforce Strategy which will have a number of strands:
- Supporting the Public Health Strategies i.e. Tobacco Control Strategy and Healthy Weight Strategy which has specific resolutions for the SOG as employer to provide
 - Reviewing Attendance Management policies and processes to change the culture to a supportive rather than punitive model
 - Building an intranet site for all employee groups to support their health and wellbeing
- 9.8 The SOG aims to make it easier for employees to consider their skills and other roles that they may be able to do by having conversations as part of the Personal Impact Programme and regular 1:1's. This will help to encourage career changes across the various staff groups.
- 9.9 More employees could be enabled to take a phased retirement option; this can address several of the barriers identified in Longer Working Lives, i.e. to support caring responsibilities; or to enable those working with health conditions to work for longer.
- 9.10 Retirement ages in contracts – the SOG will review these in line with possible legislative changes; early conversations with employees regarding their retirement plans enable SOG to plan for employee retirements or to extend the contract beyond the state pension age.

SOG as employer – future position

- 9.11 The impact of Longer Working Lives as a longer term project will require further consultation by the SOG with its employees and unions and will be developed over the coming months. There are likely to be further considerations that are specific to the SOG as employer.
- 9.12 Whilst a limited amount of budget has been secured (for a number of HR projects) the cost implications of changes/proposals have not yet been fully modelled.

10 Conclusion

- 10.1 People face barriers to working in later life. The States of Guernsey need to address these barriers in order to support more people to work up to or past the new State Pension Age. While this is important for the sustainability of public finances, it is also important for maintaining the workforce, for people's retirement income in a context of longer life expectancy and, perhaps most importantly, for people themselves not to be unnecessarily excluded from

work, potentially to the detriment of their wellbeing.

- 10.2 The Committee recommends that further work is undertaken to support islanders' occupational health and wellbeing; that age discrimination legislation is introduced to ensure that people are treated fairly and not asked to retire too soon; that a legal right to request flexible working is introduced so that people's needs to balance work and other responsibilities in later life are given reasonable consideration by employers; additional information and advice should be provided for people in mid-career about career, health, finances and more; access to training and financial support for those no longer able to continue in work should be further explored and a programme of engagement and communication with employers and employees around the issues should be undertaken in recognition of the important role that employers, line managers and employees themselves play in supporting people to continue in work.
- 10.3 Whilst there are implementation costs, the actions proposed should help the islands to adapt to a future in which it will be easier for more of the population to be economically active. If people continue to be discouraged or prevented from working, this will generate costs for the States, so there are also costs implicit in not taking action.
- 10.4 The Committee asks the States to support the programme of action outlined in section 8, and, in particular, for in principle support to develop age discrimination legislation and a legal right to request flexible working.

11. Compliance with Rule 4 of the Rules of Procedure

- 11.1 As outlined in section 4, when developing draft proposals, the Committee sent a representative to attend a meeting, or wrote to all of the principal Committees. During the drafting of the Policy Letter the Committee has sent representatives to attend meetings of the Policy & Resources Committee and the Committee *for* Education, Sport & Culture as well as writing to the Committee *for* Health & Social Care and the Committee *for* Economic Development.
- 11.2 Whilst there are no legislative drafting requirements directly following from this Policy Letter, the Committee has consulted with the Law Officers regarding the propositions contained within this Policy Letter and, should the States support the development of detailed proposals on a right to request flexible working and age discrimination, will work with the Law Officers when developing these proposals.

- 11.3 The Committee has set out its proposals for supporting Longer Working Lives throughout this Policy Letter, and seeks the States support for the propositions, which are based on the Committee's purpose:

To foster a compassionate, cohesive and aspirational society in which responsibility is encouraged and individuals and families are supported through schemes of social protection relating to pensions, other contributory and non-contributory benefits, social housing, employment, re-employment and labour market legislation.

- 11.4 The propositions contained within this Policy Letter are aligned with the Policy & Resource plan, as outlined in paragraph 5.1 above. They are aligned with the priorities and policies set out in the Committee's Policy Plan, which was approved by the States in June 2017 (Billet d'Etat XII, Article 1).

- 11.5 In accordance with Rule 4(4) of the Rules of Procedure of the States of Deliberation and their Committees, it is confirmed that the propositions above have the unanimous support of the Committee.

Yours faithfully

M K Le Clerc
President

S L Langlois
Vice-President

M J Fallaize
J A B Gollop
E A Yerby

M J Brown
Non-voting Member

A R Le Lièvre
Non-voting Member



Longer Working Lives

Consultation on Draft Proposals:

Summary of Findings

Executive Summary

Longer Working Lives aims to support people who want, or need, to continue to work up to or past State Pension Age to do so. There was support for this aim. However, many respondents were concerned about the pension age increasing, and whether this would impact some more than others. Whilst some respondents advocated longer working for economic reasons; others supported the project because they felt that choice about when to retire was important and that working could support people's health and wellbeing. Some respondents were concerned that supporting people to remain in work would impact opportunities for younger people to get into work or progress.

Feedback on the proposals

There was a range of views but for the most part respondents were broadly supportive of the proposals.

There was significant support for promoting flexible working and introducing age discrimination legislation. There were also concerns about both the compliance burden on businesses and the potential for there to be unintended consequences associated with introducing new legislation – for example, employers may avoid employing older people or use contracts more frequently.

There was support for the idea of mid-life reviews but concerns that they be implemented in a way which was accessible and that any information or advice given should be reliable. There was demand for improved information about retirement finances and pensions to support people to make good decisions about when to finish work.

With regards reviewing financial support for those most affected by pension age changes, some felt this was vital; others felt that the existing benefit system was sufficient; whilst others felt that there should be a transitional arrangement in place to support people who had not prepared sufficiently for the higher pension age, but that any arrangement should not be permanent.

Other points to consider

Some felt that more needed to be done or that there were other priorities not covered in the draft proposals and suggested areas for further investigation. These included, amongst other things, suggestions to review: financial incentives for employing older

workers; access to Sickness Benefit for those over State Pension Age; encouraging people into self-employment; legal and financial intervention to support people to change career or retrain in later life; and allowing people to defer taking the State Pension for an actuarial increase when claimed at a later date.

Related issues

A number of other related policy issues were raised, particularly around pensions, but also including other topics relating to economic development, health and education.

Introduction

In 2015 the States asked the Committee *for* Employment & Social Security to investigate measures aimed at supporting Longer Working Lives.

During 2016, through in-depth discussion groups, the Project Team talked to people from a range of backgrounds including recruitment agencies, HR professionals, employers, employees, self-employed people, and people claiming benefits. The Committee drew on these discussions to identify what seemed to be people's key concerns about working for longer and formulated a set of Draft Proposals in response. These proposals included actions to:

- Continue to develop the Island's Occupational Health and Wellbeing to support people at work with health conditions and disabilities and to prevent people from developing work related illness or injury in the first place
- Promote flexible working and part time work options
- Consult on the possibility of introducing age discrimination legislation
- Provide information and advice to support people to undertake 'mid-life reviews' to think through where they are with their career, health and finances
- Work with businesses to help them to take action by providing information on why adapting to an ageing workforce is important and by helping businesses to share good practice around supporting older workers

Through June and July 2017, the Committee has asked for feedback on these draft proposals. This document summarises the feedback received.

The feedback will be used to help the Committee to agree a final set of proposals to return to the States in December 2017.

Who was consulted and how?

The purpose of the consultation was to provide an opportunity for the public to give feedback on the draft proposals before any proposals are finalised.

The consultation included:

- An online survey which received 248 responses
- Email submissions
- Evening discussion session for people already engaged in the project
- A meeting with key business representatives
- A meeting with HR professionals
- Meetings with other Committees
- A meeting with Ageing Well in the Bailiwick Executive Committee

The consultation launch was publicised via local TV, radio and newspapers; on the States of Guernsey gov.gg website; via a mailing list of people who had already engaged with the project; and via the States of Guernsey social media accounts. Contact was also made with particular groups in order to encourage responses from a range of sectors and interested parties.

The response is not from a representative sample and should be read as an opportunity for interested people to raise pertinent points and not as an accurate opinion poll or survey. Similarly, it is worth noting that a range of views have been represented and these are views of members of the public, and should not be read as the views of the Committee *for* Employment & Social Security.

General comments on Longer Working Lives

Comments were received supporting the general direction of travel outlined in the proposals.

Support for the principle of working longer

CHOICE

"Give more people a choice and chance of working" - some respondents supported the idea that people should have more choice when to retire and supported the removal of unnecessary barriers to this choice. They valued *"being able to retire when it is right for the person"*

ECONOMIC

Some strongly supported the idea of working longer for reasons that seemed to be associated with their economic outlook: *"Everyone should work as long as possible"*

And supported workforce maximisation in order to *"reduce the taxation burden"*

WELLBEING

Others were keen to work for longer for personal reasons and felt they gained from the social interaction and activity as well as the finances:

"because I need to keep my brain active"

"working I believe keeps you young and healthy longer"

GOOD RETIREMENT INCOME

If Guernsey's population is ageing then ensuring that people have good income in retirement is key to maintaining the island's consumer economy. Working longer may help people to choose when to retire when they have enough savings.

CONDITIONAL SUPPORT

Some respondents seemed to support all or some of the proposals outlined but were concerned about the overall aim and about the changes in pension age.

Concerns about working longer

DISADVANTAGED GROUPS, NOT FEASIBLE FOR ALL

Some felt that manual workers and self-employed people would be particularly disadvantaged by changes in the State Pension Age and that the proposals did not do enough for these groups. Some felt that the increase in Pension Age was unfair for these groups *"it is important that those people are not marginalized and left disadvantaged"*

Others shared their personal circumstances outlining the fact that their health conditions and care responsibilities meant that they could not work until 70.

TIMING

"Having proposals is fine but change doesn't happen overnight and people are being affected now"

CONCERNS ABOUT PENSION AGE

As outlined later in this document many people were concerned about the pension age increase

FUTURE UNKNOWN

There were concerns about *"the speed of technology and the change of pace in the world"* - technological and cultural change could mean workforce issues in 2049 would be different than those the proposals seek to address which are based around people's current concerns.

CONSULTATION

One respondent felt that policy development should be more participatory: *"This needs to be a decision with people at the focus of the discussions"*

EFFECT ON YOUNGER WORKERS

Some respondents believed that if people worked for longer there would be less jobs available for younger people, less promotion opportunities, and therefore less motivation for young people to move back to, or stay, in Guernsey. One respondent suggested that *'there are a finite number of jobs'*

SECTOR BASED APPROACH

There was a suggestion that more detailed proposals should be brought forward based on specific economic sectors and types of work.

VOLUNTEERING

There were concerns about the impact of having more people of this age group working on the availability of volunteers. It was suggested *“support local charities to offer pay for some of their voluntary positions.”*

PROFIT MOTIVATIONS

Some were concerned businesses would not change their attitude towards older workers if older workers were not value-for-money *“these priorities will not make a shred of difference... simply because the employer will do what they want”*

FAMILY CARE AND CHILDCARE

There were concerns that if older workers were encouraged to stay in work for longer this could make childcare more complicated for families on the island who relied on grandparents. It was also highlighted that some people relied on the State Pension to support them to provide care, and there were concerns that increasing pension age and encouraging more people to work would limit the supply of informal care, creating costs for the public and third sector.

Priorities

There was a comment that legislation should be a priority and some felt that it would be necessary to implement age discrimination legislation as soon as possible to ensure that employees were not discriminated against in the context of other changes.

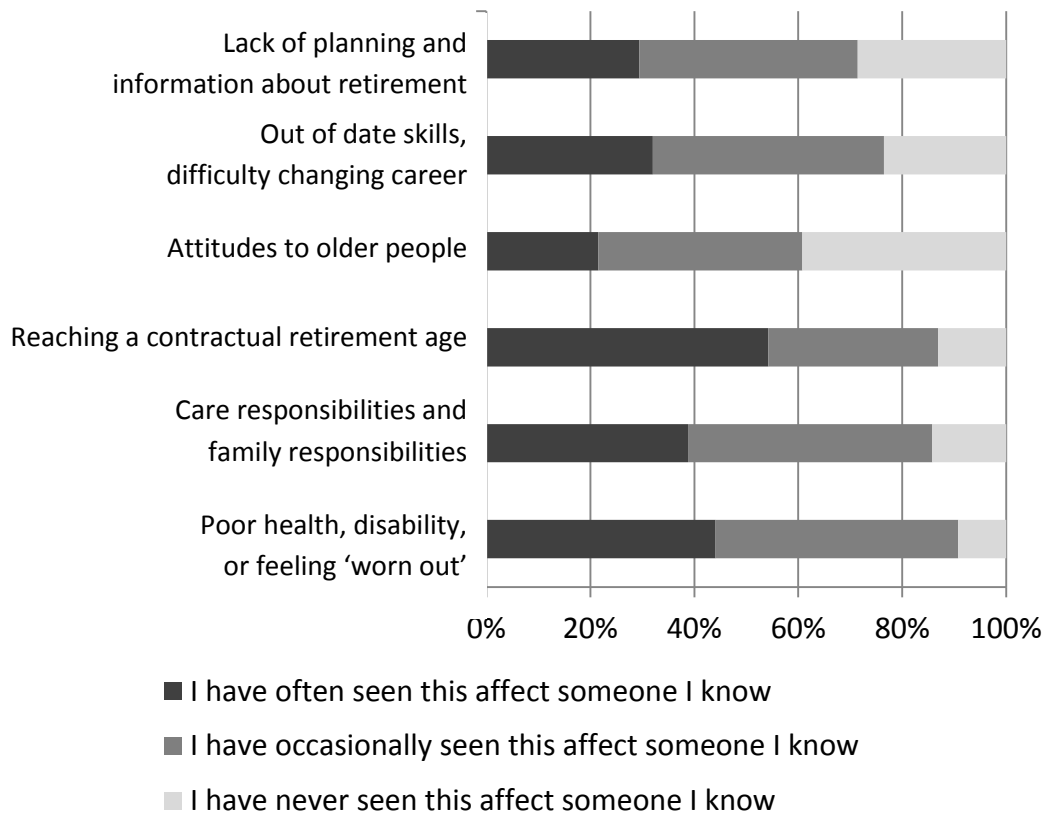
Others felt that the project should avoid using legislation and that social change was more fundamental.

Identified causes for leaving labour market

Many of the online consultation respondents recognised the issues identified, with 'poor health disability and feeling 'worn out'', 'care responsibilities and family responsibilities' and 'reaching a contractual retirement age' receiving the highest levels of recognition.

Have you seen any of these affect someone's decision to work or not?

(246 responses)



Other comments on the causes for early labour market exit included (comments from individual respondents unless stated otherwise):

- Unexpected redundancies
- Wanting to retire at the same time as a partner who was older
- Lack of availability of pension deferral
- Not getting sick pay / sickness benefit once you have passed retirement age
- Financial necessity (4 respondents)
- Lack of part time or flexible options
- Older staff being [seen as] less productive and more expensive to employ, especially in manual labour
- Desire to do voluntary work
- Difficulty finding well paid work when older
- Lack of appropriate jobs available
- Lack of work/life balance due to demanding work and long hours
- Work related stress, workplace bullying, poor management
- The need to treat people as individuals
- Older people viewing themselves as too old to work.
- Difficulty using new technology, lack of confidence
- The risk of causing danger to others due to health problems
- Younger respondents were concerned about keeping up with technological change *"As someone in their mid-thirties who already struggles with technology, then care needs to be given to ensuring that we can all still work in a digitally place world."*

Other comments on these barriers:

- Some factors are within the individual's control, others are not
- Sometimes attitudes need to be changed to enable people to change career

Suggested actions not included in proposals

Issues which could be further considered

At present, some workers are moved onto short term contracts or only offered contracts of up to a year once they are approaching or past State Pension Age. Contract workers can face particular challenges when trying to stay in employment. As a way of working it often leads to less security, and less access to employment rights and pension schemes. Questions were raised about whether more could be done to support people undertaking contract based work.

“many Guernsey employers adopt short term fixed contracts for employees once they reach retirement age. These contracts are detrimental with regard to pay and terms & conditions. They also offer no security.”

Suggested actions

The following actions and changes were suggested by respondents:

CHANGES TO PENSIONS AND BENEFITS

- **Pension deferral** – it was suggested that the option of being able to defer taking the State Pension when a person reached State Pension Age in return for an actuarial increase when the pension is claimed at a later date be introduced.
- **Early access to State Pension** – it was suggested people should be able to claim their pension sooner but receive less per week if they chose to.
- **Sickness benefit and sick pay** – it was suggested that people should be able to claim sickness benefit past State Pension Age
- **Contributions based access** – some respondents suggested people should be able to access pensions once they had made a certain number of contributions.

JOB CREATION

It was suggested that some work be undertaken to create jobs suitable for older people to undertake.

PHASED RETIREMENT

It was suggested that the States promote phased retirement.

CAREER BREAKS

It was suggested that more people be offered career breaks if their working lives were going to be longer

INTERVENTIONS IN MANAGING JOB CHANGE

- One respondent suggested legally requiring employers to find employees, who were unable to continue in their current role, **a new job within the organisation** which paid them an equal or greater salary to their previous role.
- A service which could step in to **support employers/employees when someone is unable to continue** in the same capacity.
- A **resource for finding work** specifically targeted at those over 55
- Encouraging employers to **make allowances for age** and retain people.
- A back-to-work benefit **subsidy for employers taking on older jobseekers**
- New language – need to talk about working for longer in terms of opportunities to pursue new **career directions people are passionate about**

TRAINING

- Promote services that **help people to develop computer skills** (one person suggested via the third sector)
- **Subsidised retraining** for people who can't continue in their original role
- Provide **vouchers for training** targeted at a particular age group
- Legally **requiring employers to release staff to undertake training**, whether or not relevant to their current role.
- A **careers event** for older people
- **Free training** when employers take on older workers
- A **grant to employers to retrain older workers** into new roles in the construction sector
- In order to encourage employers to invest, it was suggested that the States implement a **pay back scheme** so that all employees reimbursed their employer for the cost of training if they left soon after having completed the training.
- **Funding for retraining** should be available dependent on an occupational health assessment showing a person cannot continue in their current role.
- **Work experience and secondment** opportunities

ALTERNATIVE WAYS OF MAXIMISING WORKFORCE

It was suggested that other ways of maximising the workforce be explored, such as younger workers working longer hours to avoid working later in life.

PRIVATE PENSIONS

It was suggested that it be made mandatory for private pension providers to **provide annual statements** to clients.

CARERS

Care banking or time banking was suggested as an option that might help.

TAX AND CONTRIBUTION INCENTIVES

- Provide or subsidise **Permanent Health Insurance** for older employees
- Review **tax and contribution rules** for people past State Pension Age

PLANNING FOR RETIREMENT COURSES

It was suggested that a planning for retirement course be run.

CAREER BREAKS

It was suggested that work should be undertaken to promote sabbaticals and action should be taken to provide a legal right to career breaks

FUNDING FOR PEOPLE WITH DISABILITIES AND HEALTH CONDITIONS

It was suggested that the Committee investigate introducing a Guernsey equivalent to the UK 'Access to Work' Fund which provides funding to support people with health conditions and disabilities overcome barriers to work

Responses to specific proposals

Continuing to develop Islands' Occupational Health and Wellbeing

This proposal was mentioned in the consultation but was not covered in depth. This is due to the fact that the action is likely to be progressed through the Supporting Occupational Health and Wellbeing (SOHWELL) project; consideration of what action to prioritise will be based on data gathered through the SOHWELL work, knowledge of services, and evidence from causes of sickness absence, incapacity claims and Public Health data. Depending on what is proposed, there may be further engagement at a later date. There were, however, a few comments.

Some people highlighted that they felt that workplace wellbeing was important and it was vital to take a preventative approach to stop people from needing to change role, leave work or claim benefits in the first place. The importance of employers in supporting wellbeing was highlighted.

One person raised concerns about the effect of shift work on older workers. Some felt that the focus should not only be on manual workers and that sedentary office jobs were also of concern.

Concerns were also raised about stress being a factor that led people to want to leave work sooner. It was felt that budget cuts could lead to increases in stress.

It was suggested that coaching people to help them find purpose was key to wellbeing. Reference was made to the recent *Journey to 100* event.

The idea of providing medical assessments for manual workers to ensure that they were fit to continue working and would not make themselves ill by doing so was suggested.

Where it was possible, some employees felt it to be better to keep a person within a role, or at least within the same organization, through adaption rather than finding them a new job.

It was felt that if there were additional costs to keeping someone in work these should be met in preference to that person claiming sickness benefit.

Partnership approach – working with businesses

It was suggested that one way to encourage employers to adopt age-friendly policies would be to introduce an accreditation scheme comparing firms to their peers in order to provide motivation for adopting suitable policies. It was also suggested that there be an award for outstanding practice when it came to employing an age diverse workforce.

Several respondents commented that they were supportive of this proposal *“It is important that employers see the benefits of adapting to people working longer”*.

Some respondents commented that they felt that employers should not just treat older people equally but should pay special attention to including different age groups by adapting jobs to their needs in order to demonstrate social responsibility towards an ageing population.

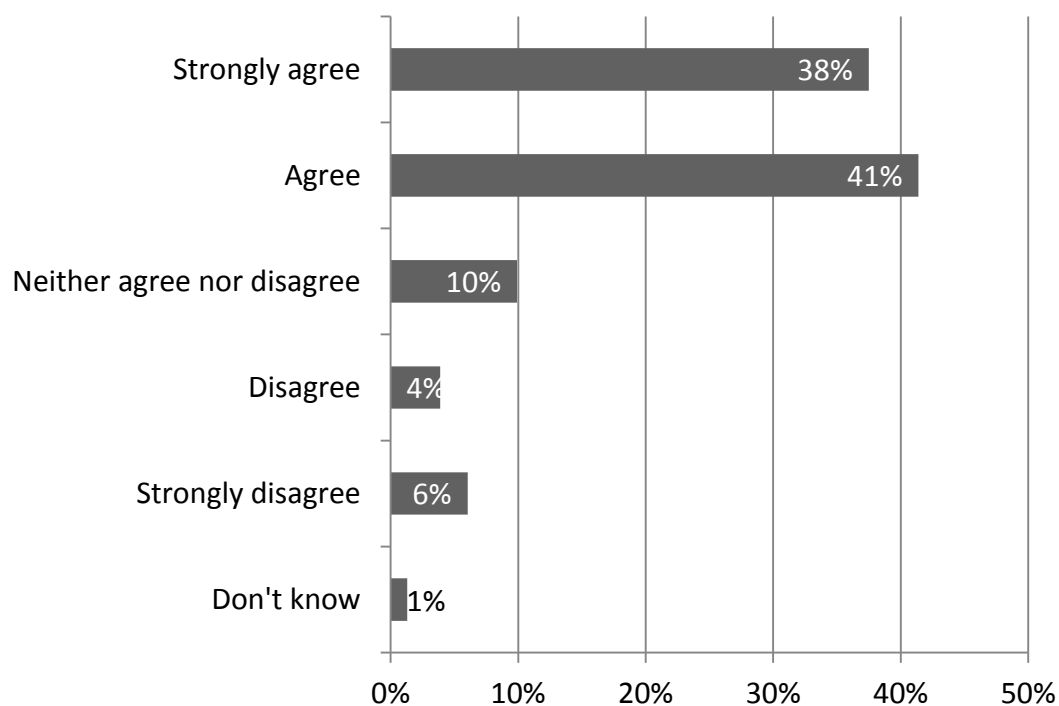
It was noted that cultural change within businesses, not just policy change, was needed – though the two could influence each other.

Flexible working

The majority of respondents to the consultation (79%) agreed or strongly agreed that flexible working could help people to work for longer.

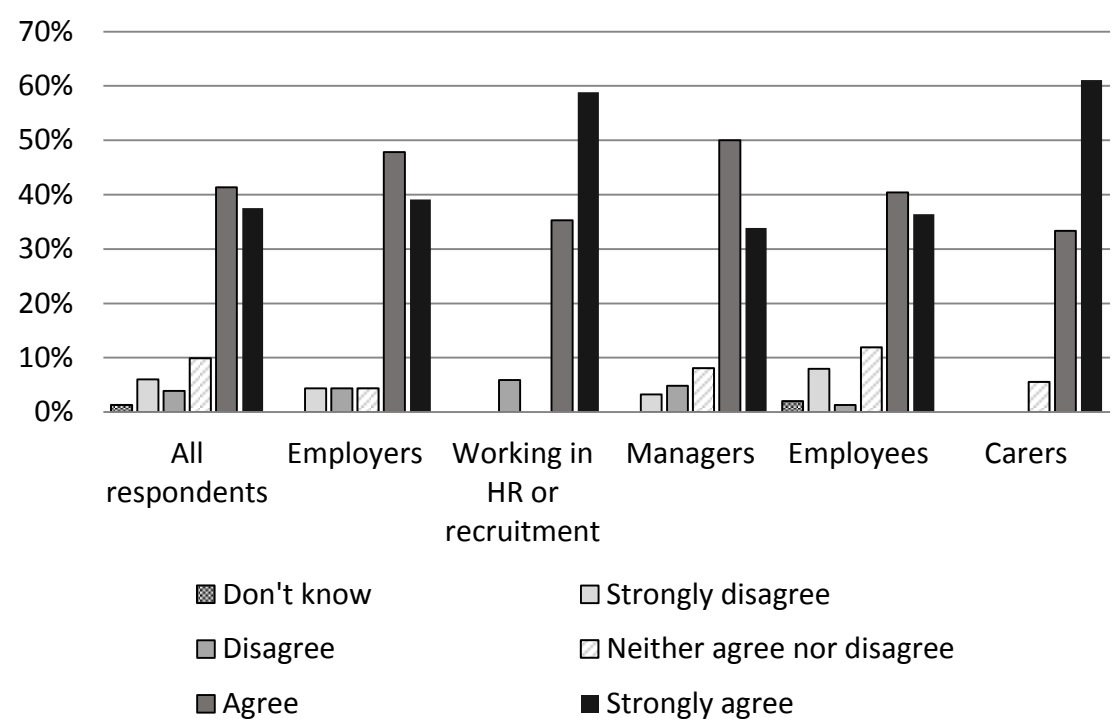
“We think more part-time and flexible working will help people to overcome some of the challenges which prevent people from working for longer.” Do you agree or disagree with this statement?

(232 responses)



Broken down by respondent type we can see that of the people that responded there is significant agreement amongst managers, employers and employees. HR professionals and people who support family members or have childcare responsibilities agreed more strongly. It should be noted, however, that the sample size for these groups is small and that this is not a representative survey.

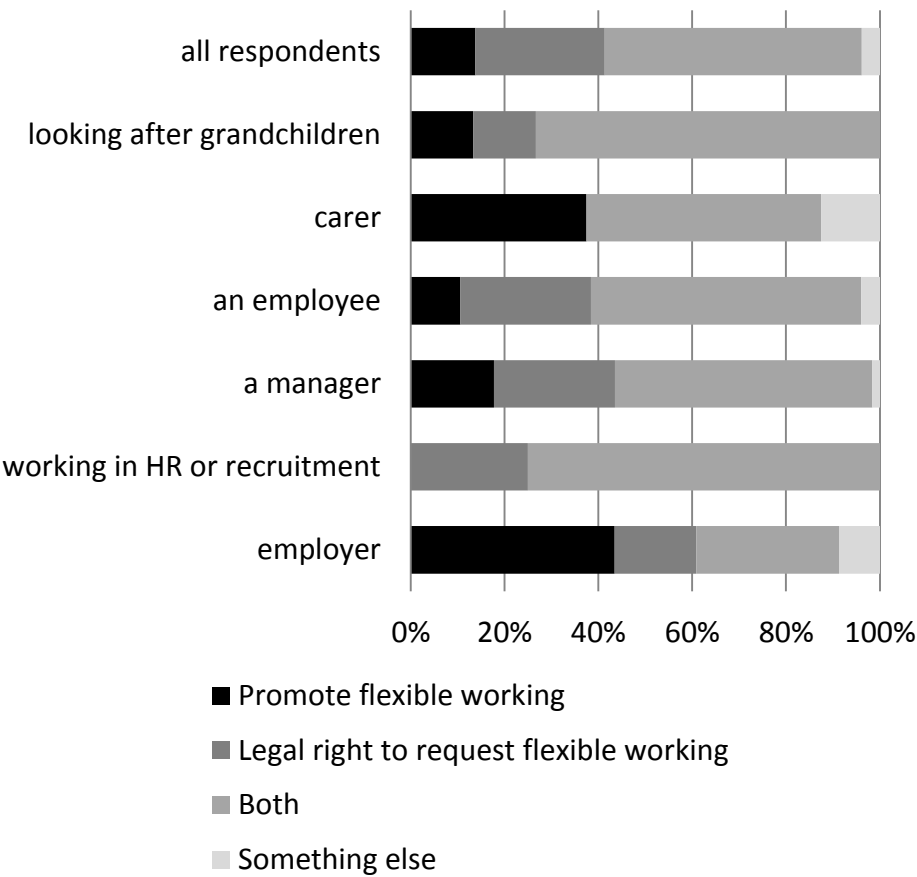
Broken down by respondent type:



The majority of respondents (82%) were in support of the idea of introducing a legal right to request flexible working. Whilst these groups were small and may not be representative, the group most in support of a legal right was HR professionals, and least supportive were employers and carers (carers seemed to be concerned that a right to request flexible working would lead to discrimination against them as employers would see them as ‘risky’; employers were concerned about business costs).

The following could be used to promote flexible working – which do you think would work best?

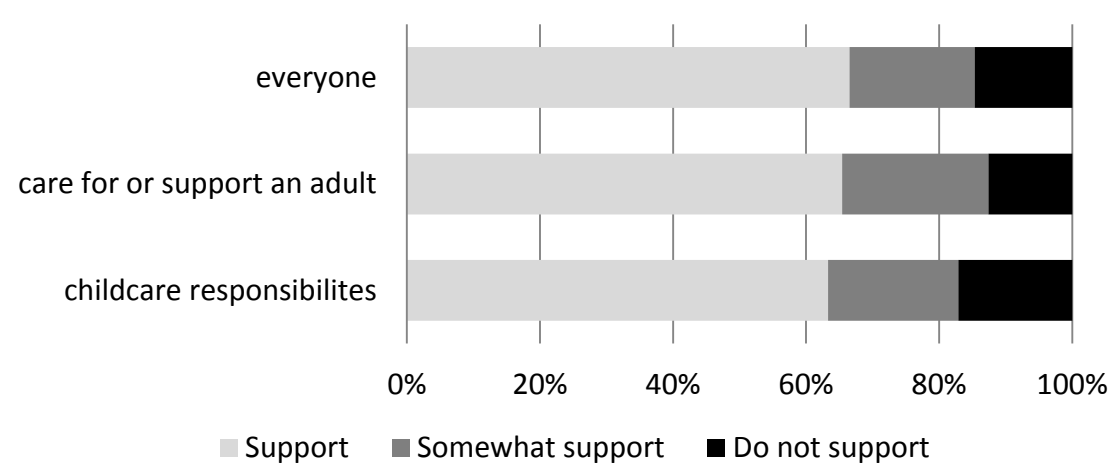
(232 responses)



There was not a lot of variation amongst respondents about *who* should have a right to request flexible working – i.e. a legal right to request flexible working would not be significantly more popular if access to the right was limited to a certain group.

If a legal right to request flexible working were introduced, do you feel this should be available to particular groups of people or available to everyone?

(225 responses)



In terms of groups of respondents, HR and recruitment professionals were most positive about a legal right and seemed to be more keen that the right to request flexible working be extended to everyone equally than to a particular group (e.g. carers).

In line with the above, employers were slightly less positive about the legal right being extended, but this did not vary significantly based on who it should be extended to.

Further discussion around flexible working

Some people made comments in favour or against the principle of promoting flexible working.

Points in favour of promoting flexible working:



Concerns about promoting flexible working:



Legislation or best practice?

Many thought that legislation was necessary for change:

“A legal right... will be absolutely essential for any headway to be made in this area”

There was a feeling that employers would not seriously consider flexible working requests unless they were required to.

Some felt that best practice was a better option.

“I do not support the use of legislation to force employers to listen to employees. Our community is small and we have an entirely manageable number of employers for promotion of flexible working to come from government and the third sector.”

It was suggested this was better for smaller businesses. It was suggested that there should be public recognition of firms that are supportive of flexible working hours because this would promote good behavior whilst employers may otherwise discriminate against carers or others in recruitment in order to avoid receiving, and needing to consider, flexible working requests. Others felt that employers were already often offering flexible working because this may be necessary to attract staff.

It was felt that ability to offer flexible working varied by sector and depended on the nature of the business.

Do some groups have more claim on a right to request flexible working than others?

A significant number of respondents expressed a strong feeling that if a right to request flexible working were introduced it should be available for everyone and not just for particular groups. Reasons for this included:

- A general feeling that rights should be universal and equal, and that people may have different but equally valid reasons for making requests that a law should not try to pre-empt.
- There were concerns that there was a risk of singling out particular groups (e.g. carers) because this could make them less attractive to employers thus leading to discrimination against the group.

- There were also concerns that legal rights for particular groups would increase incidence of workplace bullying and resentment from colleagues against those individuals, whereas a universal right would reduce this effect.
- There was a suggestion that the right be available to everyone but that flexible working for particular groups be incentivised.
- A feeling that most people had care responsibilities at some point in their lives so this was a universal need and not the need of a particular group.

Some felt that employees should have to offer some kind of justification, but there might be other reasons which were valid as well as care responsibilities. Others felt that given you generally were paid less for working fewer hours people did not request flexible working unless they needed it for a genuine reason.

There were some concerns that higher-economic-status individuals had more access to flexible working at present and that there would be benefits in trying to extend this to all people.

One respondent felt that they would support people having flexible working for family responsibilities but not if they were supporting a friend.

One respondent felt that people with care responsibilities should have priority access to flexible working.

A few people supported the idea of flexible working for all people who were close to, or continuing to work past, State Pension Age.

A few respondents felt that people should not be given special working arrangements to help them manage childcare as having children was a personal choice and not the employer's responsibility. A few respondents felt that families should be given a priority and that flexible working was important for parents given the financial pressure for both parents to work.

Implementation

The following points were raised that would need to be considered if flexible working were implemented:

- Suggestion that a right to request flexible working should be dependent on length of service with a particular employer
- Ensuring that good, clear guidance is available for employers about how to manage requests, what process to follow, how to evaluate requests, whether requests can be prioritised and what were good reasons for refusing requests.

- Consider whether flexible working arrangements could be reviewed annually rather than agreed on a permanent basis.
- Consider whether flexible working arrangements could be offered on a trial period and then reviewed.
- It was suggested that very small businesses not be required to implement flexible-working arrangements.
- One respondent suggested that employers be allowed to pro-rata benefits as well as pay – i.e. only covering half the health insurance costs of part time staff.
- It was suggested that the States could have a role in developing best practice *“Illustrating how flexible working can work for employers is important; this could be an area for ongoing involvement, to work with employers, run pilots, review where it works well and where not (for employers and employees), to better understand different working models, and continue to inform advisory information and associated initiatives”*.

Other Comments

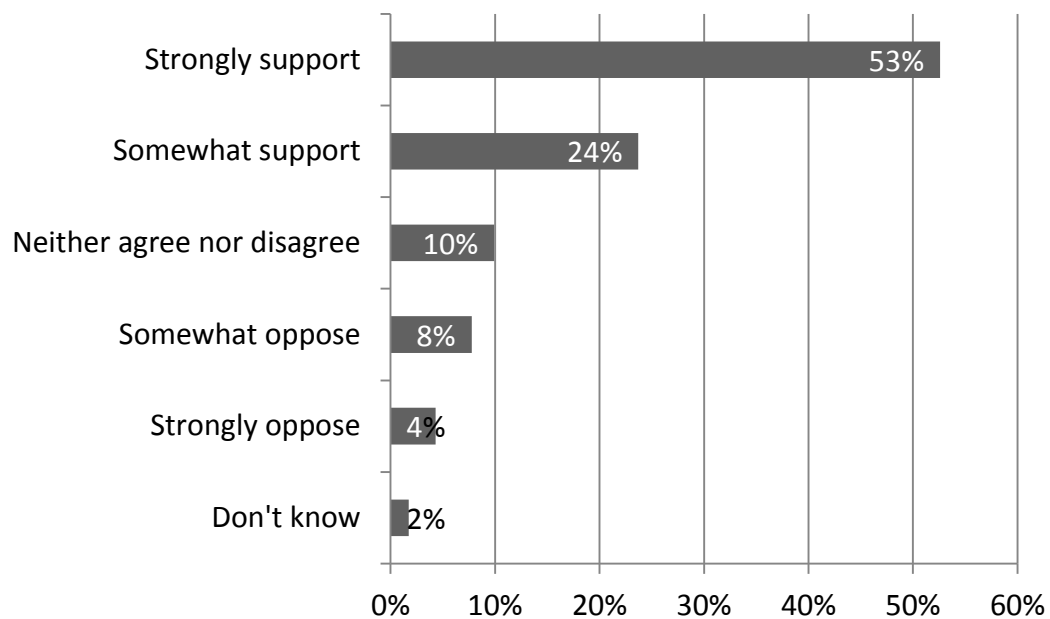
- Flexible working as a measure by itself was felt to be insufficient support for working carers, social care support for the person they were caring for, information and advice were also important.
- The gendered dimension of flexible working was mentioned. Often women were taking on caring roles and family responsibilities.
- Some people felt they were unable to afford to work flexibly, or reduce hours as this entailed lower income and they, for various reasons, had been unable to save for retirement.

Age Discrimination Legislation

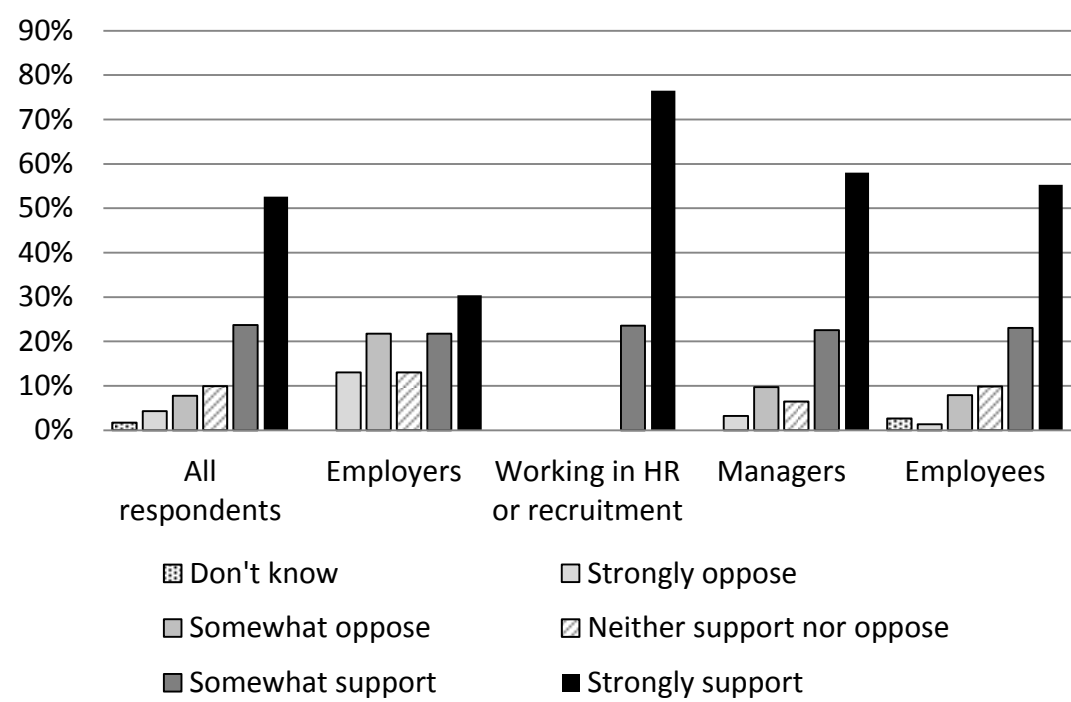
The vast majority of respondents seemed to agree that age did affect employment decisions including, but not limited to, the use of contractual retirement ages. There was more debate around whether age discrimination legislation was an effective way to address this, with 77% of respondents supporting legislation but concerns and debate raised in comments.

Would you support the introduction of Age Discrimination Legislation?

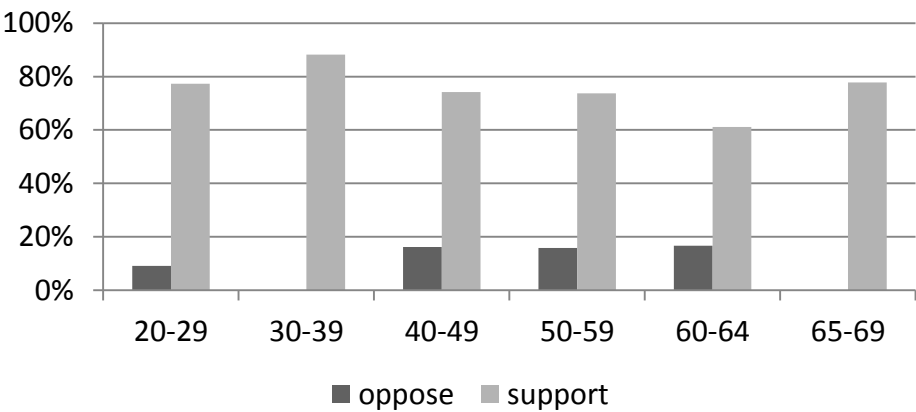
(232 responses)



There was more opposition and less support amongst employers compared to other groups, though 52% of employers who responded supported the introduction of age discrimination legislation.



There was majority support in all age groups though this was not as strong in respondents approaching state pension age.



Equality law

One respondent suggested developing an overarching piece of equality legislation for all protected characteristics rather than focusing only on age discrimination.

Retirement age

There was a division amongst respondents. Some felt strongly that people should be able to choose when they wanted to retire - whether this was earlier or later than State Pension Age. A small but significant minority suggested that they felt that a fixed retirement age (at State Pension Age or higher) was helpful as it helped people to plan retirement, helped employers to plan succession and gave a clear date for a performance review and discussion about continuing with the possibility of contractual working being offered from this date forward. There were concerns that in the absence of a specified retirement age there were overtones of *'work until you die'* and that a set retirement age in some way protected a person's ability to retire and was *'almost an excuse to leave work'*.

Some of those that were supportive of the idea of a fixed/default retirement age were also supportive of legislation which prevented people under the State Pension Age being discriminated against on the basis of age.

As an alternative to retirement ages specified in contracts, some companies already used incentive systems to encourage employees to give good notice about when they intended to retire so that they could use this when planning their workforce. Honest conversations could also help to plan around individual's retirement or progression into new roles or careers. If there was concern that these conversations would make employees suspicious that employers were trying to dismiss them, then it could help to develop a practice of having conversations from an early point in a person's career.

Redundancy and discrimination

There were concerns that age discrimination legislation would not protect older workers from redundancy.

Some felt that discrimination was likely to happen through other routes if age discrimination legislation were introduced *"no policy, regulation and assistance will stop older workers being discriminated against"*.

Insurance

There were concerns that Permanent Health Insurance and other forms of insurance were more expensive for older employees, or were not provided by insurers for people beyond a certain age. This meant that to provide the same benefits package to older staff would not be possible or would be more expensive. Some felt that older people should be provided with the same benefits, others felt that it would be against the interests of older employees to require employers to provide the same insurance for them, as this would likely incentivise discrimination.

Dependent on sector

Some respondents felt that the issues associated with age discrimination were very sector-specific as age-related conditions had little effect on the ability to perform in some roles, and more effect on others.

Points respondents made AGAINST introducing age discrimination legislation:

"having a fixed retirement age also ensures a turnaround in staff and vacancies"

concerns about job availability for younger workers, concern about career progression, the need for people to step into different or less demanding roles as they approach the end of their career

Concerns around the dignity of employees being managed out on grounds of performance. For example:

"I think big issues will arise with older workers no longer being able to do the job. This can result in problems for both the worker (anxiety about technology, performance issues), and the employer who will have to potentially end peoples career on a low point by using performance as a reason to terminate a contract rather than a planned retirement at a younger age."

"a bitter end to a long and fruitful career"

There were concerns that an individual would not be able to accurately judge whether or not they were continuing to perform well.

Concerns about 'red tape' and business costs associated with legislation:

"Before we introduce age discrimination legislation I would like to see some meaningful statistics of incidents. Additional laws increase costs to doing business - Guernsey needs to avoid replicating the complex red tape in other jurisdictions"

"must not be too restrictive upon small employers"

"excessive burden of legislation"

"Legislation simply leads to cost to the employer, employee and State"

some job roles take a significant time to train someone into and recruiting older people into these roles would mean that the cost of training would never be recuperated

organisations that discriminate will continue to do so but offer alternative explanations to mask their treatment of older workers: *"no policy, regulation and assistance will stop older workers being discriminated against"*



Points respondents made FOR introducing age discrimination legislation:

Some people mentioned incidences of people being asked to leave because they had reached a contractual retirement age. *"I constantly see valuable resources being forced to retire at 65".*

"age discrimination would also protect younger workers"

"Guernsey wants to sell itself as a progressive powerhouse where new industries evolve. Our out of date discrimination laws directly oppose this."

Many respondents felt that using age to make employment decisions was arbitrary and the important factor was performance:

'arbitrary cut off date of 65 seems nonsensical to me'

'I know 90 year olds who look after their 65 year old neighbours'

'Dad is 72 years old and he is fitter than me'

legislation was necessary as employers would not follow best practice guidance without it

"I cannot see attitudes changing quickly enough without legislation in place."
Attitudes were felt to be important in making sure that opportunities were available to older people and it was felt that legislation was important in driving attitude change.

Some respondents were positive about age discrimination but were cautious about the need for there to be good performance management alongside this to ensure that people who stayed on were capable of doing their work. *"something included in the legislation to say that an Employer has rights if someone was to continue working but ended up not being capable"*

Some supported all discrimination legislation and fundamentally believed in equal treatment

access to work is vital to help to support wellbeing - legislation is necessary on these grounds

There were concerns about a myth many employers believed about people 50+ having 'less years' left compared to younger workers, when younger workers may leave their jobs for other employers, to relocate, or for family reasons.



Other comments:

- *"Don't consult just introduce the law"*
- Employees were concerned that older staff members may not receive the same sick pay or health insurance as younger workers.
- There were concerns that people were being kept on by the same employer but moved from a permanent position to a short term contract in which the remuneration package offered was less even though the work and hours undertaken was the same.

- It was suggested that employers be given the right to reduce a person's contracted hours once they reached a certain age.
- There was a concern about timing and that if the pension age were introduced gradually and age discrimination legislation were not introduced before 2020, this would give employers the opportunity to dismiss older members of staff before the legislation is introduced.
- It was requested that if legislation was introduced, good quality guidance was issued to employers about how to manage changes. A source of ongoing guidance and a place to direct enquiries would also be helpful.
- It was suggested that employers and employees did not understand the current position on using ages in contracts well, and that education on this could help employers to manage the process better.
- If legislation is not introduced it was suggested that there would be need for significant change to culture and attitudes.
- It was noted that there were special rules around judiciary at the moment and the use of peer reviews to determine competency was discussed.
- It was queried whether, if a law was introduced, this would have implications for existing contracts with ages in or whether it would apply only to new contracts.
- It was felt that if an employer wanted to retain an employee at present they would extend a contract when they reached retirement age. Consequently, it was felt that this was not a priority compared to other proposals.

Mid-life reviews

Overall reaction to mid-life reviews

Many people showed support for the idea of a mid-life review and thought that having this information and option available would help.

Some respondents raised concerns about mid-life reviews, the following points were made:

- mid-life reviews are a good thing but not enough on their own to support people to change career when they need to
- may be effective to provide more mid-life training opportunities and apprenticeships rather than promoting mid-life reviews
- a State-funded Careers advice service which was specifically targeted at older people would be more effective than mid-life reviews
- concerns about the cost of providing mid-life reviews and concerns about the service being contracted to the private sector
- concerns that the reviews not offer specialist information from people who were not qualified to give this information as this may give the government a liability for people making poor decisions if this was based on poor advice, recipients also needed to be able to trust the advice they were given.
- concerns that the reviews would need to meet such a diverse range of needs in order to be effective that they would not be workable
- some people may '*adopt the "ostrich" position*' and not engage with planning for their future. Some felt that there needed to be a clear reason or incentive for people to participate.
- mid-life reviews would not help people who had 'golden handcuffs' (i.e. mortgages, and other financial commitments that require them to earn a higher salary).
- some felt the concept was patronising
- there were concerns about the cost implications of creating a facility that people actually wanted to use.
- There was a suspicion that mid-life reviews would be seen as an 'HR tool' and people would avoid them, believing that they were not in their best interests.

- It was felt that the mid-life review was not necessary as the information and advice was already available if people went looking for it and it did not need to be formalised.
- There were concerns that family responsibilities meant people could not change career in mid-life

Age of review

There were a number of comments that suggested that there should be information and advice about pensions, savings, finances and career planning from school upwards – particularly given the expectation that people may change career several times in their lifetimes.

It was suggested that an online pension calculator be provided to help people to work out how much they needed to save in order to have a comfortable retirement. It was also suggested that the amount the States pension pays out should be more widely publicised in order to highlight that this was not enough to live on.

Others suggested that the reviews start at a younger age, with suggestions about 30 being an important age; that two reviews be offered one earlier and one later; or that reviews be offered every 10 years from age 30.

Content

With regards the content of the reviews the following comments were received:

- It was suggested that the reviews include career guidance with referral to the Careers Service but was noted that it was perceived that the Careers Service tended to focus on school-aged people and graduates at the moment.
- It was suggested that the review could help people to create a plan focusing on what a person would need to do to achieve their goals and when.
- Several people highlighted the importance of a financial element and thought this should include:
 - Pensions advice
 - Mortgages
 - Equity-release
 - Access to pension statements
 - Costs of long-term care to plan for
 - Financial changes to plan for (e.g. loss of health insurance when you leave employment)

- Savings schemes
- It was suggested that the different types of flexible working could be considered in a review
- Care and support options for relatives
- Helping people to transform 'bad habits'
- 'peaceful parenting workshops'
- How to change career
- Health - Current health and how to keep healthy in old age; occupational health advice if needed
- Writing a will
- Capacity legislation
- Access to training courses
- The projected cost of living was requested
- Job satisfaction *"let's try to make people HAPPY in work"*

Who should deliver?

There was some discussion about the idea that employers provide the service for their staff. Some felt that employer-led mid-life reviews would be a helpful way to manage performance. Others were concerned that this would be inappropriate as the advice provided would not be impartial.

Some respondents were concerned about the idea that private sector firms could offer mid-life reviews but not provide impartial information, which could lead to people making bad decisions. An accreditation was suggested, which people needed to earn to prove that their service was a particular standard in order to be able to offer reviews.

Delivery

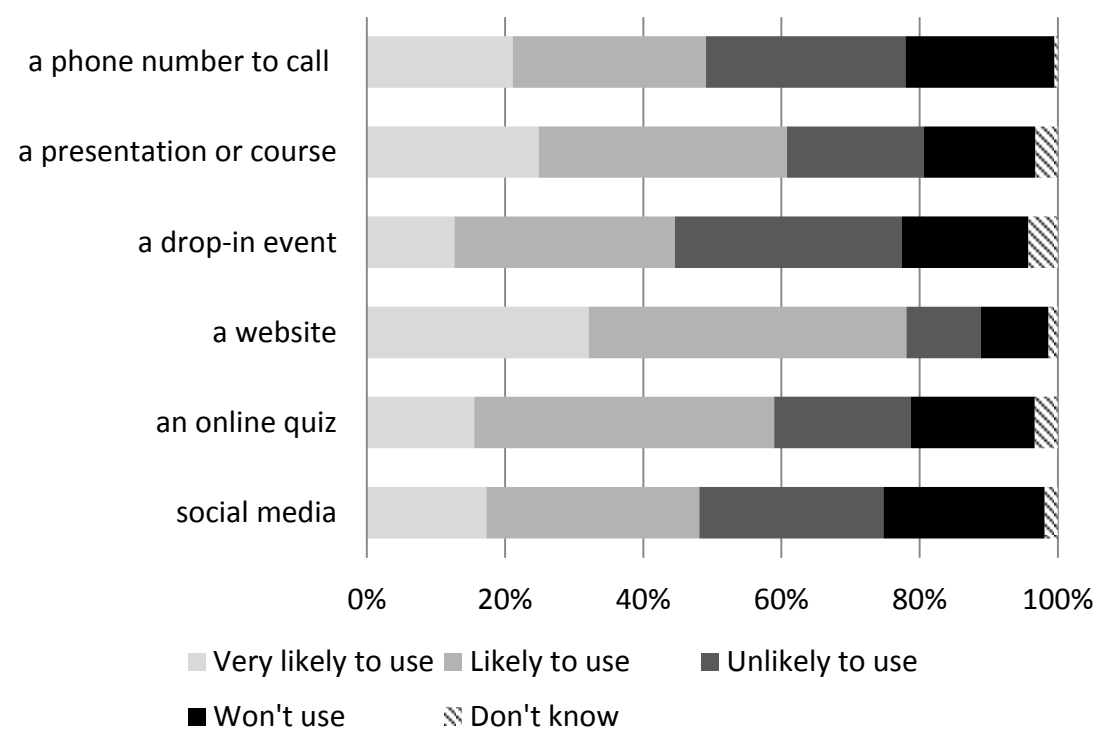
- Several people commented that they would prefer to see someone one-to-one and face-to-face than to use a group or web or phone based delivery.
- Involving people in their 60s to give advice in mid-life reviews was suggested.
- It was suggested that case studies should be publicised around islanders who had successfully made changes in their career, and how.

- A number of respondents suggested that a website would be insufficient and there would need to be some post/e-mail/ phone-call contact in order to engage people.
- It was suggested that having a few different options of how to engage with the information would be important (e.g. a website, a presentation, a hotline)
- Some suggested a questionnaire which could be analysed and then discussed.
- Some felt it should be mandatory, others voluntary.
- Could be marketed through tax returns
- It was important that it be personal, relevant, independent, objective, approachable
- It was suggested that there might be trigger points at which someone could be directed for a review – e.g. becoming a carer, divorce/relationship breakdown
- Some felt there should be the option for follow ups after a review
- Multimedia presentation of information was thought to be helpful as it made the information more accessible. Some preferred a printed format.
- It was highlighted that there needed to be inclusive options as not everyone had numeracy or literacy skills to read through complex information themselves.
- It was suggested that GPs could socially prescribe mid-life reviews.
- Need to ensure there are not issues with waiting times.

In terms of format, of those listed the website seemed to be by far the most popular option across all age groups.

If you were undertaking a mid-life review, which format would you be most likely to engage with?

(229 responses)

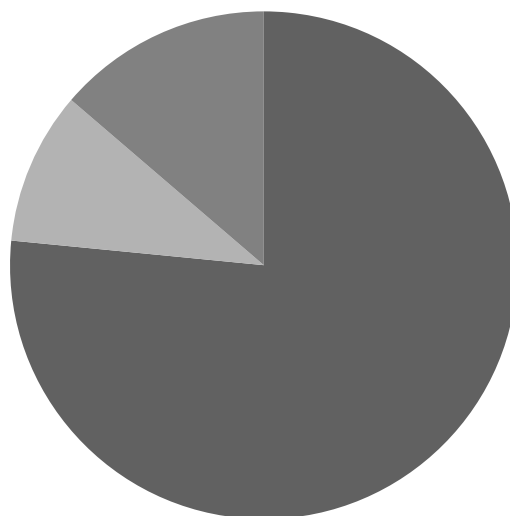


Financial impact on those unable to continue

Most respondents supported the idea of reviewing whether there was a possible way to limit the financial impact for those who will be most affected by the change in the State Pension Age.

Would you like to see us review whether it is possible to limit the financial impact for those who will be most affected by the change in the State Pension Age?

(226 responses)



- Yes, I would like to see you review this
- No, I do not think there should be any additional support
- Don't know

Be proactive in making people aware of support available

It was suggested that there was a need for Social Security to be proactive in making people aware of the support available – both for people who were at risk of leaving the labour market early, but also for old age pensioners who have been unable to save for a second pension.

Support for a review

- There were some concerns raised about the pension age increase being too high.
- Some felt that the increase in pension age adversely affected some more than others and that the States should compensate for this.
- Some felt there was a need for a transitional arrangement to support people as people got used to the new, higher, pension age.
- Some respondents felt that it would be unfair to ask a person to re-train to a different career if they had become unable to continue in their original career.
- Several respondents were clear that they would only support financial assistance for people who were genuinely in need and were below a means-test threshold.

Arguments against undertaking a review

- Some felt that people in this age group should not be treated any differently from other benefit claimants if they were in need of support and could have access to invalidity benefit or other incapacity benefits if they were unable to continue to work. Benefits should provide a 'safety net'.
- There were concerns about the costs of investigating this option.
- There were also concerns about the cost of delivering this option given the existing sustainability issues with public finances.
- There were concerns that benefits could impact a person's incentive to save if too generous.
- One respondent was concerned about universal benefits giving money to those who do not need it.
- Some felt strongly that people should be re-employed wherever possible before considering providing benefits.

It was suggested that support for people unable to work up to State Pension Age should include alternative employment, voluntary work, community service or 'time banking'.

There was a suggestion that it would be better to focus on prevention of people ending up in the situation where they were unable to work than to need to provide support for people through benefits.

Some respondents felt strongly that financial support for those most affected and unable to continue working should be a priority.

One respondent suggested lower retirement ages for manual workers.

There were concerns about the current rate of benefits paid being insufficient.

Some respondents suggested their support would depend on which options were being reviewed and for whom.

One respondent suggested that: *"There needs to be a much wider review of welfare/pension reform that also includes the impact of technology on employment and the health consequences of a penal welfare system. We need to have a more generalised basic income pilot and a huge focus on how we can use things like the sharing economy to reduce cost of living to tackle this in a much more progressive way than this. The challenge is much bigger than we realise."*

Retirement Planning

There were comments suggesting that an easier way to access pension statements should be made available, preferably via the internet. It was suggested that a good time of year to publish statements would be just before most people completed their tax returns.

Pension education for people throughout their lives was felt to be key as well as better public understanding of how the UK and Guernsey pension systems interact.

There were some comments about people not understanding their social security contributions.

Self-employment

There were concerns that self-employed people had less access to health insurance or private pension schemes and were often less able to save for their retirement. This means they could be disproportionately affected by increases in State Pension Age and could face challenges if the State Pension were not sufficient to live on.

One respondent felt that *“The big issue is the penal rates of tax/social security self-employed face post retirement (if before statutory OAP age) should they try to work on their own account.”*

There were suggestions that there should be more support for people going into self-employment and support for older people to start-up businesses.

Comments and concerns about other policy areas and workstreams

These concerns connect to other work that is underway and have been grouped approximately according to Committee mandate.

Committee *for* Economic Development

Economic Development

Job creation - Some respondents highlighted the needs for more of the ‘right kind’ of jobs to be available for people to work in if people were to continue to work into their late 60s.

The need to address the **cost of living** in order to ensure that services and housing were affordable was highlighted as being important to enabling people to retire comfortably.

The general **need for a strong economy** to allow for growth and job creation was highlighted.

There was some concern that the ageing workforce would affect some industries more than others, and **industries which could not attract younger people** into them would suffer.

Committee for Employment & Social Security

Financial education

The need for good quality **financial education**, not only about pensions, but also about mortgages, taxation, social insurance, credit cards and banking was suggested as being important and it was suggested that there was a lack of impartial advice and guidance at present.

Secondary Pensions

Supporting people to **take out pensions** in order to support them to have a better retirement income and have more choice over when to retire was suggested (N.B. the Committee is currently developing a Secondary Pension scheme – www.gov.gg/secondarypensions).

Good information about the secondary pension scheme and about additional contributions were thought to be key.

Upper income limit for the State Pension

One respondent suggested introducing an **upper income limit for the State Pension** which would mean that people with annual income over a certain threshold could not receive the pension.

It was also suggested that people be given the opportunity to **permanently waive their right** to a State Pension if they did not need the income.

Workforce maximization and unemployment

Some suggested that they would like the States to focus on getting **unemployed people (under 65) into work** rather than trying to maximize the workforce by increasing pension age.

Claiming benefits

There were concerns about the stigma associated with claiming benefits. There was also a feeling that people unable to work beyond 65 should **not be judged** and that *'unfortunately Social Security has a poor reputation and are seen to look down on people out of work'*.

Contribution period for full State Pension

Some respondents commented on the fact that the **45 years of contributions** made it difficult for people to get a full State Pension. It was suggested that at the least there needed to be wider public understanding of this and the ability to make up missed contributions.

There were some concerns that more people did not **start paying** in to the insurance scheme until later than in previous years (due to spending longer in education) and that this had an impact on the sustainability of the scheme. Some suggested that people who started paying into the scheme earlier should be able to stop paying into the scheme sooner. One respondent suggested that people should be expected to work 50 years and those starting sooner should be able to finish sooner.

There were concerns raised about the difference between the employee and **self-employed contribution rate**.

There were concerns raised about whether **refunding contributions** to those who were working in the island temporarily was appropriate.

There were suggestions that the Social Insurance system should be opt-in and that **contributions should be voluntary**.

Equality and Rights organization

“there have been no programmes by the States to train / raise awareness of diversity initiatives with local employers. This is fundamental. Until people can see and understand how a diverse workforce might look, feel, behave and perform, there is no perceived need to change. And until change happens there will remain a significant and useful chunk of the population which is underutilised.”

Sufficiency of State Pension

It was suggested that older pensioners had been led to believe that the State Pension would provide sufficient income to live from and that they may need **additional support** due to lack of preparation for retirement.

There were general concerns raised about the State Pension being **insufficient to live on** and that this would leave people feeling that they were required to continue working, even after State Pension Age.

It was noted that **not being able to afford health insurance or private pensions** was common and it was argued that this was not the fault of individuals, but that the increase in the State Pension Age gave them less choice about when to retire.

Primary Care and Health insurance

Health insurance costs for people over 65 were a concern, particularly given the impact this had on employers remuneration packages and the perceived costs of employing older workers.

The cost of access to Primary Care was suggested to be a barrier to the continuation of working. There was felt to be a contradiction in messages coming from the Committee due to the discussion to simultaneously suggest that they wished people to work for longer alongside speaking about **the removal of the consultation grant**.

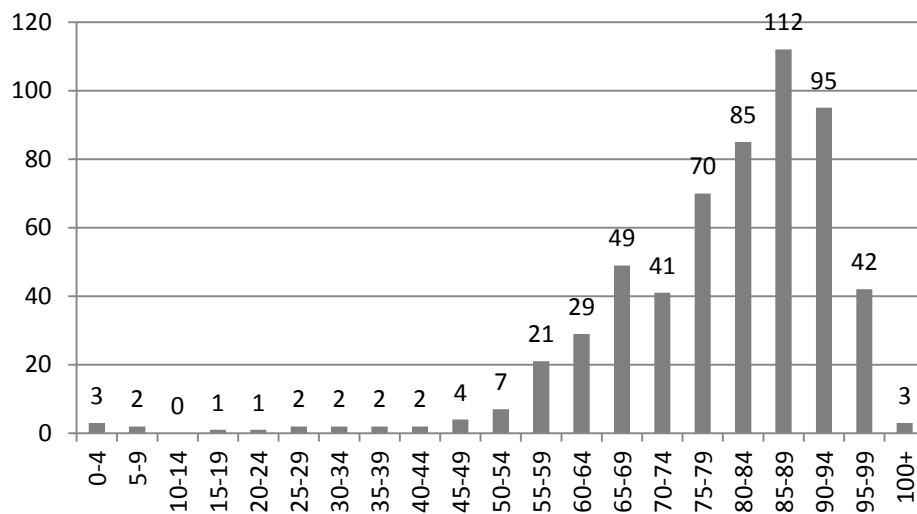
It was suggested that the States stop funding health care provision where people are being treated for **illness related to smoking or drinking**.

Pension age

A number of respondents commented on the previous decision to increase the State Pension Age which the States has legislated for. Comments included:

- A feeling that people were **entitled to a reward for working long and hard** and that this was being taken further away.
- Concern that by increasing the State Pension Age the States was **transferring cost to private business**
- Concerns that increasing the pension age was **not fair on younger islanders** if the deficit in the fund was caused by older islanders not having paid in enough over their life-times.
- It was suggested that **increasing pension contributions** would be preferable to increasing pension age.
- General objections towards the increase in pension age
- Objections that pension age was being increased and that a **perception that this was to subsidise life choices of people who were claiming benefits**. Suggestions that benefits be stopped or cut in order to protect the pension.
- Concerns that **not everyone would be able to continue** until 70.
- Concerns that increasing the pension age would **reduce morale** which would affect health and productivity.
- *"70 would make retirement age in Guernsey the oldest in Europe"*
- It was suggested that pension age be made *"20 years below Guernsey's life expectancy"*
- Concerns about **people dying before they reach pension age**. This included a request for data on age of death. Of the 573 deaths of Guernsey residents who died in Guernsey registered at the Greffe in 2016 the age profile was as follows:

**Age at death, 2016 -
Guernsey residents who died in Guernsey**



It should be noted that the following caveats apply.

- This is only one year's data and may not be representative.
- The profile of age at death may change significantly by 2049 when the pension age reaches 70. It is difficult to take all factors into account to do this accurately (changes in lifestyle, developments in medicine etc.).
- Retirement age may sometimes influence age of death.
- Deaths of people resident in Guernsey is not the same as deaths of people eligible for a State Pension – some people may be resident without being eligible for a pension, others may live elsewhere in the world and be eligible for a Guernsey pension.

Information for people who have pensions in other jurisdictions

It was felt that there should be better information about how pensions worked for people who had spent some time working in the UK, Jersey or elsewhere.

Concerns were also raised about the fact that some women expected to retire at 60 in Guernsey and their pension age had now been raised beyond 65 – more than a five year increase. It should be noted that the state pension age for men and woman has always been the same in Guernsey (it was originally 70, was reduced to 65 and is being gradually increased from 2020 to return to 70). It used to be different in the UK where women could retire at 60 and men at 65. Women who have spent some of their working lives in the UK may have their UK pensions, administered by the Department for Work and Pensions, affected by the decisions on state pension age made by the UK

government. This might mean that women who have moved to Guernsey from the UK may have a more complicated picture with regards to accessing their pensions.

You can find further information about UK State Pension age here:

<https://www.gov.uk/state-pension-age>

The pensions team can assist with enquiries around how the UK and Guernsey state pension link (01481 732506; socialsecurity@gov.gg).

Equality and Rights Programme

Some consultees noted the importance of **Disability Discrimination** Legislation in supporting people to work for longer.

Some consultees felt that there was a need for comprehensive anti-discrimination legislation to be brought forward.

SLAWS / Long-term Care insurance

Some respondents objected to the fact that if they worked hard for longer they may then have to use their savings or property assets **to pay for long-term care** and would not benefit because the States would meet the cost otherwise.

One respondent raised concerns about the profit levels of care homes on the island.

Policy & Resource Committee

Cost of government

There was the suggestion that the States could **operate more efficiently** to reduce tax spending. It was suggested that by efficiency savings enough could be gained to prevent the need for a pension age increase to sustain the pension fund.

Others felt **tax increases** were necessary to support public services.

There were concerns raised about the States of Guernsey **employee's pension scheme** being more generous than those available in the private sector.

A **Guernsey University** was suggested as a way to bring more younger people onto the island.

Revenue impact of career change

There was some concern that if people were changing career more frequently in their working lives then this would **affect tax revenue** as they were likely to go through periods of earning less.

Tax on pension contributions

It was noted that under the current system people contributing to a pension fund must claim from that fund and ceased to be eligible for tax-relief on contributions at the age of 75. It was queried whether, in future, this age would be too low.

Carers Strategy

One person who had experience of being a carer highlighted that flexible working was not enough to prevent a carer from approaching burn out and that there was a need for more professional/social care support. They also highlighted that *“I was in no state to search out [support] by the time I was in most need”*.

One person queried whether there should be a *‘top up on the pensions contributions of someone who leaves work to become an unpaid carer’*. In response – it should be noted that if that carer claims Carers Allowance from Social Security, they will receive a credit towards their pension at present.

Committee *for* Health & Social Care

Diet

It was suggested that to support people to live longer healthier lives the States should **increase the cost of unhealthy goods** and encourage people and communities to **grow and share food**.

Mental Health

It was suggested that Guernsey **trial using psychoactive drugs** to treat mental health conditions.

Committee *for* Education, Sport & Culture

Childcare provision

Some respondents highlighted the **high cost of childcare** and its impact on the workforce availability.

Technological capability

It was felt that the issues to do with **older workers struggling with new technologies** were likely to be ongoing and not necessarily limited to this generation of older people as technology was constantly developing. Ongoing support for people to keep their tech skills up to date was suggested. It was also highlighted that many older workers had good skills when it came to using smart phones and it would be helpful for training to build on this.

It was suggested that it was worth finding ways to use the skills that older people do have in ways that complement the skills of younger workers.

Committee *for* Environment & Infrastructure

It was suggested that **public transport links** were key to support people to work for longer.

Overseas Aid Commission

One respondent was concerned about the fact that money was allocated to the Overseas Aid Commission and was not used in the local community.

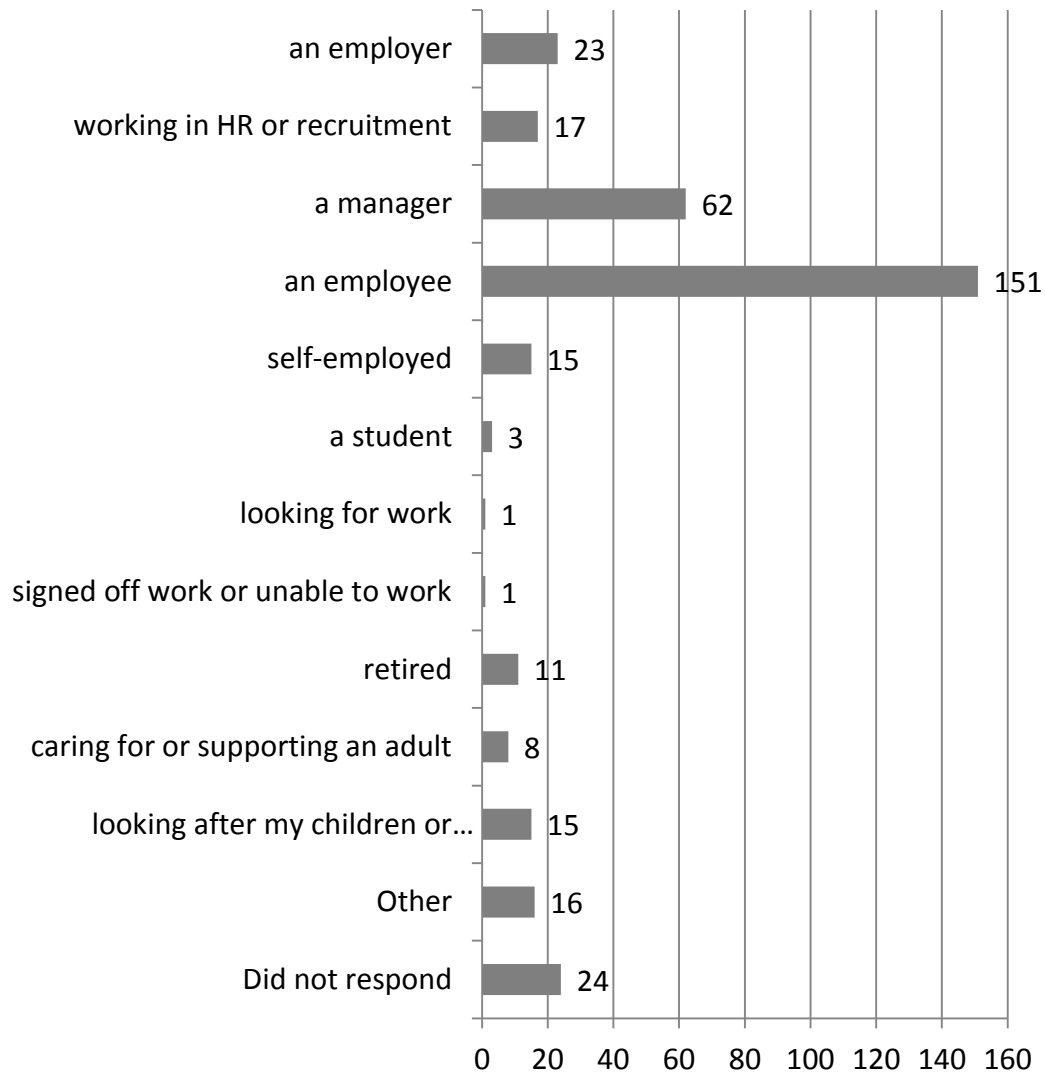
Profile of online respondents

The majority of online respondents were middle-aged employees who work primarily in offices, but responses were received from a range of others.

Economic activity of respondents

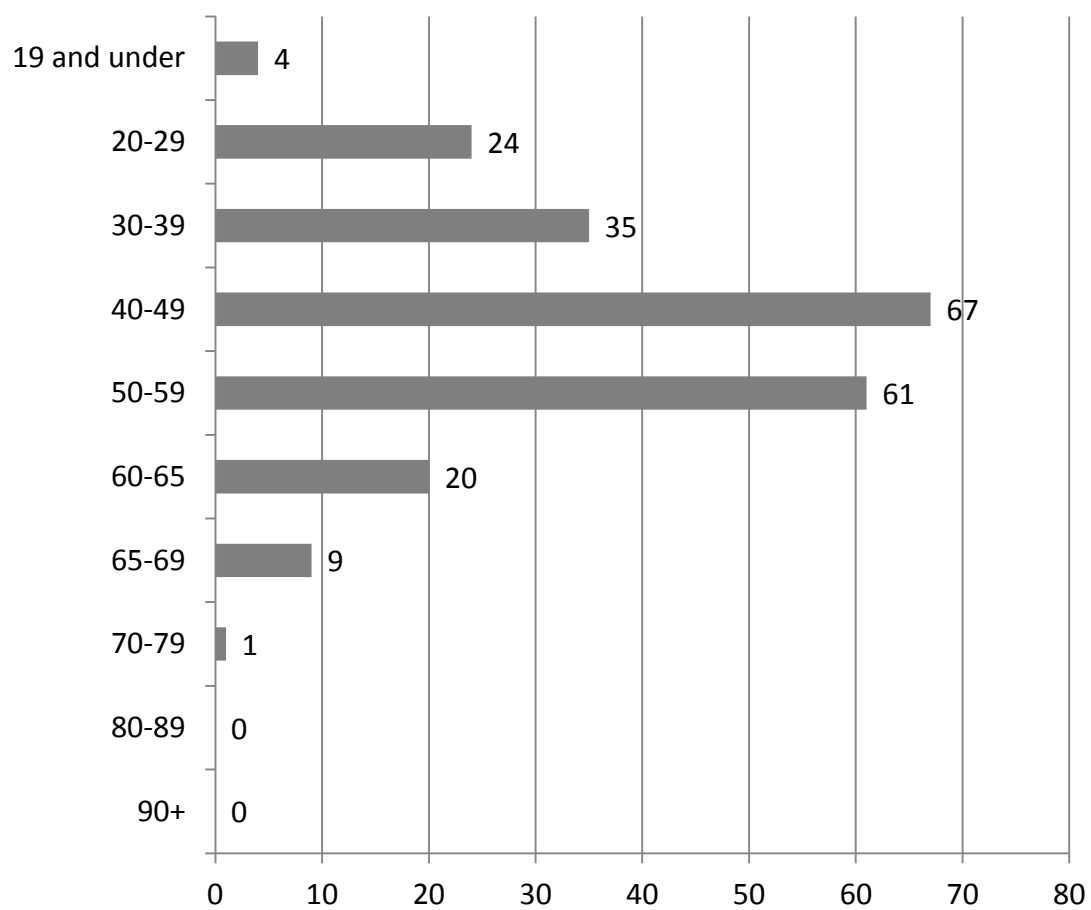
Respondents selected all that applied.

(no. of respondents out of 248)



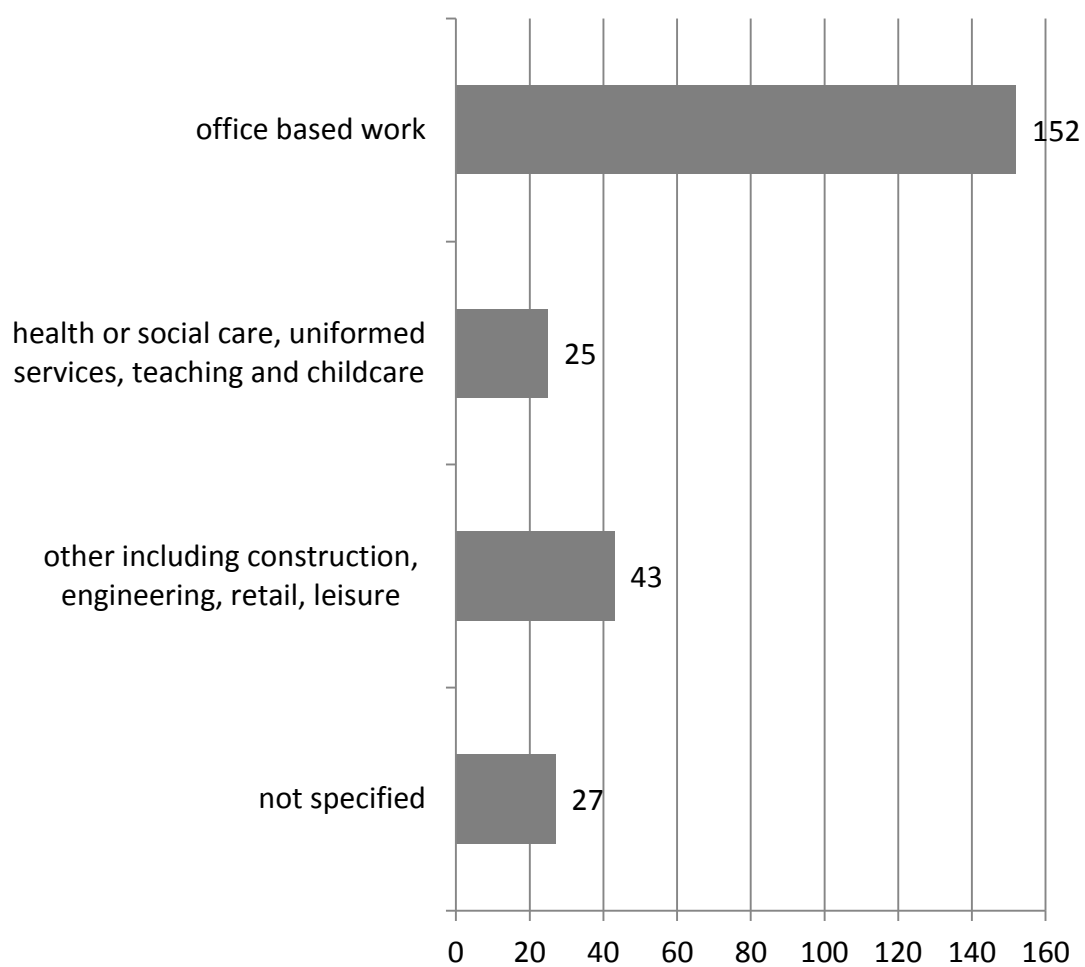
Age of respondents

(no. of respondents out of 248)



Type of work

(no. of respondents out of 248)



Key Performance Indicators

It is intended that the Committee will review these Key Performance Indicators annually to help to understand how the situation is changing.

Trends have been included where available, but it was not possible to generate a historic data series for all indicators. It is worth noting that, whilst, for the most part, the KPIs are either stable or already trending in the desired direction, once the State Pension Age starts to rise in 2020, it may become more challenging to keep trends stable.

As the pension age is rising at a rate of 2 months per year, it is not clear yet whether it will be possible to break data down to align with the State Pension Age as it increases. This is because, for example, people in the five year age bracket before pension age could be 63 and 4 months – 68 and 4 months, which may be more complex (or impossible) to extract from the data systems compared to the relatively easy 60-64 age bracket. As the pension age is moving, it will also mean that people who are 5 years younger than the current pension age during the transitional period will not actually be able to claim their State Pension in 5 years' time (rather, it will be in 5 years and some months' time). It may be that five year age bands will need to suffice if more detail is not available - the age bands should at least give an impression of how trends are changing.

KPI 1:	Increase in labour market participation rate amongst those aged 50-State Pension Age
Data source:	<i>States of Guernsey Data and Analysis (gov.gg/data): from internal data (as published in Facts & Figures), after 2016 participation numbers are from the Guernsey Quarterly Population, Employment and Earnings Bulletin; after 2015 Population number in the age group are taken from the Guernsey Annual Electronic Census Reports</i>
Islands covered	<i>Guernsey, Lihou, Herm, Jethou</i>
Explanatory notes:	This is the total number of people employed and self-employed according to Social Security data, divided by the total number of people in the age group (as per the Electronic Census). Figures are used for the end of March each year.

Data:	March	Employed aged 50- 64	Self- employed aged 50-64	Total population aged 50-64	%																										
	2006	6721	1405	11508	70.6%																										
	2007	7005	1429	11789	71.5%																										
	2008	7197	1427	12139	71.0%																										
	2009	7380	1441	12353	71.4%																										
	2010	7447	1437	12522	71.0%																										
	2011	7678	1502	12790	71.8%																										
	2012	7679	1443	12642	72.2%																										
	2013	7766	1439	12768	72.1%																										
	2014	7913	1450	12852	72.9%																										
	2015	7848	1556	12946	72.6%																										
	2016	8036	1591	13162	73.1%																										
	2017	8327	1597	available Jan 2018																											
Graph	<div>Labour market participation rates of 50-64</div> <table><thead><tr><th>Year</th><th>Rate (%)</th></tr></thead><tbody><tr><td>2006</td><td>70.6%</td></tr><tr><td>2007</td><td>71.5%</td></tr><tr><td>2008</td><td>71.0%</td></tr><tr><td>2009</td><td>71.4%</td></tr><tr><td>2010</td><td>71.0%</td></tr><tr><td>2011</td><td>71.8%</td></tr><tr><td>2012</td><td>72.2%</td></tr><tr><td>2013</td><td>72.1%</td></tr><tr><td>2014</td><td>72.9%</td></tr><tr><td>2015</td><td>72.6%</td></tr><tr><td>2016</td><td>73.1%</td></tr><tr><td>2017</td><td>-</td></tr></tbody></table>					Year	Rate (%)	2006	70.6%	2007	71.5%	2008	71.0%	2009	71.4%	2010	71.0%	2011	71.8%	2012	72.2%	2013	72.1%	2014	72.9%	2015	72.6%	2016	73.1%	2017	-
	Year	Rate (%)																													
2006	70.6%																														
2007	71.5%																														
2008	71.0%																														
2009	71.4%																														
2010	71.0%																														
2011	71.8%																														
2012	72.2%																														
2013	72.1%																														
2014	72.9%																														
2015	72.6%																														
2016	73.1%																														
2017	-																														
Trend:	Ten year trend suggests a gradual increase in labour market participation amongst 50-64 year olds.																														

KPI 2:	Increase in median earnings amongst those aged 50-State Pension Age					
Data source:	<i>States of Guernsey Data and Analysis (internal data)</i> <i>States of Guernsey Data and Analysis RPI used for reflation.</i> <i>Figures at 31st Dec each year</i>					
Islands covered	<i>Guernsey, Lihou, Herm, Jethou</i>					
Explanatory notes:	We cannot currently determine the number of hours people work. Consequently, an increase in earnings could indicate that more people of that age group are working more hours, rather than that they are being paid more per hour. If working hours data becomes available this KPI will need to be reviewed.					
Data:	Age band	Median earnings (£ p.a.)				
	Year	2014		2015		2016
		2016 prices	NOMINAL	2016 prices	NOMINAL	
	50-54	34,172	33,412	35,181	34,778	35,971
	55-59	32,223	31,506	32,381	32,010	33,002
	60-64	27,806	27,187	28,448	28,122	29,002
	65-69	21,388	20,912	20,265	20,033	20,551
Trend:	There have been real increases in the median earnings of 50-64 year olds in the two year period between 2014 and 2016.					

KPI 3:	Decrease in the proportion of people aged 50-State Pension Age claiming benefits related to unemployment					
Data source:	<i>States of Guernsey Social Security – Monthly data published by Job Centre</i> <i>Total population figures from States of Guernsey Data and Analysis, Annual Electronic Census Bulletin.</i> <i>All figures at end of March each year</i>					
Islands covered	<i>Guernsey, Lihou, Herm, Jethou</i>					

Explanatory notes:	This covers all people 50-64 who claim unemployment benefit or supplementary benefit and are unemployed, including those who have undertaken a small amount of work during the week but are still looking for work (i.e. 'Total registered unemployed' rather than 'ILO definition unemployed').					
Data:		2012	2013	2014	2015	2016
	50-59	1.2%	1.4%	1.3%	1.2%	1.4%
	60-64	1.4%	1.1%	1.2%	0.8%	1.1%
	50-64	1.2%	1.3%	1.3%	1.1%	1.3%
	Total registered unemployed all working age	1.9%	2.0%	2.6%	2.4%	2.4%
Trend:	Trend seems to be steady with some fluctuation and has remained lower than the all working age figure.					

KPI 4:	Shorter claim length for all unemployment related benefits amongst those aged 50- State Pension Age
Data source:	<i>States of Guernsey Social Security – Monthly data published by Job Centre</i> <i>Snapshot at last week in the year each year</i>
Islands covered	<i>Guernsey, Lihou, Herm, Jethou</i>
Explanatory notes:	Includes people claiming unemployment benefit and jobseekers claiming supplementary benefit.

Data:		2012	2013	2014	2015	2016
	0 days	1	3	0	0	0
	1-3 days	0	1	1	0	1
	4-7 days	0	0	0	0	0
	1-2 weeks	4	3	1	1	3
	3-4 weeks	9	9	10	4	8
	5-8 weeks	10	19	3	15	17
	9-13 weeks	13	10	17	16	21
	14-26 weeks	28	21	21	27	19
	27 weeks-1year	12	14	18	16	18
	1 year-3 years	21	20	5	14	11
	3-10 years	6	7	7	2	3
	estimated mean claim length per claimant (years)	1.01	1.02	0.98	0.72	0.68
Graph:	<p>As we can see the longer claim lengths have a trend to shift towards the right, this means that the proportion of claims (of 50-64 year olds) being dealt with which are long-term is decreasing.</p>					
Trend:	<p><i>Claim length for unemployment related benefits have been decreasing in this age group.</i></p>					

KPI 5:	Decrease in proportion of those aged 50-State Pension Age claiming invalidity benefit												
Data source:	<i>States of Guernsey Social Security – internal data</i> <i>Population figures from Guernsey Annual Electronic Census and Alderney eCensus reports</i> <i>Both figures taken for end of March each year.</i>												
Islands covered	<i>Guernsey, Alderney, Lihou, Herm, Jethou</i>												
Explanatory notes:													
Data:	<table><tr><td></td><td>2016</td></tr><tr><td>50-54</td><td>3.1%</td></tr><tr><td>55-59</td><td>3.2%</td></tr><tr><td>60-64</td><td>6.5%</td></tr><tr><td>50-64</td><td>4.1%</td></tr></table>		2016	50-54	3.1%	55-59	3.2%	60-64	6.5%	50-64	4.1%		
	2016												
50-54	3.1%												
55-59	3.2%												
60-64	6.5%												
50-64	4.1%												
Trend:	[Historic data series not available]												

KPI 6:	Shorter claim length for those aged 50-State Pension Age claiming invalidity benefits		
Data source:	<i>States of Guernsey internal data – Social Security</i> <i>Data snapshot 1st February 2017</i>		
Islands covered	<i>Guernsey, Alderney, Lihou, Herm, Jethou</i>		
Explanatory notes:			

Data:		2017
	3-4 weeks	1
	5-8 weeks	0
	9-13 weeks	0
	14-26 weeks	12
	27 weeks – 1 year	44
	1-3 years	115
	3-5 years	83
	6-20 years	135
	11-20 years	139
	estimated mean claim length per claimant (years)	7.2
Graph	<p>2017</p> <p>0% 20% 40% 60% 80% 100%</p> <p> <input type="checkbox"/> less than 13 weeks <input type="checkbox"/> 14-26 weeks <input type="checkbox"/> 27 weeks - 1 year <input type="checkbox"/> 1-3 years <input type="checkbox"/> 3-5 years <input type="checkbox"/> 6-10 years <input type="checkbox"/> 11-20 years </p>	
Trend:	<i>[Historic data series not available]</i>	

KPI 7:	Lower proportion of people aged 50-State Pension Age claiming supplementary benefit					
Data source:	<i>Supplementary benefit claim figure from internal Social Security Data- snapshot at year end</i> <i>Population figures from Guernsey Annual Electronic Census and Alderney eCensus reports – using the figure for March the following year</i>					
Islands covered	<i>Guernsey, Alderney, Lihou, Herm, Jethou</i>					
Explanatory notes:	<i>This covers all categories of claim</i>					
Data:		2012	2013	2014	2015	2016
	50-54	142	148	160	167	170
	55-59	135	137	139	130	140
	60-64	150	149	141	151	152
	50-64	427	434	440	448	462
	Total population 50-64	13,291	13,381	13,459	13,669	
	Proportion of age group	3.2%	3.2%	3.3%	3.3%	
Trend:	Proportion of age group may be seeing a very small increase but relatively stable (number of claims is increasing because the age group is increasing)					

KPI 8:	Smaller (lower cost) claims for supplementary benefit amongst those aged 50-State Pension Age														
Data source:	Internal Data – States of Guernsey Data & Analysis														
Islands covered	Guernsey, Alderney, Lihou, Herm, Jethou														
Explanatory notes:	Real prices calculated based on RPIX as published by States of Guernsey Data & Analysis based on December figure each year.														
Data:	Average weekly claim amount for supplementary benefit claimant aged 50-64: <table><tr><td></td><td>nominal</td><td>Real (2016 prices)</td></tr><tr><td>2016</td><td>£139p.w.</td><td>£139p.w.</td></tr><tr><td>2015</td><td>£133p.w.</td><td>£135p.w.</td></tr><tr><td>2014</td><td>£134p.w.</td><td>£138p.w.</td></tr></table>				nominal	Real (2016 prices)	2016	£139p.w.	£139p.w.	2015	£133p.w.	£135p.w.	2014	£134p.w.	£138p.w.
	nominal	Real (2016 prices)													
2016	£139p.w.	£139p.w.													
2015	£133p.w.	£135p.w.													
2014	£134p.w.	£138p.w.													
Trend:	[Historic data series not available]														

Further detail on proposed workstreams

This appendix provides further detail on what work is intended to be undertaken in the proposed actions outlined in section 8 of the Policy Letter. The proposed actions are:

1. Communication and engagement with employers around the ageing workforce, age-friendly employment and flexible working (section 6.2)
2. The development of detailed proposals for a right to request flexible working to be returned to the States (section 6.3)
3. The development of detailed proposals for age discrimination legislation to be returned to the States (section 6.4)
4. Providing information and advice to people mid-career about career change, career development and other relevant issues such as retirement income, health and caring for family members (section 6.6.9)
5. A third phase to the SOHWELL project investigating access to Occupational Health (especially for small businesses), attitudes to Occupational Health and early intervention for musculo-skeletal disorders (section 6.5)
6. The Committee will work with the Committee *for* Education, Sport & Culture to investigate whether there is a 'spend to save' opportunity to provide subsidised training to a targeted group. (section 6.6.11)
7. The Committee will review whether the pensions and benefits system could be adjusted to support those most impacted by the pension age changing (section 6.7)
8. The Committee will explore whether it will be possible to gather data on working hours and occupation through changes planned in existing workstreams (section 6.8)

Please note, as above, that where the length of staff time required is estimated this is based on Full Time Equivalent (FTE). This means that even if the right staff resources are available, if the staff member is undertaking several projects at once this will take longer than the stated time to deliver.

1. Communication and engagement with employers around the ageing workforce, age-friendly employment and flexible working (section 6.2)

Desired outcome:	More employers and line managers adopting and implementing best practice in HR procedures for flexible working, managing older workers, supporting carers and supporting Occupational Health and Wellbeing. More employers innovating around phased retirement options, workplace wellbeing, and recruiting career changers. More employees aware of the increased pension age and what this might mean for them.
Options considered:	<p>This work is likely to involve development and sharing of information with employers in written (and possibly multi-media) formats and the arrangement of meetings and events to discuss issues with relevant key stakeholders, working with partner organisations where possible and appropriate. It is felt that the exact methods of communication and engagement would need to be considered as part of the work by the officers taking the work forward.</p> <p>It would be possible to undertake some communications work through existing routes (for example the Employment Relations Service webpage, the Health Promotion Unit, the Health & Safety Executive and, if established, the Equality and Rights Organisation). Whilst these organisations can be involved, some central coordination of key messages and engagement with employers is recommended.</p>
Scope:	<p>Developing a 'business case' around why businesses in Guernsey should be interested in Longer Working Lives and the ageing workforce.</p> <p>Promoting improvements in occupational health and wellbeing at work.</p> <p>Addressing misconceptions about older people.</p> <p>Discussing issues that arise from the proposed introduction of age discrimination legislation – the performance management of older people, managing retirement and succession planning.</p>

	<p>Promoting phased retirement, sabbaticals, and flexible working. Offering case examples of arrangements that have worked well.</p> <p>Raising awareness of the issues carers face, and ways in which employers can support carers.</p> <p>Promoting entry-level opportunities for career changers in mid to late life.</p>
Resourcing:	<p>If this were taken as a stand-alone project it is estimated that this would require 8 months FTE staff time. However, it will also be explored as to whether it is possible to integrate this work with communications work from other projects underway within Employment & Social Security.</p>

2. The development of detailed proposals for a right to request flexible working to be returned to the States (section 6.3)

Desired outcome:	<p>A higher proportion of people able to combine work with family responsibilities</p>
Options considered:	<p>Promoting flexible working through communications was considered and consulted on but there was significant support for also introducing a law in the consultation.</p>
Scope:	<p>Develop a code of practice on flexible working and advice for employers.</p> <p>Develop the legislation for a legal right to request flexible working, modelled on the UK and Jersey legislation and issue guidance to employers.</p>
Resourcing:	<p>If largely following the existing UK and Jersey model it is anticipated this would take 6 months FTE staff time to introduce. There would potentially change in demand in the form of further queries for the Employment Relations Service to respond to (though they already do manage some queries in relation to flexible working).</p>

3. The development of detailed proposals for age discrimination legislation to be returned to the States (section 6.4)

Desired outcome:	<p>To address issues around people being 'retired' prematurely.</p> <p>To address other issues associated with age discrimination including around recruitment and training.</p>
Options considered:	<p>There are a number of options in terms of how this could be addressed. It would be possible to try to influence employer behaviour through communication. More research could be done before taking action. Neither of these would move towards providing protection to people who are at risk of being discriminated against.</p> <p>Legislation could be introduced covering only employment (not goods and services). Whilst this would meet immediate concerns raised in Longer Working Lives, it would be beneficial to other workstreams (for example the Supported Living and Ageing Well Strategy) to consider ageism in the provision of goods and services, and makes sense to take this work together.</p> <p>It was felt that age discrimination legislation covering employment, goods and services would be the preferred option.</p>
Scope:	<p>To introduce a law protecting people against age discrimination in employment, goods and services, to adjust the tribunal system to enable the enforcement of such a law and to produce guidance on the law for employers.</p>
Resourcing:	<p>It is estimated that this would require around 1 year FTE of an experienced Policy Officer's time, not including legal drafting resources.</p> <p>Some input would be needed from the Employment Relations Service, so the work would depend on some capacity to contribute to the workstream from that team.</p> <p>There will be ongoing costs associated with answering queries</p>

	and administering the tribunal. It is hard to predict what additional ongoing demand this will place on the Employment Relations Service. However, in some cases this will not be 'new' cases as the Service already provide some advice to enquiries about ageism and retirement.
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4. Mid-Career Reviews (section 6.6.9)	
Desired outcome:	<p><i>Primarily:</i> To prompt people who are at risk of not being able to continue in their career until retirement age to be able to take action to change career before a crisis point is reached.</p> <p><i>Secondarily:</i> To provide people with other useful planning information which can improve their retirement income and help them to stay in the workforce; to help people to recognise and address emerging lifestyle and health issues; to support motivation, personal development and purpose at work.</p>
Options considered:	<p>There are a range of different ways that could progress towards the outcomes identified. These range from low-intensity interventions like boosting the advertising and awareness of existing information and advice providers at the target age group, through to providing one-to-one sit down reviews to discuss individual concerns. It seems sensible to trial something that balances the need for improved information, against managing the resource costs of one-to-one intensive support. Consequently, it is suggested that web-based information is developed which provides a structured way to think through common issues and signposts people to sources of support whilst simultaneously running an event or series of events which can provide an opportunity for face to face contact.</p>
Scope:	<p>The information is not limited to career change, but should help to prompt people to think through planning their later career and transition to retirement.</p>

Resourcing:	It is estimated that the creation of a source of web-based information would take 6 months FTE and a further 2 months FTE would be required to arrange an event(s); some of this work could be administrative level. Further costs might be incurred in printing, advertising and room hire. If the event(s) were taken forward annually this would be a further 1 month FTE per year.

5. SOHWELL 3 (section 6.5)	
Desired outcome:	To maximise the workforce by increasing the number of people staying in work or returning to work earlier, after an illness or injury.
Options considered:	<p>The possibility of prioritising only one of these workstreams to progress was considered. However, as all three have connections to other work underway and since attitudes and access to occupational health might be investigated and/or addressed simultaneously; it makes sense to take all three of these actions forward.</p> <p>It is felt that with the professional connections of the Benefits team and Social Security's Medical Adviser it will not be necessary to hire external consultants to investigate these areas in the first instance, but that work can be done by staff.</p>
Scope:	<p>This work should include engagement, consultation and research with employees, employers and partner organisations; analysis of available in-house statistics; and review of the success of trial interventions in the UK and further afield.</p> <p>The following three issues should be investigated further:</p> <ul style="list-style-type: none"> - the need for access to early interventions for back pain and other musculo-skeletal injuries - access to occupational health advice and support – particularly for self-employed people and small businesses. - addressing negative beliefs about or attitudes towards

	Occupational Health from employees and/or managers and employers Different options for addressing each issue should be assessed.
Resourcing:	It is intended that this is resourced as the continuous improvement element of the business as usual work of the Benefits Section. If, having undertaken further investigation, it becomes clear that additional resource is required this will be raised at a later date.

6. The Committee will work with the Committee *for* Education, Sport & Culture to investigate whether there is a 'spend to save' opportunity to provide subsidised training to a targeted group. (section 6.6.11)

Desired outcome:	To come to an agreement between the Committee <i>for</i> Employment & Social Security and the Committee <i>for</i> Education, Sport & Culture around whether or not there is an opportunity to provide an effective subsidy for (re)training opportunities that will support people to change career in order that they can stay in work for longer; and, if there is an opportunity, what might the next steps be in moving towards implementing this.
Options considered:	This is essentially envisaged as Policy Officer work to support the Committees to identify what options there might be for further stages if this work is taken forward.
Scope:	This is intended to focus specifically on training opportunities for people who, for reasons of health or care responsibilities, are no longer able to continue in their existing role in the long term and may need training to transition to an alternative. It is intended that the training will be made available through on-island provision. The aim is to create an intervention which is cost-effective in the long-term.
Resourcing:	It is estimated that an initial investigation will require 2 months FTE of a Policy Officer's time (spread over a period longer than two months amongst other aspects of an officer's

	workload). It is not anticipated that further costs (such as advertising or room hire) would be needed for this work.
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7. The Committee will review whether the existing pensions and benefits system is sufficient or whether modifications are needed to support those most impacted by the pension age changing (section 6.7)	
Desired outcome:	To identify whether or not it is necessary or fair to offer additional support to those most affected by the pension age increase.
Options considered:	The work essentially involves supporting the Committee to give due consideration to the financial impact of the pension age increase on individuals. This could include the use of a consultant, a public consultation or desk-based research by a Policy Officer. Whilst a consultant may offer additional independence, a Policy Officer would likely offer better value for money for an initial investigation. It is likely to be necessary to review options before deciding on whether a public consultation is required.
Scope:	Work will include examining whether the pension and benefits system is sufficient or whether it needs to be adapted to better support those most impacted by the increase in the State Pension Age. At this stage, work is limited to an initial investigation, options appraisal and costing of any viable options. If changes to benefits are thought to be necessary this would need to be returned to the States.
Resourcing:	It is estimated that an initial investigation will require 2 months FTE of a Policy Officer's time (spread over a period longer than two months amongst other aspects of an officer's workload). It is not anticipated that further costs (such as advertising or room hire) would be needed for this work.

8. The Committee will explore whether it will be possible to gather data on working hours and occupation through changes planned in existing workstreams (section 6.8)

Desired outcome:	The desired outcome is to have a better evidence base for making policy decisions in relation to both Longer Working Lives, the equality and rights programme and wider policy in relation to the labour market. This data would allow us to understand part-time working and career change in later life and would also allow us to benchmark against international data on wages and the labour market, which we cannot currently do.
Options considered:	<p>Several options were considered, including surveys and initiating a stand-alone project. However, it was decided that the most effective way to collect ongoing data on what occupations people work in and what hours they work would be to explore whether it would be possible to incorporate a request for this data into existing data submissions from employers which are used for States of Guernsey's tax and social security contributions systems.</p> <p>The Contributions and Tax Services (CATS) project is examining options for creating efficiencies by combining Income Tax and Social Security contributions operations. The Committee is exploring how this might be taken forward and whether changes which would allow the collection of this data could be worked into any wider system changes associated with the CATS project.</p>
Scope:	This work focuses on identifying working hours and occupation for all of Guernsey's working population. There are other gaps in Labour Market data, but these are considered the most useful.
Resourcing:	No separate resourcing has been allocated to this as it is currently incorporated into another workstream.

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE *for* EMPLOYMENT & SOCIAL SECURITY

LONGER WORKING LIVES

The President
Policy & Resources Committee
Sir Charles Frossard House
La Charroterie
St Peter Port

10th November, 2017

Dear Sir,

Preferred date for consideration by the States of Deliberation

In accordance with Rule 4(2) of the Rules of Procedure of the States of Deliberation and their Committees, the Committee *for* Employment & Social Security requests that the Longer Working Lives Policy Letter be considered at the States' meeting to be held on 13th December 2017.

The original States resolution on Longer Working Lives from Billet d'État IV of 2015 directed the Committee "to report to the States of Deliberation with its findings no later than December 2017". Interested parties in the public, based on this resolution, will be anticipating that the Policy Letter will be debated in December.

However, the Committee also recognises that the implementation timescale for the propositions is long-term, so a delay would not be critical should the Policy & Resources Committee feel either that other matters are more pressing, or that, due to the agenda being too substantial, a delay is required in order not to rush consideration of the item.

Yours faithfully

M K Le Clerc
President

S L Langlois
Vice-President

M J Fallaize
J A B Gollop
E A Yerby

M J Brown
Non-States Member

A R Le Lièvre
Non-States Member