

[National Assembly for Wales](#)

[Enterprise and Business Committee](#)

[Employment opportunities for people over 50](#)

Evidence from Working Links – EOP 13



## **National Assembly for Wales's Enterprise and Business Committee Inquiry**

**December 2014 – Employment Opportunities for Older People**

### **Response from Working Links**

1. Working Links Wales is the largest single provider of employment related services in Wales and one of two prime providers of Work Programme in Wales. Working Links is a UK wide public-private-voluntary company with shareholders who endorse our social purpose and are interested in how Working Links can create long term value, investing in the quality of services and the communities where we operate.
2. Working Links has a strong track record in Wales, working with unemployed people since 2000. Ahead of the award of the Work Programme (WP) contract, Working Links invested £2 million into research and development based in part on 450,000 legacy customer records. Since 2000 we have helped nearly a quarter of a million people into work, 30,000 of who are from Wales. Since going live with the Work Programme contract in June 2011, we have expanded our base to meet the increased demand and we now have 15 Working Links offices across Wales as well as 20 partner premises that directly deliver Work Programme on our behalf such as Pembrokeshire College, Newport City Council, Torfaen Training, Remploy and Agoriad Cyf.
3. Other employment and training schemes we run in Wales are Work Choice (Disabled benefit claimants), Community Work Placements (claimants post Work Programme) and a Flexible Support Fund (FSF) Contract in South East Wales for claimants from day one of their benefit claim. We will also commenced delivery of an FSF programme in Swansea in January 2015 focussed on post WP support.
4. In October 2014, Working Links was also confirmed as the preferred bidders to run Transforming Rehabilitation in three locations: Wales; Bristol, Gloucestershire, Somerset and Wiltshire; and Dorset, Devon and Cornwall. This has propelled Working Links to becoming the largest Social Justice organisation in Wales and we anticipate working with 10,000 ex-offenders annually.

## **The barriers that face older people trying to re-enter the labour market**

5. **Health issues** often accompany us as we get older, sometimes connected to a disability, but often just due to ageing. This means that certain kinds of work are ruled-out, perhaps the work has been part of a long work history, or simply that we just have less stamina to work full-time. Older people may fail to see the **transferable skills** that they possess, either because they have done the same job for many years or because they have not had paid work for a long time. Through a coaching relationship with their Working Links Mentor or Consultant, where the Coach enables them to recognise their excellent skills gained in a particular industry or through life experiences or even in the hobby or activity that they enjoy as part of their leisure time, the older person is able to re-write their cv and consider industries and jobs that they had not previously, often with success.
6. **Benefit Changes** are a barrier. Until recently, there was a 50+ element to Working Tax Credit. This allowed a person of fifty years or over to take 16 hours' work and to access a wage top-up. This was an attractive prospect for those with health concerns or familial responsibilities. About 2 years ago, this changed to a 60+ element so has proved a disincentive to those aged 50-60. The "bedroom tax" affects many older people as they occupy properties that once housed their entire family. This is an incentive to some to gain employment. However, for some they perceive themselves as being in 'a benefit trap'. Once their rent and council tax are paid they have limited disposable income and when combined with other factors, the prospect of going to work for an additional £10-£20 per week can be unattractive.
7. **Changes to Wages** act as a disincentive to older people. Many of our 50+ customers have had long periods in a skilled trade or semi-skilled job where they have commanded wages upwards of £8-£9 per hour, awarded due to their loyalty or their industry-relevant skills and experience. In the current economic climate, and also due to the fact that many jobs are paid the national minimum wage, the available jobs are now paid at a much lower rate and so seem much less attractive to older people.
8. A current Working Links employee, aged over 50 reported: "A realisation sets in that the redundancy money will not last long and that you still have a mortgage, and a family to support...you are also aware that the market has changed and your skills levels are not necessarily up to date.....a certain amount of panic sets in and confidence drops." One of our customers, who had previously held a high-level position in ACAS and had been made redundant, reported feeling as though she was "on the scrap-heap".

## **The extent of age-discrimination and its impact on the recruitment of older people**

9. It is not easy to determine how much age-discrimination is real and how much is perceived. Our older jobseekers have reported that, following redundancy, they experience a loss of confidence and a feeling that no-one will want to employ them. In a highly-competitive market, a job-seeker will inevitably undergo many rejections and perceived failures in the job-seeking process. These experiences then compound the initial feelings of inadequacy.
10. There is a perception that younger people are more attractive to employers, perhaps because their wage expectation is lower or simply that their expectations of an

employer are lower. Adverts that declare that the company is “young and dynamic” send a strong signal to older jobseekers that they will not fit the company profile and there is nervousness amongst older jobseekers around formal qualifications, particularly IT-related qualifications. This is reinforced by research conducted by Spring Personnel and Elizabeth Hunt who found that 63% of UK companies had no plan to actively recruit the over 50 age group and 80% of people working in the IT industry are under 45. Older jobseekers believe that young people, having recently completed education and training, are au fait with technology and all the latest IT packages, have relevant and up-to-date skills and that employers want such certainty. Many older jobseekers therefore tend to believe that employers, in the main, do not value life experience and do not believe that older people are willing or able to learn technological skills.

11. One of our customers, aged 52, reported: “When people say that it’s really hard to get back to work, they’re not lying. I applied for lots of jobs but had little response. I even applied to one company that had 50 jobs going, but so did 60,000 other people and I didn’t get an interview despite getting 92% on the entrance exam.” And one of our employees, over 50: “I probably applied for 60 jobs and had responses from a mere handful. I realised that I was completely out of touch with how to apply for jobs and had little knowledge of how to prepare an up to date cv.”

#### **Disadvantages to older people re-entering the labour market**

12. Many older jobseekers have informal caring responsibilities. They may have already raised their own children, who are now working, and take responsibility for their grandchildren’s after-school childcare to enable their own children to continue with full-time employment. Also, those with elderly parents “become the parent” and take on informal caring responsibilities for their parents and perhaps need to be geographically close to them.
13. The 1990 Community Care Act requires that patients in need of community care not be required until that care is available at home and the reality is that the bulk of that support is supplied by informal carers. The 2001 Census found that there were 5.2 million unpaid carers, which equates to 10% of the population of England and Wales, working between 19 and 50 hours per week. Whilst this reduces the cost of social care for the State, it has also been recognised that it is difficult to combine the demands of paid employment with caring responsibilities (Crinson, 2007).
14. Other older jobseekers gain a sense of social inclusion and worth from volunteering for charities. This unpaid work has a substantial value for society which would otherwise be lost. This could also include mentoring younger jobseekers about the benefits of work.

#### **The effectiveness of the Welsh Government’s Strategy for Older People in Wales 2013-23 in assisting older people into work**

15. Whilst the Older People in Wales Strategy does highlight Financial Outcomes and makes reference to supporting Employment and Skills needs, the emerging policy and initiatives seem to place more focus on advice for energy efficiency, debt and benefit as well as Social Services and Health Reform. Whilst these are important

priorities and need to be addressed, more focus is required on specific employment and skills provision for Older People who want to work.

16. We are aware of the key successes of Welsh Government Employment Programmes such as Jobs Growth Wales and Apprenticeships, however, whilst being hugely successful, such schemes are directed at the younger age group which further disadvantages the older age group who are seeking employment.
17. We are aware of various schemes in Wales that are specifically for Older People such as Job Centre Plus South East Wales 50plus employability Contract and The Westminster Government's initiative, New Deal 50+, which was a voluntary programme for those who had been unemployed for 6 months or more; An evaluation of the New Deal 50+ pilot in 2001 suggested that the most important feature of the programme was the Employment Credit, which is now only available to customers aged 60+ years.

### **The support that is most effective for older people trying to re-enter the labour market**

18. Through our employment support work with older people it is apparent that they need intensive interventions that take time. A jobseeker told us: "I believe that it is difficult to adapt to change as you get older and that is not always appreciated by those trying to help. A little more patience and understanding is required because it is a very frightening time." Our Consultants also report that traumatic life-events can impact on older people's confidence and ability to adapt as they are coping with bereavement as well as other traumatic life events.
19. Both jobseekers and consultants report that intensive tuition in using a computer, job-searching, writing covering letters and CV's and applying on-line bring a dual benefit of building confidence, that they have successfully mastered new skills, and improving their employability.
20. The job-searching process can be problematic due to the more formal nature of recruitment, the use of technology and the competitiveness of the market and help is required to navigate the process. The same can be said for the interview process and coaching and practice is required with competency-based or evidence-based interview questions, particularly on issues such as why they haven't worked in a long time or why they left their last job.
21. Since Work Programme began in 2011, Working Links, has engaged with 5276 customers aged 50 or over across Wales, which represents about 11% of our total customer base. Of those, we have helped 693, or 13% into work. That compares to a general job entry rate of over 35% across customers of all ages.
22. Of the 693 who started work, 218 people remained in work for 3 months or more. So, whereas close to a third (31%) of those over 50s that started work stayed there, only 21% of the general Work Programme customers did the same. We might conclude that, although it is more of a challenge to support our over-50yrs customers into work, when we get it right, they are more likely to sustain employment.

## **Further reflections on European funding streams in Wales**

23. Working Links are working with Welsh Government as a key member of the Joint Employment Delivery Board to ensure better alignment of Work Programme with Welsh Government employment and skills initiatives. The current position is that whilst people eligible for Work Programme can access skills training once they are in employment, they are not eligible for ESF funded employment and skills support pre-employment. This is because Welsh Government has in the past had concerns about possible overlap or duplication in funding coming into the system from different Governments and has therefore taken steps to exclude European funding streams from being accessible to Work Programme participants.
24. At the end of April the then Deputy Minister for Skills in the Welsh Government, Ken Skates, made an important and welcome statement to the National Assembly on arrangement to better align employment and skills services to support jobseekers in Wales. In doing so he addressed the core split of responsibilities, looking to ensure that Welsh Government “join up our devolved responsibilities with those that remain at a national Government level.” This statement was important because it set out that the Welsh Government and Department for Work and Pensions are now working together to examine a way forward on this issue. They are therefore both looking to simplify access to respective employment and skills programmes and make them work together better.
25. We believe that the recently announced new round of European Structural Funds presents an excellent opportunity for services to be better aligned to support value added activity to the core Work Programme provision, thereby offering more opportunities assist older people into work.