

MDA No.: 1501

Title: Economy Committee – Older Londoners: Financial Security and Employment Opportunities

1. Executive Summary

1.1 At the Economy Committee meeting on 15 March 2023 the Committee resolved that:

That authority be delegated to the Chair, in consultation with party Group Lead Members, to any output arising from the discussion.

1.2 Following consultation with party Group Lead Members, the Chair agreed the Committee's letter to the Mayor of London on Older Londoners: Financial Security and Employment Opportunities, as attached at **Appendix 1**.

2. Decision

2.1 **That the Chair, in consultation with party Group Lead Members, agrees the Committee's letter to the Mayor of London on Older Londoners: Financial Security and Employment Opportunities, as attached at Appendix 1.**

Assembly Member

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Printed Name:

Hina Bokhari, Chair of the Economy Committee

Date:

28 April 2023

3. Decision by an Assembly Member under Delegated Authority

Background and proposed next steps:

- 3.1 The terms of reference for this investigation were agreed by the Chair, in consultation with relevant party Lead Group Members and Deputy Chairs, on date 8 February 2023 under the standing authority granted to Chairs of Committees and Sub-Committees. Officers confirm that the letter and its recommendations fall within these terms of reference.
- 3.2 The exercise of delegated authority approving the letter to the Mayor of London on Older Londoners: Financial Security and Employment Opportunities and will be formally noted at the Economy Committee's next appropriate meeting.

Confirmation that appropriate delegated authority exists for this decision:

Signature (Committee Services): Jack Booth

Printed Name: Jack Booth

Date: 25 April 2023


Financial Implications: NOT REQUIRED

Note: Finance comments and signature are required only where there are financial implications arising or the potential for financial implications.

Signature (Finance): Not Required

Legal Implications:

The Chair of the Economy Committee has the power to make the decision set out in this report.

Signature (Legal): 

Printed Name: Rory McKenna, Monitoring Officer

Date: 28 April 2023

Email: rory.mckenna@london.gov.uk

Supporting Detail / List of Consultees:

- Marina Ahmed AM, Deputy Chair;
- Neil Garratt AM; and
- Zack Polanski AM.

4. Public Access to Information

- 4.1 Information in this form (Part 1) is subject to the FoIA, or the EIR and will be made available on the GLA Website, usually within one working day of approval.
- 4.2 If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.
- 4.3 **Note:** this form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

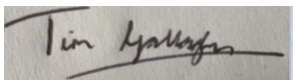
Part 2 – Sensitive Information:

Only the facts or advice that would be exempt from disclosure under FoIA or EIR should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form? NO

Lead Officer / Author

Signature:



Printed Name: Tim Gallagher

Job Title: Senior Policy Adviser

Date: 26 April 2023

Countersigned by Executive Director:

Signature:



Printed Name: Helen Ewen, Executive Director of Secretariat

Date: 28 April 2023



Hina Bokhari AM
Chair of the Economy Committee

Sadiq Khan
Mayor of London
(Sent by email)

CC: Jules Pipe, Deputy Mayor Planning, Regeneration and Skills and Debbie Weekes-Bernard, Deputy Mayor for Communities and Social Justice.

28 April 2023

Dear Sadiq,

Financial Security and Employment Opportunities for Older Londoners

I am writing to you in my position as Chair of the London Assembly Economy Committee regarding the Committee's investigation into financial security and employment opportunities for older Londoners.¹ This follows a meeting held by the Committee on Wednesday 15 March 2023, which was attended by the following guests:

- **Sonia Khan**, Head of Policy and Strategic Delivery, Chief Executive's Directorate, London Borough of Hackney
- **Luke Price**, Senior Research and Policy Manager, Work, Centre for Ageing Better
- **Tim Whitaker**, Trustee, Wise Age
- **Abigail Wood**, Chief Executive Officer, Age UK London
- **Theo Blackwell MBE**, Chief Digital Officer, GLA.

¹ For the purposes of this investigation, older Londoners will be defined as people over the age of 50. This is the definition used by key stakeholders working in this area such as Age UK London. It has also been chosen to provide comparability with other research and to make best use of the available data.

Our investigation aimed to understand the challenges and opportunities related to the financial security and employment of older Londoners. We also scrutinised the actions you have taken to support this age group and discussed additional action that you and the Government could take to improve their financial security and increase employment rates.

The Committee heard that the return of more older people to the workforce has the potential to address labour market shortages, contribute towards the financial stability of older Londoners and support London's economy. Findings from the ONS Over 50s Lifestyle Study show that over half (53 per cent) of Londoners aged 50 to 65 years who do not currently have a paid job would consider returning to work in the future, which is the highest proportion for any UK region or country.²

Research from Age UK London suggests that poverty levels amongst older Londoners are the highest in England, with 25 per cent of older Londoners living in poverty, compared to 18 per cent in the rest of England.³ This is despite the fact that, as Tim Whitaker told the Committee, London has the highest rate of over 65s in work in the country. Abigail Wood told the Committee that, from about the year 2000, there was a reduction in poverty rates for Londoners over the age of 50 due to 'rising levels of home ownership, higher incomes from private pensions and earnings' and 'an increase in state support'. She stated that poverty levels 'fell to 19 per cent by 2011/12, and then we have seen a steady increase ever since'. However, it should be noted that pensioner poverty has fallen substantially: the poverty rate nationally was 14 per cent for male pensioners and 15 per cent for female pensioners in 2020-21, compared to 25 per cent for male pensioners and 31 per cent for female pensioners in 1994-95.⁴

Abigail Wood told the Committee that 'Londoners on low pay and living in poverty during their working life are of course more likely to become Londoners living in poverty post-retirement'. The Committee also heard that older Londoners face persistent challenges which impact their levels of financial security and access to employment. These barriers include health issues, a perceived lack of employer support, digital exclusion and ageism in the workplace.

Supporting older Londoners in the workplace

The Committee heard that ageism remains a significant barrier for older Londoners who would like to re-join or remain in the workforce. Although age discrimination in the workplace has been illegal in the UK since 2006⁵, guests highlighted that ageism results from both employer discrimination and internalised insecurity, which acts as a barrier to employment. Tim Whitaker noted that due to the prevalence of age discrimination, 'there is a lot of internalised ageism around, so you do not feel you are equipped to apply for jobs'. According to the 2018 report from the House of Commons Women and Equalities Committee on 'Older People and Employment', ageism affects the ability of people to continue working into later life.⁶

Guests also argued that older people have specific needs in the workplace, for example in relation to health conditions, caring responsibilities and skillsets, and suggested ways that employers can better support this group. Luke Price highlighted research from the Trades Union Congress, which shows that economically inactive older black and minority ethnic women are four times more likely than economically inactive older

² London Datastore, [Economic inactivity trends in London: Are Londoners aged 50 and over leaving the London labour market? An update – London Datastore](#), 24 November 2022

³ Age UK London, [Poverty rates amongst older Londoners have increased](#), 14 October 2022

⁴ Joesph Rountree Foundation, [UK Poverty Statistics](#)

⁵ CIPD, [Age and Employment](#)

⁶ House of Commons, Women and Equalities Committee, [Older People and Employment](#), Fourth Report, 4 July 2018

white men to be unable to work because of caring responsibilities.⁷ Findings from the ONS Over 50s Lifestyle Study suggest that ‘most Londoners aged 50 to 65 years who would consider returning to paid work were looking for a job that: was in the right location (71 per cent), suits their skills and experience (71 per cent), pays enough (57 per cent), and offers flexible working (57 per cent). More than a third of this group would like a job that offers working from home, while a fifth were looking for a job that fits around caring responsibilities’.⁸ The importance of job location and health intersects with the particular difficulties older Londoners face travelling around London, such as access to decent public toilets. Guests argued that this issue cuts across income levels, with Age UK reporting that 9 in 10 Londoners consider toilet provision before making a journey to a particular place.⁹

The Committee heard how the GLA could champion the creation of age-friendly workplaces in London and highlight the benefits of older workers to the capital’s economy. Luke Price noted that ‘creating an age-friendly culture’ and ‘making sure that people of all ages feel included in the workplace’ could help improve older Londoners’ employment rates. He informed the Committee about benefits of the ‘Age-friendly Employer Pledge’, a nationwide programme for employers who recognise the importance and value of older workers.¹⁰ So far, 125 organisations including government departments, local authorities and businesses have signed the pledge to become an age-friendly employer since its launch in November 2022.¹¹ Guests also informed the Committee of the importance of age-reporting for employees, in order to understand employment trends for older workers. Wise Age’s written submission to the Committee stressed the importance of ‘organisations publishing their employment data on over 50s in their workplace’.¹²

Guests highlighted initiatives in other parts of the UK to support older workers. Written evidence received from Wise Wage argued that ‘the GLA should develop an Employers Toolkit for older workers similar to what Manchester and Wales have produced’.¹³ Greater Manchester Combined Authority’s Age Friendly Toolkit is designed to help and inform employers on the positive impact of an age-friendly workplace. The toolkit ‘includes information on flexible working, how to hire age-positively as well as advice on how to encourage career development at all ages, and is based the five principles established by the Centre for Ageing Better in their guide to ‘Becoming an Age-Friendly Employer’.¹⁴

Recommendation 1: *The Mayor should promote the GLA as an age-friendly employer and sign the Age-friendly Employer Pledge. He should also encourage other employers in London, including the rest of the GLA Group and local authorities, to sign up to the pledge.*

Recommendation 2: *The Mayor should lobby the Department for Work and Pensions and Jobcentre Plus to provide more personalised careers advice and support to over 50s seeking employment. This support should be tailored to the specific needs of the individual, for example in relation to health, caring responsibilities and reskilling for those who are looking to change careers.*

Recommendation 3: *The Mayor should develop an Employers Toolkit for older Londoners in the city to help employers become age-friendly, based on similar examples in other parts of the UK.*

⁷ Trades Union Congress, [Creating a healthy labour market](#)

⁸ London Datastore, [Economic inactivity trends in London: Are Londoners aged 50 and over leaving the London labour market? An update – London Datastore](#), 24 November 2022

⁹ Age UK London, [London Loos](#), September 2022

¹⁰ Centre For Ageing Better, [Age-friendly Employer Pledge](#)

¹¹ Centre For Ageing Better, [Signed employers: Age-friendly Employer Pledge](#)

¹² Written evidence received by Wise Age

¹³ Written evidence received by Wise Age

¹⁴ Greater Manchester Combined Authority, [Greater Manchester launches toolkit helping employers create an age-friendly workplace – Greater Manchester Combined Authority](#), March 2023

Recommendation 4: The Mayor should encourage employers in London to adopt age friendly practices to support older workers in the capital.

Recommendation 5: The Mayor, working with local authorities and businesses, should ensure that decent public toilet provision is in place across the city to allow older Londoners to travel and work with confidence.

Addressing digital exclusion for older Londoners

According to Age UK London, digital inclusion is essential to addressing social isolation and reducing barriers to work for older people.¹⁵ It is also important for the financial security of older Londoners, for example by enabling people to make savings through price comparison websites or access certain types of benefits that can only be applied for online. The 2022 report 'Digital Inclusion in London', produced by London Office of Technology and Innovation (LOTI) and the GLA, states that older people account for 27 per cent of the beneficiaries of initiatives to address digital inclusion.¹⁶ The Committee welcomes your support for LOTI to deliver the Digital Inclusion Innovation Programme (DIIP), which aims to develop a 'minimum access package' for Londoners through a series of programmes run by LOTI alongside boroughs and other partners. Theo Blackwell MBE informed the Committee that the 'Get Online London' service, which aims to provide 'free devices, data and digital skills to any Londoner, including older Londoners' is now live. He also explained that 'there is now a network of around 350 or 500 neighbourhood hubs that are part of the Good Things Foundation network that offer a combined digital inclusion service to Londoners.' The Committee also notes that your Digital Access for All recovery mission specifically mentions older Londoners as a priority group, stating that 'the main reason people lack digital access is older age'.¹⁷

Recommendation 6: The Mayor should set targets for the number of older Londoners that will benefit each year from his digital inclusion initiatives. He should report back to the Committee on progress and the impact of this work.

Uptake of Pension Credit

The Committee heard that, despite rising cost of living pressures, uptake of Pension Credit remains relatively low in London. The GLA estimates that £246.5m of Pension Credit is unclaimed in London each year, suggesting that thousands of eligible households are missing out on up to £3,300.¹⁸ Abigail Wood told the Committee that 'for older people on the lowest incomes, uptake [of Pension Credit] is particularly low in London. It stands at about 80 per cent'. Similarly, Sonia Khan highlighted that in Hackney, there was 'a large amount of unclaimed Pension Credit'. Guests reported that older Londoners would benefit from greater awareness about Pension Credit. Abigail Wood argued that 'if we could get the uptake of that benefit to a higher level, 90 per cent to 95 per cent, perhaps even beyond that, that would make a really good difference'.

The Committee notes and welcomes your campaign in partnership with welfare and data analytics company Policy in Practice, that aims to send letters to 8,500 eligible older Londoners in 18 London boroughs about the Pension Credit they are entitled to but not claiming.¹⁹ Policy in Practice estimates that 'between 33 per

¹⁵ Age UK London, [Mind the digital gap: older Londoners and internet use during the pandemic](#), July 2021

¹⁶ Mayor of London and LOTI, [Digital Inclusion Report](#), 2022

¹⁷ GLA, [Digital Access for all](#), February 2023

¹⁸ GLA, [Mayor urges older Londoners to ensure they are not missing out on Pension Credit | London City Hall](#), 1 February 2023

¹⁹ Policy in Practice, [How to give 8,500 Londoners up to £3,700 of unclaimed Pension Credit - Policy in Practice](#), 30 March 2023

cent and 45 percent' of the households contacted in the campaign 'will go on to take up Pension Credit in the first six months'.²⁰

Recommendation 7: *The Mayor should report back to the Committee on the impact of his campaign to boost the uptake of Pension Credit amongst older Londoners. He should inform the Committee of his plans to scale up this campaign and identify other proactive ways to improve the uptake of Pension Credit in London. He should also lobby the Government to do more to raise awareness of Pension Credit in London, and to explore options for simplifying the application process.*

Data on older Londoners

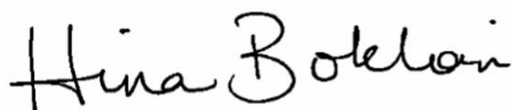
The Committee heard that there is a paucity of data on the challenges faced by older Londoners in relation to their employment and financial security. In response to a question about why more older Londoners live in poverty than older people in the rest of the country, Abigail Wood said that there is likely to be 'more complicated and more nuanced reasons' for this trend but this was 'one area where we could really do with more data and more insight'. Tim Whitaker noted that 'there is need for a better understanding of the needs and circumstances of London's older workers, particularly the barriers to employment with London-based evidence and data'.²¹ Abigail Wood noted that much of the data on the financial security of older people relates to the period up until 2021, and therefore does not reflect recent increases in the cost of living.

Guests also stressed that older people should not be viewed as one homogenous group, as people in different age groups over the age of 50 have very different needs and therefore require different types of support. It is important that data collected on older Londoners reflects this.

Recommendation 8: *The Mayor should explore options to carry out research and collect the views of older Londoners on their levels of financial security and access to employment. This could be carried out as part of the GLA's regular polling of Londoners.*

The Committee would welcome a response to this letter by 16 June 2023. Please send your response by email to the Committee's clerk, Jack Booth (jack.booth@london.gov.uk).

Yours sincerely,



Hina Bokhari AM

Chair of the Economy Committee

²⁰ Policy in Practice, [How to give 8,500 Londoners up to £3,700 of unclaimed Pension Credit - Policy in Practice](#), 30 March 2023

²¹ Written submission by Tim Whitaker, Wise Age