

UB50?

Access to the labour market for people over 50 in London
February 2006



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Chair's foreword



It is frankly absurd that people over 50 face difficulty in finding work in London. It is not as if older workers are surplus to requirements.

A skills shortage means that older workers' talent and experience is an important asset. Older workers are known to be more reliable and productive. The looming pensions crisis means that many people will have to work longer. And, in any case, most older people actually *want* to work.

More than one quarter of London's population is over 50, yet there is a perception that London is a young person's city. Why is it that, despite positive employment trends, Inner London has the highest rate of unemployment amongst people over 50 in the whole of the country?

The Government's plan to outlaw age discrimination in the workplace is long overdue. We welcome this move and believe it will help. But it is not a complete solution. If London's older workers and the city's economy are to benefit, we need action on a number of fronts, including:

- A radical change in attitude among London's employers.
- Provision of appropriate vocational training to enable older workers to update their skills.
- Specially tailored career advice and support.
- Measures to ease the transition from benefits to employment.

It is also clear that the availability of reliable employment data is not good and that policy makers need more accurate figures if they are to develop the right policies.

In this report, we have highlighted case studies of good practice, to demonstrate that enabling more people over 50 to become economically active is not just a theory but actually works in practice. Moreover, everyone – older workers, employers, the economy and London in general – stands to benefit.

A handwritten signature in black ink, reading 'Dee Doocey'.

Dee Doocey AM
Chair of the London Assembly's
Economic Development, Culture, Sport and Tourism Committee

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1. Executive summary

The problems facing older people seeking to return to the labour market are numerous and particularly relevant to London.

Despite being seen as a young people's city, inner London has the highest rate of unemployment amongst people over 50 in the whole of the country. It is a telling reflection of the difficulties faced by older people that someone made redundant after 50 is eight times less likely to return to work than a younger person.

Whilst the Government's plans to outlaw age discrimination later this year should go some way to addressing the barriers that older people face in the labour market, much more needs to be done to support older Londoners.

In general, older people are less likely to have recently-acquired skills and qualifications. This can represent a major barrier to their employability. Yet despite this there is a concern that adult education policies are overly focused on young people. Those services that do exist to support older people tend to be limited by a lack of resources and a lack of coordination amongst the main providers.

The estimates of the number of older people in London that want to return to the labour market range from 107,000 to 250,000. This discrepancy means that there is a danger that the scale of the problem is being under-estimated and that older people are missing out on the support they require.

Having considered the issues facing older people, the Committee makes the following recommendations.

- There needs to be a coordinated and integrated approach to employment services for older people in London, within an over-arching strategy.
- More accurate research is needed to ensure that the support services for older people receive the funding levels they require.
- The London Learning and Skills Councils need to prioritise people over 50 for education and training support.

These recommendations are designed to add value to the Mayor's strategy for older people and will help to make a positive impact on the lives of people aged over 50 in the capital who are seeking to return to work.

2. Introduction

The looming 'pensions crisis' continues to make headline news. The ageing population of the country, combined with increasing life expectancy, has led to consistent reports that we will all have to work longer before retiring. Yet, there are already significant problems facing people over 50 who wish to work.

London is often seen as a young persons' city and there is a danger that the problems facing older people seeking work are too often overlooked. More than a quarter of the city's population is over 50 and this is set to increase significantly.

Whilst employment trends have improved in recent years, more will need to be done to combat the problems faced by older workers if this is to continue in the future. This is particularly relevant to those pockets of unemployment amongst people over 50 that have so far shown little improvement despite the overall positive trends.

People over 50 account for at least one in five of all those unemployed in London. Once older people become unemployed they take longer to return to work and are more likely to leave the labour market permanently. Inner London has the highest rate of unemployment amongst people over 50 in the whole of the country, twice the national average.¹

It is against this background that the Committee decided to consider the factors affecting access to the labour market for people over 50.

¹ The internationally standardised unemployment rate for people over 50 in inner London is 7.8% compared with 3.3% for Great Britain as a whole. Older Workers: Statistical Information Booklet, Department for Work and Pensions, Autumn 2003

3. Legislative background

The UK Government is committed to introducing legislation in October 2006 that will outlaw age discrimination in employment and training.

The advent of anti-age-discrimination legislation has the potential to provide a major boost to older people seeking employment. However, whilst age discrimination is undoubtedly a significant barrier to people seeking work, there are a number of other important areas that will also need to be addressed in order to achieve a level playing field.

The new age discrimination legislation will also do away with compulsory retirement below the age of 65 (except where this can be objectively justified). Employees will be able to work beyond 65 if both they and their employers agree.

In addition, the State Pension Age for women will rise gradually from 60 to 65 between 2010 and 2020. As a result, women will have to work longer before claiming their state pension. This is likely to lead to an increase in the number of women over 50 seeking access to the labour market.

The Government published the Turner Report, 'A New Pensions Settlement for the 21st Century', on 30 November 2005. This made a number of recommendations including the proposals for a gradual increase in the State Pension Age and measures to facilitate people working later. However, it is unclear whether these recommendations will be implemented in full.

4. The problems

Older people seeking access to the labour market face many barriers.

Some of the barriers, such as caring responsibilities and the desire for flexible working arrangements, will be shared with other sections of society. Others are specific to older Londoners. These include the suggestion that the London labour market is structurally geared towards younger employees and the difficulties with the spatial location of jobs compared to where people live².

The following chapter outlines some of the key problems. Later in this report we go on to make recommendations in the areas where we believe there is scope for the Mayor and his agencies to make a real difference to the experiences of older people seeking access to the labour market.

Discrimination

Age discrimination can be a potent barrier to older people seeking access to the labour market. The Committee heard evidence from the London Development Agency which suggests that this is likely to be particularly acute for people over 55.

Recent research³ has found that 22 per cent of managers and personnel officers surveyed admitted to discriminating against workers on the grounds of age. This strongly suggests that a change of attitude is needed by those in charge of recruitment.

Submissions to the Committee highlighted a common misconception amongst employers that older workers are of less value to a business than younger workers. Older workers are often perceived as having poor health, being slower learners, unable to grasp new ideas, and waiting for retirement.

Lack of qualifications

In general, older people are less likely to have recently-acquired skills and qualifications. This represents one of the major barriers to their employability. The Committee heard that older people passed through the education system at a time when there was less focus on achieving formal qualifications.

As Age Concern pointed out, there is considerable variation between age groups and boroughs in the levels of qualifications of the adult population. The following table highlights how significant the lack of formal qualifications can be in some boroughs when considering access to the labour market for people over 50.

² Written submission from Age Concern London, 12 January 2005, Page 7. Copies of the written submissions received by the Committee are available on request from the London Assembly Secretariat.

³ Tackling age discrimination at work: creating a new age for all, The Chartered Institute of Personnel and Development and the Chartered Management Institute. October 2005

Percentage of age groups with no qualifications, by London borough⁴

Percentage of age groups with no qualifications	30-39	40-49	50+
Tower Hamlets	18%	43%	45%
Barking and Dagenham	17%	22%	37%
Westminster	7%	13%	37%
Hackney	14%	21%	34%
Camden	7%	10%	23%
Hounslow	3%	10%	22%

Age Concern also reported that older workers are less likely to have access to vocational training than younger workers. Age Concern felt that this could be made worse by a general reluctance amongst older workers to attend internal training courses.

Lack of appropriate career advice and support

The provision of careers advice and support for older people in London needs to be improved.

Evidence from Age Concern suggests that older people respond best to specifically tailored support programmes rather than generic services. In part this is because they face different problems from other groups who may never have worked. Older people can be harder to reach through traditional support channels which is why Age Concern favours targeted work with appropriate community based organisations.

There are a number of initiatives and programmes in place to help people over 50 get into employment. These are run at the national, regional and local level. More details are provided on the specific services for older people in Annex B. Given the large number of different programmes, it is not surprising that many people felt that there was a difficulty with the complicated and disjointed nature of support services.

There are some good examples within London of projects providing advice and support for older people seeking employment. However these are limited in their coverage. In a number of boroughs, Age Concern is working with partners to provide advice for older people looking for jobs. This partnership has grown out of a cooperation between Age Concern Enfield and North London Information Advice and Guidance⁵/Prospects on the 'Connexions for Over 45s' programme (see box below).

⁴ Office of National Statistics. Labour Force Survey 2001.

⁵ Now re-branded as 'Next Step North London'

Case Study

Connexions for Over 45s programme – Enfield

The Connexions for Over 45s project was aimed at people who had been made redundant, had retired early, were unemployed and wished to return to the labour market or were unable to make progress in their current employment. It was also targeted at people who faced multiple barriers, such as low skills, disabilities and people with English as a second language.

Within a year, 85 per cent of clients were from the older age group. The largest numbers of clients were from England, Turkey, Mauritius and the Caribbean, but people from a range of backgrounds accessed the service. Out of the total of 109 clients, 100 were unemployed, 18 had impaired mobility, 15 had long term medical problems, 10 had suffered mental ill-health, 22 were lone parents and several had complex disabilities.

In the first year, 20 people found full time employment, 34 entered further education, 15 found voluntary work, nine found part-time employment, six entered higher education and four became self-employed.

Age Concern told us that the implementation of such programmes across the capital is limited by a lack of resources and a lack of coordination amongst the main providers. These problems are exacerbated by the lack of strategic leadership in support services for older people.

The London Development Agency agreed that the provision of support could be somewhat confusing and that it was not easy to get an overview of the whole picture. In part this was because

‘the London Development Agency is not the main scheme funder for any training or job brokerage position. We are a gap-filler and piloter and make sure that we enhance what already exists.’⁶

Lynn Strother, from the Greater London Forum for Older People, highlighted the need to improve communication and the exchange of information between organisations responsible for the design and delivery of support programmes. These include the London Development Agency, the Learning and Skills Councils and older people’s organisations (such as Age Concern and the Greater London Forum for Older People). Improved communication will be essential to ensure that older people are informed about the services and opportunities available and can benefit from them.

⁶ Transcript of Economic Development, Culture, Sport and Tourism Committee meeting, 1 February 2005, page 10. Minutes and transcripts of Economic Development, Culture, Media and Sport Committee meetings are available at www.london.gov.uk/assembly/past_ctees/econ_plan/2005/econ1feb/minutes/econ01febtrans.rtf or on request from the London Assembly Secretariat.

One of the key points arising out of our inquiry was the need for a coordinated and integrated approach to promoting older people's employment in London. The current system is too complicated and confusing to be effective.

Health problems

Health is an important factor affecting employment in people over 50. The Centre for Policy on Ageing highlighted research that showed,

*'For unemployed people aged between 50 and State Pension Age, 58 per cent of men and 50 per cent of women are not seeking work for health related reasons. Of these 76 per cent left their previous job through ill health.'*⁷

As people get older so the incidence of health problems can increase. A third of those aged 60-64 in inner London claim Incapacity Benefit or Severe Disability Allowance.

The way that Incapacity Benefit is administered can also create problems of benefits dependency. The Centre for Policy on Ageing noted that the ability to take less demanding part-time work without loss of benefits was an issue. They called for measures to ease the transition from benefits to employment which recognised that people may have to go back on benefits again if their new work is not successful.

The Government is currently considering the reform of the Incapacity Benefit system though 'The Mayor is concerned that the public discussion of Incapacity Benefit reform has generally focused on ways of reducing the overall numbers of Incapacity Benefit recipients rather than improving employment outcomes for disabled people.'⁸

⁷ Factors affecting the labour market participation of older people. Humphrey A et al. Department for Work and Pensions 2003.

⁸ Towards an older people's strategy for London. Mayor of London, November 2005, Page 19

5. 143,000 missing older people?

There are one million people between the ages of 50 and 65 in London and this figure is likely to increase significantly by 2016.⁹

Generally, employment levels for people aged over 50 have shown positive trend increases over the last ten years. This is largely as a result of the improved economic climate. Nevertheless, despite this general improvement there remain real concerns about access to the labour market for people over 50.

One of the major problems facing policy-makers when considering promoting access to the labour market for people over 50 is the difficulty in obtaining accurate figures of the numbers of people involved. This lack of accurate data can mean that resources are not being allocated according to areas of greatest need and that people over 50 are therefore missing out on support.

When considering the numbers of people seeking access to the labour market it is necessary to consider both the official unemployment rates and those who are economically inactive (some of whom will be seeking work).

Overall, the Government estimates that inner London has the highest unemployment rate in Great Britain for workers aged 50 and over¹⁰. This is a disturbing statistic which amply demonstrates the need for concerted effort to support Londoners over 50 to re-enter the job market.

The unemployment and economic inactivity rates for London and Great Britain are illustrated by the table below.

Economic activity amongst those aged 50-State Pension Age¹¹

	Inner London	Outer London	Great Britain
Percentage of people aged 50 to the State Pension Age who are employed	59.6%	72.2%	70.2%
Percentage of people aged 50 to the State Pension Age who are economically inactive	37.2%	24.5%	27.6%
Percentage of people aged 50 to the State Pension Age who are defined as unemployed	5.1%	4.3%	3.1%

⁹ London Development Agency 'Making Age Work for London', March 2004

¹⁰ Older Workers: Statistical Information Booklet, Department for Work and Pensions, Autumn 2003. The internationally standardised unemployment rate for people over 50 in inner London is 7.8% compared with 3.3% for Great Britain as a whole. Please note that the disparity in figures compared to the above table is due to differences in the definition of unemployment.

¹¹ Spring 2004 Labour Force Survey. National Statistics

As the above table shows there is a general split between inner and outer London yet even within this headline finding, the levels within London boroughs vary dramatically. The Department for Work and Pensions reported that 43 per cent of the population between 50 and State Pension Age in Tower Hamlets were on key state benefits.¹² This compares to just ten per cent in Richmond upon Thames.

To put the figures on older people's unemployment in the context of unemployment in all age groups, people over 50 represent nearly a fifth of all registered unemployed in London. However, this figure is likely to be understated. It does not include the great majority of men over 60 seeking work as they tend to be transferred from Unemployment Benefit to Income Support and hence are no longer treated as job-seekers by the Government.¹³ This is demonstrated by the fact that the Government's statistics show that there are only 1,414 registered job seekers in London who are aged over 60.

The London Development Agency estimates that there are 107,000 people over 50 not in employment but wanting work,¹⁴ though at our public hearing they recognised that the figure should be treated with a degree of caution. Age Concern London estimates there are nearly 250,000 people over 50 in London who would like to have access to the labour market.

The reason for the discrepancy in estimates is complicated but nevertheless it is fundamental to the issues facing those people over 50 seeking work.

The problems arise because of way that the Government's Labour Force Survey collects its data on those seeking employment. Its figures are based upon the standardised international definition of people claiming unemployed benefits plus an estimate of the number of people who are economically inactive and seeking work but not classified as unemployed.

Prime, a not-for-profit company committed to improving opportunities for people over 50, argues that this methodology must be treated with caution,¹⁵ a view shared by the London Development Agency.¹⁶

Prime reported that some unemployed people over 50, in the face of numerous job rejections, may find it easier to announce that they are retired than to have their self-esteem undermined by continuous rejections.

¹² Key state benefits are defined as Incapacity Benefit, Severe Disablement Allowance, Jobseekers Allowance, Income Support/Minimum Income Guarantee, Disability Living Allowance.

¹³ Labour Market Trends / NOMIS 2003 quoted in submission by the Third Age Employment Network.

¹⁴ Written submission from Marc Stephens, Executive Director, London Development Agency, 7th February 2005, Page 1

¹⁵ Towards a 50+ Enterprise Culture, The Prime Initiative, January 2004

¹⁶ Transcript of Economic Development, Culture, Sport and Tourism Committee meeting, 1 February 2005, page 1

In addition, as noted earlier, older people may find themselves becoming dependent upon benefits, which could be put at risk by an unsuccessful attempt to get into employment. This could result in people being reluctant to say that they are looking for work as it could undermine their claim for benefit. This argument is further supported by academic research,¹⁷ which suggested that many people on Incapacity Benefit would like to work, though not necessarily in their former occupation.

As Prime reported,

*‘These considerations put a very different gloss on the question of whether a person wants a job or not, and serve as a reminder that many of those aged 50+ stating that they do not want to work might actually be conveying a message about their situation rather than their wishes or intentions. This is patently an area where more research is urgently needed.’*¹⁸

From the above analysis we conclude that the uncertainty over the exact number of people over 50 seeking work is a significant issue. This confusion could mean that the London Development Agency is underestimating the scale of the problem with the result that people over 50 are not receiving the appropriate level of resources and support from government agencies.

The London Development Agency informed the Committee that its budget needed to be targeted at those most in need. It reported that there were 233,000 black and ethnic minority London residents and 296,000 women in London who were ‘not in but wanting work’. This compares to its estimate for people over 50 seeking work of just 107,000.

There is little doubt that black and ethnic minority groups and women face discrimination and other barriers to the labour market. Equally it is apparent that women and black and ethnic minority people aged over 50 are likely to suffer from multiple discrimination within the employment market.

It is not the Committee’s intention to tell the London Development Agency how best to allocate its scarce resources, however it is essential that these decisions are based upon the correct statistics.

Accurate figures on the number of older people who are ‘economically inactive and seeking work’ should be an essential part of the evidence base that the Mayor is asking the London Development Agency to develop as part of his draft older people strategy.¹⁹

¹⁷ Sheffield Hallam University (Beatty & Fothergill “Labour Market Detachment among Older Men” November 1999, Beatty, Fothergill, Gore & Green “The Real Level of Unemployment 2002” October 2002)

¹⁸ Towards a 50+ Enterprise Culture, The Prime Initiative, January 2004

¹⁹ Towards an older people’s strategy for London. Mayor of London November 2005. Page 22 Para 5.4 This directs the London Development Agency to gather baseline evidence of older people’s participation in London economy.

Recommendation 1

We recommend that the Mayor direct the London Development Agency to commission new research to identify accurately the numbers of people over 50 in London who are 'economically inactive and seeking employment'.

6. The business case for employing older people

Support for older people to re-enter the job market makes economic sense for firms as well as for the wider community.

In order to achieve the best results the public sector will need to work in partnership with the private sector. There are already good examples of this happening, as in the London tourism project referenced below. Another role for government intervention could be spreading the examples of best practice and highlighting how employing an older workforce makes sound financial sense. This is already happening in the Government's Age Positive campaign.

During the course of the investigation we heard evidence from a number of firms that highlighted the benefits of employing people aged over 50. Both ASDA and B&Q have a proven track record in providing work opportunities for older people. Their experiences showed:

- Reduced staff turnover.
- Less absenteeism.
- Improved customer perception of service.
- Increased skills base within branches.
- A workforce more reflective of customers.
- Increased profits.

In order to achieve these improvements the companies we heard from had introduced flexible working environments for older people. ASDA has a range of innovative leave packages including grandparents' and carers' leave, as well as a seasonal squad of workers who are contracted to work a specific number of weeks per year – normally during peak public holidays.

Case study

B&Q in Macclesfield

In 1989, B&Q took the decision to target older people to help reach recruitment targets. In order to make a positive statement within the company and break down misconceptions, they decided to open a store staffed entirely by people over 50 in Macclesfield.

In 1991, independent research on the Macclesfield store found that profits were 18 per cent higher, staff turnover was six times lower and there was 39 per cent less absenteeism.

As a result of this pilot programme B&Q have developed their employment practices throughout their operation so that they now are more inclusive of older people.

The London tourism, hospitality and leisure sector

In the past, the tourism and hospitality industry had tended to focus its recruitment on young people and had suffered from high staff turnover which adversely affected skill levels. The Third Age Employment Network reported that the hospitality sector, through its recruitment organisation Springboard, has recognised the potential of older people to help meet its skills shortages. They reported that a number of hotels had made efforts to move towards more diverse staffing which reflected the age range of their clients.

During the evidentiary hearing we heard from the London Development Agency that they were supporting the leisure, hospitality and tourism industry who it considered to be 'ahead of the game' in recruiting older people. The industry was working in partnership with the London Development Agency, the Learning and Skills Council and Jobcentre Plus on a £3.5 million programme over three years to support recruitment to the hospitality, leisure and tourism sector. This scheme has a target for a quarter of all the people involved to be over 50. The Committee will be following the progress of this programme and looks forward to receiving an update from the London Development Agency in the near future.

7. Possible solutions

As noted at the beginning of this report, older people seeking to re-enter the labour market face many problems. Whilst some of these, such as health problems, will never be easy to solve, we believe that there is much more that could be done to support older people in the key areas outlined below.

Better access to training

As noted in Chapter 4, many older people suffer from low levels of formal qualifications. This lack of qualifications is a barrier for would-be job applicants seeking to return to the labour market.

The Learning and Skills Council is responsible for the planning and funding of adult education in England. They therefore have the major responsibility for ensuring that older people have access to training that is appropriate for their needs and provides them with the necessary qualifications to re-enter the labour market.

However, the evidence from the Regional Director of the London Learning and Skills Councils admitted that they do not have a specific policy for people over 50 years of age. This contrasts to its priority of 'ensuring that all 14-19 year olds have access to high quality, relevant learning opportunities'.

The Committee believes London's Learning and Skills Councils need to give greater priority to improving opportunities for older people. This is especially important as, 'someone made redundant after 50 is eight times less likely to return to work than a younger person'.²⁰

Given the number of people involved and their potential contribution to the London economy the Committee believes that it is essential that greater emphasis is given to the training needs of older people seeking to return to the labour market.

The Committee is aware that the Government's review of the Mayor's powers is suggesting that the Mayor be given greater influence over the London Learning and Skills Councils. If this happens then the Mayor will have greater scope for directly influencing the Learning and Skills Councils' priorities for London.

Recommendation 2

The Mayor should encourage the London Learning and Skills Councils to prioritise people over 50 for education and training support.

²⁰ Social Exclusion Unit. Excluded Older People Interim report, 2005, Page 48

Improved support services

Many of the difficulties that older people face in accessing the labour market could be significantly reduced by the provision of appropriate advice and support. This report has already listed some of the programmes and policies in place to support older people and highlighted some examples of good practice.

The Committee is encouraged that the Mayor recognises the need to tackle barriers to employment for older people in London, as highlighted within his draft strategy for older people. However, as noted in Chapter 4, one of the key points arising out of our inquiry was the need for a coordinated and integrated approach to employment services for older people in London.

Recommendation 3

We recommend that the Mayor bring together the numerous organisations providing employment support for people over 50 in London in order to bring about greater coordination within an overarching strategy. This must include improved communication with people over 50.

This recommendation should form a major part of the Mayor's older people strategy.

Self employment

Prime reported that one in ten people over 50 are self-employed.²¹ This is higher than the national average and is partly due to the lack of other employment opportunities for older workers.

In the public hearing, the Committee heard from the London Development Agency that business start-up by older people had survival rates twice as high as for younger people. As a result, the London Development Agency tended to focus its resources on supporting those start-ups most in need of help, typically younger people and people from minority groups. Support for older would-be-entrepreneurs was limited to providing access to information through the basic Business Link brokerage service.

In many respects, older entrepreneurs are almost a victim of their own success. The Committee recognises why the London Development Agency has chosen to focus its resources on groups most in need of support, yet at the same time there is a strong case for 'investing in success'. That is to say, there would be merit in promoting self-employment for people over 50 as a means of providing sustainable work opportunities for people at risk of exclusion from the labour market.

²¹ Towards a 50+ Enterprise Culture, Prime, January 2004

The public sector as beacon of good practice

The public sector accounts for 22 per cent of employment in London²². Given its size as an employer in the capital, it is incumbent upon the public sector to lead the way in promoting access to the labour market for people over 50. This will have a two-fold effect in both directly providing employment opportunities as well as providing a positive example for the private sector.

The Government's Age Positive campaign can help to spread information about the benefits of a diverse workforce. This aims to bring about a much-needed change to the attitudes of both the private and public sectors to the employment of people over 50. The Committee welcomes the Mayor's decision to sign up to the Age Positive campaign. This commitment will further underline the Greater London Authority's intentions to promote equality of opportunity for all regardless of age.

It is also encouraging that the Greater London Authority group monitors the age breakdown of its employees. This allows people to assess the progress that the group is making towards fulfilling its statutory responsibility to promote equality. Extracts from the last two years' reports are outlined below.

Employment by Age across the GLA Group²³

	2003		2004	
Percentage Employment by Age Group	50-59	60+	50-59	60+
London Population ²⁴	15%	3%	15%	3%
Greater London Authority	12%	2%	14%	2%
London Development Agency	10%	0%	8%	0%
Transport for London	*	*	17%	3%

* in 2003/04 TfL age analysis was for those aged 45-54 (23%) and over 55 (14%)

The above evidence shows that the percentage of employees within the Greater London Authority aged 50+ has improved over the last year and is now broadly representative of the London population.

²² Public Sector Employment in London June 2003. DMAC Briefing 2003/17

²³ GLA Budget and Equalities Reports. 2004-05 and 2005-06.

²⁴ Adjusted for economically inactive population: source 2005-06 budget and Equalities Report

However, the performance of the London Development Agency is less satisfactory. During the last year the percentage of its employees aged from 50-60 has actually decreased from 10 per cent to 8 per cent. This compares to 15 per cent of the London population in this age range. Furthermore, the latest Budget and Equalities report noted that the London Development Agency only employed one person over the age of 60.

Recommendation 4

The Mayor should review the recruitment and retention practices at the London Development Agency to ensure that it complies with the Greater London Authority group's policy on age discrimination.

8. Conclusions

There is little doubt that employment opportunities for people over 50 represent a significant challenge for policy makers at all levels - nationally, regionally and locally. But equally there are multiple benefits in ensuring that people over 50 play an active role in the London economy.

The advent of anti-age-discrimination legislation in 2006 has the potential to provide a major boost to people over 50. There can be little doubt that a change in employment attitudes would be helpful, particularly within the private sector. In order to achieve the desired affect, it is important that the legislation is supported by a consistent set of policies and programmes. In other words there needs to be an appropriate mixture of 'carrot and stick' in order to encourage firms to improve employment opportunities for people over 50.

There are already examples of good practice in the private, community and public sector across London. These need to be strengthened and expanded across the capital in a consistent manner. This will require the Mayor to take an overarching view and ensure that existing programmes fit together and are expanded to fill any gaps.

We welcome the Mayor's 'Towards an older people's strategy for London' as a positive step. Improving employment opportunities for those over 50 will go a long way towards helping with many of the objectives of the draft Mayoral strategy.

The recommendations contained within this report are designed to add value to the Mayor's strategy and, if taken forward, will help to make a positive impact on the lives of those aged over 50 seeking employment.

Annex A: Summary of recommendations

Recommendation 1

We recommend that the Mayor direct the London Development Agency to commission new research to identify accurately the numbers of people over 50 in London who are 'economically inactive and seeking employment'.

This recommendation should be an essential part of the evidence base that the Mayor is asking the London Development Agency to develop as part of his draft older people strategy.

Recommendation 2

The Mayor should encourage the London Learning and Skills Council to prioritise people over 50 for education and training support.

Recommendation 3

We recommend that the Mayor bring together the numerous organisations providing employment support for people over 50 in London and encourages them to review their services. There is a need for greater coordination within an overarching strategy and significantly improved communication with people over 50.

This recommendation should form a major part of the Mayor's older people strategy.

Recommendation 4

The Mayor should review the recruitment and retention practices at the London Development Agency to ensure that it complies with the Greater London Authority group's policy on age discrimination.

Annex B: Existing service provision

Age Positive campaign

The Age Positive campaign is run by the Department for Work and Pensions and started in 2000. It evolved from research findings into age discrimination in the workplace, which showed that a comprehensive approach was needed to work with employers on raising their awareness of the business case for age diversity and the benefits of employing older workers.

Employers in both the public and private sector are encouraged to adopt the good employment practices promoted through 'Age Diversity at Work: A Practical Guide for Business.'

The campaign is promoted through advertising and press features in national, local and specialist publications. It features good practice and research and reaches employers at exhibitions and workshops. Annual Age Positive awards publicise the achievements of businesses and individuals who overcome ageism in employment. The campaign is also supported by a website – www.agepositive.gov.uk

In the run up to the implementation of the anti-age-discrimination legislation in 2006, there will be a high profile national guidance campaign to provide employers, trade unions, key intermediary organisations and individuals with practical guidance on implementing age diverse practices. Starting in 2005, the guidance will disseminate information to support the introduction of the new age discrimination legislation 2006.

The London Framework for Regional Employment and Skills Action (FRESA)

The framework was the structure and process through which the 19 organisations of the London Skills Commission identified the priorities and objectives for the region.

London Skills Commission

The London Skills Commission brings together the main planning, funding and delivery organisations with a focus on skills and business support. It works on behalf of London's employers and communities to build a healthy labour market accessible to all.

Back to work help for people over 50

The Government's main source of back-to-work help specifically for people over 50 is the New Deal 50-plus programme. In addition there is a range of other help available that is also delivered through Jobcentre Plus, which depends on the individual's needs. This includes New Deal for Disabled People, New Deal for Partners and New Deal for Long-Term Unemployed People.

New Deal 50-plus offers jobsearch help, skills training, work trials, a 50-plus working tax credit and an in-work training grant of £1,500 to improve skills. Partners of eligible people over 50 can also take advantage of this back to work help.

Whilst some of the qualifying benefits for the Government's employment programmes, for example Jobseekers Allowance and Incapacity Benefit, end at State Pension Age, many of the services available through Jobcentre Plus to help people return to work have no upper age limit. This includes the assistance of Personal Advisers, the use of Jobpoints to search for job and learning opportunities and access to the Internet.

Programmes like New Deal 50-plus, Work Trials, Programme Centres and Work-Based Learning for Adults are among those available on a voluntary basis to people who have been in receipt of certain benefits for six months or more. The Pension Credit is a qualifying benefit for all back to work programmes and services currently delivered by Jobcentre Plus.

Skills training

The infrastructure for training and skills has the Learning and Skills Council at its centre and the Sector Skills Councils leading the skills drive in industry. The Department for Work and Pensions is working with the Department for Education and Skills to design and implement a New Deal for Skills, which was announced in the 2004 Budget. This will complement current Jobcentre Plus New Deal programmes and will include a skills-coaching service to ensure that adults with low skills can access the skills advice and support they require to improve their chances of sustained employment. It will also introduce 'skills passports' to provide individuals with a simple and portable way of recording the skills and competencies gained and to support the transfer of skills between jobs.

The London Framework for Regional Employment and Skills Action (FRESA) identified the priorities and objectives for the region and sets the structure and process through which the London Skills Commission will take it forward. This is being done through the Regional Skills Partnership that the Commission is developing.

London Development Agency

The London Development Agency is involved in number of initiatives that will directly benefit older people. The London Development Agency is the lead Regional Development Agency on older people and it identifies and promotes good practice to other Regional Development Agencies.

As noted in the body of this report, the London Development Agency's main role in supporting people over 50 into employment is by influencing the Learning and Skills Council and Jobcentre Plus through its lead on the London Skills Partnership. This is supported by the provision of services where there is a clearly defined need which is not addressed by existing programmes and through the funding of pilot programmes.

The London Development Agency has also undertaken a number of research projects to improve policy makers understanding of the issues facing those over 50 seeking employment.

Through the European Social Fund, the London Development Agency as a co-financing organisation will target some of its investment into work with people over 50 in a pan-London project called Opportunities for Older People & Skilling 50+. The project will support people who are not in employment. Investment in the over-50 age group will be needed to develop their transferable skills to meet the future information and communication technologies needs of small and medium sized enterprises.

The London Development Agency project, Pathways to Work, uses a consortium of voluntary and community organisations working within an equalities context to provide job opportunities and employment with the public sector. One project offers targeted support to people over 50 to overcome particular barriers to employment and undertake childcare training.

The London Development Agency has produced an age proofing toolkit which sets out four key considerations that policy makers should consider when pursuing sustainable development.

Mayor

In addition to the draft Mayoral Strategy for Older People, The Mayor's four-year Diversity Works for London campaign aims to engage private, public and voluntary sectors in promoting equality by championing workforce and supplier diversity. One aspect of the programme will focus on challenging negative perceptions of employers about older people and ensuring proportionate representation in the workforce.

Voluntary Sector

Age Concern, as well as other charity and community groups including the Citizens Advice Bureau, is working to support older people gain access to the labour market. This is normally in partnership with the public sector as noted in some of the policies above.

Annex C: About the investigation

The Committee's terms of reference, approved on 30 November 2004, for this investigation were as follows:

- Examine the labour market position of people aged over 50 across London.
- Uncover the barriers that exist for the over 50s to access the labour market.
- Reveal the extent of services and programmes already in existence to help people over 50 into work and the level of take up of these programmes.
- Highlight ways in which access problems need to be resolved and make recommendations to improve the quality of employment opportunities for the over 50s.

As part of the consultation process we sought views from a range of organisations and individuals. Comments were also sought through the London Assembly website. A list of those organisations that provided written views and information is included in Annex D.

The Committee held a meeting with stakeholders on 1 February 2005. A list of those who attended the meeting is included in Annex E.

The Committee also undertook a site visit to Enfield to learn of the Age Concern Enfield and Prospects joint advice project aimed at helping older people into employment. Members met with the organisers of the programme and heard directly from its clients.

The Committee would like to express its appreciation to all those organizations and individuals that contributed to this inquiry.

Annex D: List of those who provided written views and information

Written evidence was received from the following organisations:

- Age Concern London
- ASDA
- B&Q
- Better Government for Older People
- Centre for Policy on Ageing, London
- Greater London Forum for Older People
- Learning and Skills Councils, London
- Link–Age
- London Development Agency
- Social Exclusion Unit, Office of the Deputy Prime Minister
- The Department for Work and Pensions
- The Prime Initiative
- Third Age Employment Network

Annex E: List of witnesses at evidentiary hearings

The following people attended the meeting on 1 February 2005 into access to the labour market for people over 50 and were questioned by members of the Committee.

Lynn Strother	Director, Greater London Forum for Older People.
Gordon Deuchars	Director, Age Concern London.
Marc Stephens	Executive Director, Business and Skills, London Development Agency.
Tania Fletcher	Head of Childcare, Employability & Pathways to Jobs, London Development Agency.
Elaine Smith	Skills and Employment Manager – Equalities, London Development Agency.

For minutes and a full transcript of the hearing, please go to:

http://www.london.gov.uk/assembly/past_ctees/econ_plan/2005/econ1feb/minutes/econ01febmins.rtf

http://www.london.gov.uk/assembly/past_ctees/econ_plan/2005/econ1feb/minutes/econ01febtrans.rtf

Annex F: The Economic Development, Culture, Sport and Tourism Committee

The membership of the Committee²⁵, agreed by the Assembly on 11 May 2005, was:

Dee Doocey (Chair)	Liberal Democrat
Bob Blackman (Deputy Chair)	Conservative
Tony Arbour	Conservative
Angie Bray	Conservative
Nicky Gavron	Labour
Sally Hamwee	Liberal Democrat
Peter Hulme Cross	One London
Joanne McCartney	Labour

Terms of reference

1. To examine and report from time to time on:
 - Matters of importance to Greater London as they relate to economic development/wealth creation, social development, culture, sport and tourism and spatial development in London, and
 - The strategies, policies and actions of the Mayor, the London Development Agency, and the other Functional Bodies where appropriate.
2. To examine and report to the Assembly from time to time on the Mayor's Economic Development Strategy, Culture Strategy and Spatial Development Strategy, particularly their implementation and revision.
3. When invited by the Mayor, to contribute to his consideration of major planning applications.
4. To monitor the Mayor's exercise of his statutory powers in regard to major planning applications referred by the local planning authorities, and to report to the assembly with any proposal for submission to the Mayor for improvement of the process.
5. To review UDPs submitted to the Mayor by the local planning authorities for consistency with his strategies overall, to prepare a response to the Mayor for consideration by the Assembly, and to monitor the Mayor's decisions with regard to UDPs.
6. To take into account in its deliberations the cross cutting themes of: the health of persons in Greater London; the achievement of sustainable development in the United Kingdom; and the promotion of opportunity.
7. To respond on behalf of the Assembly to consultations and similar processes within its terms of reference.

²⁵ Please note that the original scrutiny hearing on access to the labour market for people over 50 was undertaken by the Economic Development and Planning Committee. This Committee preceded the Economic Development, Culture, Sport and Tourism Committee.

The membership and terms of reference of the Economic Development and Planning Committee are available on http://www.london.gov.uk/assembly/past_ctees/econ_plan/membertermsreference.jsp

Assembly Secretariat Contacts

Simon Taylor, Scrutiny Manager

020 7983 6541 simon.taylor@london.gov.uk

Belinda Simpson, Committee Administrator

020 7983 4420 Belinda.Simpson@london.gov.uk

Denise Malcolm, Media Officer

020 7983 4090 denise.malcolm@london.gov.uk

Annex G: Orders and translations

How to Order

For further information on this report or to order a copy, please contact Janet Hughes, Senior Scrutiny Manager, on 0207 983 4423 or email at janet.hughes@london.gov.uk

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<http://www.london.gov.uk/assembly/reports>

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ਜੇ ਤੁਸੀਂ ਜਾਂ ਕੋਈ ਤੁਹਾਡਾ ਜਾਣ-ਪਛਾਣ ਵਾਲਾ ਇਸ ਰਿਪੋਰਟ ਦਾ ਅਗਜ਼ੈਕਟਿਵ ਸੁਮਾਰੀ ਅਤੇ ਸੁਝਾਵਾਂ ਦੀ ਨਕਲ ਵੱਡੇ ਅੱਖਰਾਂ ਵਿਚ, ਬ੍ਰੇਅਲ ਵਿਚ ਜਾਂ ਆਪਣੀ ਭਾਸ਼ਾ ਵਿਚ ਮੁਫਤ ਪ੍ਰਾਪਤ ਕਰਨਾ ਚਾਹੁੰਦਾ ਹੈ ਤਾਂ ਕਿ੍ਪਾ ਕਰਕੇ ਸਾਡੇ ਨਾਲ 020 7983 4100 ਤੇ ਟੈਲੀਫੋਨ ਰਾਹੀਂ ਸੰਪਰਕ ਕਰੋ ਜਾਂ assembly.translations@london.gov.uk ਤੇ ਸਾਡੀ ਈ-ਮੇਲ ਕਰੋ।

Si usted, o algún conocido, quiere recibir copia del resumen ejecutivo y las recomendaciones relativos a este informe en forma de Braille, en su propia idioma, y gratis, no duden en ponerse en contacto con nosotros marcando 020 7983 4100 o por correo electrónico:
assembly.translations@london.gov.uk

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Haddii adiga, ama qof aad taqaanid, uu doonaayo inuu ku helo koobi ah warbixinta oo kooban iyo talooyinka far waaweyn ama farta qofka indhaha la' loogu talagalay, ama luuqadooda, oo bilaash u ah, fadlan nagala soo xiriir telefoonkan 020 7983 4100 ama email-ka cinwaanku yahay assembly.translations@london.gov.uk

Annex H: Principles of London assembly scrutiny

The powers of the London Assembly include power to investigate and report on decisions and actions of the Mayor, or on matters relating to the principal purposes of the Greater London Authority, and on any other matters which the Assembly considers to be of importance to Londoners. In the conduct of scrutiny and investigation the Assembly abides by a number of principles.

Scrutiny inquiries:

- Aim to recommend action to achieve improvements.
- Are conducted with objectivity and independence.
- Examine all aspects of the Mayor's strategies.
- Consult widely, having regard to issues of timeliness and cost.
- Are conducted in a constructive and positive manner.
- Are conducted with an awareness of the need to spend taxpayers money wisely and well.

More information about scrutiny work of the London Assembly, including published reports, details of committee meetings and contact information, can be found on the London Assembly web page at www.london.gov.uk/assembly.

Greater London Authority

City Hall

The Queen's Walk

More London

London SE1 2AA

www.london.gov.uk

Enquiries **020 7983 4100**

Minicom **020 7983 4458**