

# Employment support for unemployed older people

**Sarah Foster, Jane Colechin, Paul Bivand and Rowan Foster**

**June 2014**



# Foreword

Long-term unemployment, usually defined as being out of work for over a year, is one of the most serious challenges facing the over 50s in the contemporary UK labour market. While some older workers remain in stable employment until they choose to retire, many others find themselves out of work and have a much more torrid journey through the later part of their working life.

For those out of work it can be extremely difficult to get another job. The over 50s typically have longer spells of unemployment than any other age group, and some will never work again, effectively becoming locked out of the labour market.

This can be for a variety of reasons; for example ageism among employers, outdated qualifications, and for some people a lack of IT skills or declining self-confidence. Nor is the Government's main employment support programme, the Work Programme, providing older jobseekers with sufficient employment opportunities.

That is why Age UK commissioned The Centre for Economic and Social Inclusion to carry out this research.

It confirms that while there are external factors involved, the design and structure of the Work Programme is at least in part responsible as well.

It also presents clear evidence that age itself is a barrier to returning to work – simply being aged 50 or older does make it more difficult to find work, notwithstanding health or other factors.

Addressing this is important for several reasons. Equality and fairness, tackling the social and personal consequences of unemployment, and the (well proven) business and economic cases for fully utilising older workers, together provide a compelling rationale for providing specific support for older jobseekers.

And as the UK's population ages, and the state retirement age rises, these issues will become increasingly important.

The good news, however, is that there is scope for positive change. This research suggests that the Work Programme, and other welfare-to-work interventions, can – and should – be designed to alleviate labour market inequalities, including helping older jobseekers move back to work.

So we urge all policymakers and providers to give careful consideration to the options for reform outlined in this report, and to work to ensure that no-one in the welfare-to-work system is disadvantaged simply because of their age.

Caroline Abrahams

Charity Director, Age UK

# Contents

|   |           |
|---|-----------|
| <b>Executive summary</b> .....  | <b>5</b>  |
| Prioritising older jobseekers within employment support.....                        | 6         |
| Improving the effectiveness of support delivered to older jobseekers .....          | 6         |
| Stimulating employer demand for older workers .....                                 | 7         |
| <b>1 Introduction</b> .....   | <b>8</b>  |
| Aims and objectives.....  | 8         |
| Methodology .....   | 9         |
| Quantitative Analysis.....  | 9         |
| Qualitative Analysis .....  | 9         |
| <b>2 What the data shows</b> .....  | <b>11</b> |
| JSA Claimant flows .....  | 11        |
| Leaving JSA to work.....  | 18        |
| Work Programme analysis.....  | 21        |
| Analysis of referrals.....  | 23        |
| Job Outcome rate analysis.....  | 24        |
| How does this compare with previous programmes? .....                               | 25        |
| Work Programme job outcome rates in detail .....                                    | 27        |
| Work Programme completions .....  | 36        |
| Chapter conclusion .....  | 39        |
| <b>3 Barriers to work and support profiles of older jobseekers</b> .....            | <b>40</b> |
| Mapping the profiles of long-term unemployed older jobseekers.....                  | 40        |
| High labour market engagement: high-skilled trade/professionals.....                | 41        |
| High labour market engagement: varied career profiles/lower skill occupations ..... | 42        |
| Low labour market engagement: very long-term unemployed.....                        | 44        |
| Low labour market engagement: history of economic inactivity.....                   | 45        |
| Retirement prospects.....   | 46        |
| Retirement prospects of those with high labour market engagement.....               | 46        |
| Retirement prospects for those with low labour market engagement.....               | 47        |
| Re-engagement profiles; the factors influencing older jobseekers return to work     | 47        |
| Cross-cutting external challenges affecting older jobseekers .....                  | 51        |
| The economic context .....  | 51        |

|   |           |
|---|-----------|
| Age discrimination .....  | 52        |
| Recent Welfare Reforms.....   | 54        |
| Internal factors affecting older workers potential to re-engage in the labour market..... | 54        |
| IT skills .....   | 54        |
| Levels of resilience, confidence and motivation .....                                     | 55        |
| Chapter conclusion .....  | 56        |
| <b>4 Employment support for older jobseekers.....</b>                                     | <b>58</b> |
| Assessing support needs.....  | 58        |
| How barriers and support needs were identified by providers .....                         | 58        |
| Employment support .....  | 59        |
| Employment support delivered to older jobseekers .....                                    | 59        |
| Jobseeker views of provision .....  | 61        |
| Employer engagement.....  | 65        |
| Provision of support to counter ageism .....  | 66        |
| Suggestions for improvement.....  | 67        |
| Employer incentives .....   | 68        |
| Job brokerage.....  | 69        |
| Age-specific support.....   | 69        |
| Increasing skills .....   | 70        |
| Provider incentives.....  | 70        |
| Chapter conclusion .....  | 71        |
| <b>5 Conclusions and recommendations .....</b>  | <b>73</b> |

# Executive summary

Older people who are out of work face significant barriers in the labour market and typically spend longer unemployed than people aged under 50. In order to help understand why, this research looked at the extent to which employment support meets the needs of older jobseekers. The research primarily focused on the Work Programme, the Government's main back-to-work programme for the long-term unemployed.

Chapter 2 of this report explores the data. This shows that the Work Programme moves less people aged 50 and above into sustained jobs than younger people. The proportion of people that are supported into sustained jobs by Work Programme providers generally declines with age, but drops steeply between the 45-49 age group and the 50-54 age group. The data does not suggest that the low performance is caused by higher incidence of disability or particular health conditions among older people, so age is in itself a barrier to work.

Chapter 3 of this report looks at the barriers to work and support needs of older jobseekers. It shows that older jobseekers are a diverse group, with varied skills, varied employment histories and no typical journey into long-term unemployment. As a result they have a diverse range of different support needs and require tailored provision. However, there are also some cross-cutting issues identified which affect many older jobseekers. Changes in health circumstances were common and could affect the type of work older jobseekers could consider. Ageism and the competitive nature of the job market both present overarching barriers to employment. Overall, older jobseekers often face amplified barriers as compared to other jobseekers and so often benefit from more intensive employment support.

Chapter 4 of this report examines the employment support delivered to older jobseekers. It shows that the Jobcentre Plus support available for older people during the first 12 months of unemployment may not be sufficient for some and that the Work Programme support available after 12 months is likewise not always tailored or intensive enough. Aspects of employment support that both provider staff and older jobseekers felt were most important included staff attitude and experience, flexible and tailored support, employer engagement and job brokerage, support to counter ageism, and access to training courses.

In light of the research findings, chapter 5 proposes a number of ways in which employment support for older jobseekers could be improved. These recommendations are grouped around three goals: prioritising older jobseekers

within employment support; improving the effectiveness of the support delivered; and stimulating employer demand for older workers.

## **Prioritising older jobseekers within employment support**

We recommend:

- DWP release Work Programme provider performance by age using its preferred performance measure, the 'cohort' measure, in order to help support ongoing and accurate analysis of the programme's performance for older participants.
- Improve the ability of Jobcentre Plus staff to meet the needs of older jobseekers through the testing of new and tailored provision for older jobseekers in some Jobcentres using the Flexible Support Fund and through the sharing of 'what works' lessons from these pilots.
- Consider early entry to the Work Programme for unemployed older people, if coupled with improvements to Work Programme support to properly prioritise and meet older jobseekers needs.
- Consider creation of a new Work Programme payment group specifically for older jobseekers in order to increase the financial incentive for providers to focus on this group, whilst recognising that this is not necessarily sufficient on its own. When developing the mainstream employment programme which will follow on from the Work Programme, improve the segmentation of the claimant population and place greater emphasis on need so that support can be better targeted.

## **Improving the effectiveness of support delivered to older jobseekers**

We recommend:

- Skills funding should be based on the needs of the individual, with funding for a second qualification at any particular level prioritised for those with the lowest levels of current work experience and skills, instead of the current arbitrary age criteria.
- Employment providers should be given resource to spend more time with disadvantaged jobseekers to help them identify appropriate jobs to apply for, and more time engaging with employers to draw in vacancies for these groups.
- All employment providers, but especially Jobcentre Plus, should invest early on in equipping jobseekers with the skills to effectively look for work online and to make speculative approaches to employers.

## Stimulating employer demand for older workers

In order to achieve this goal, we recommend the following:

- The current wage incentive that is available for employers of 18-24 year olds should be broadened out to cover the long-term unemployed in all age groups,
- All employment providers, from Jobcentre Plus to Work Programme providers to voluntary providers, should share good practice in tackling real and perceived age discrimination barriers, including through employer engagement, age positive case studies and the use of work trials.

| What  | How  | When             |
|---|--|------------------|
| Prioritise older jobseekers' needs within mainstream employment support | Release Work Programme provider performance by age using the 'cohort' measure                                      | Immediate action |
|   | Improve Jobcentre Plus capacity and capability to give personalised support  | Immediate action |
|   | Early entry to the Work Programme  | Immediate action |
|   | Dedicated Work Programme payment group (may or may not be associated with early entry)                             | Immediate action |
|   | Pilot different approaches for supporting older jobseekers and disseminate 'what works' findings                   | Future priority  |
|   | Work Programme redesign sees individuals classified on need rather than arbitrary categories.                      | Future priority  |
| Effective employment support for older jobseekers' needs                | Early investment in the skills required for effective modern job search  | Immediate action |
|   | Greater job brokerage for those who need it most – sourcing bespoke vacancies and supported applications           | Immediate action |
|   | Ensure that all those who need access to training or re-training are financially able to do so, regardless of age. | Future priority  |
| Stimulate employer demand for older workers                             | Revise youth wage incentive to cover all long-term unemployed  | Immediate action |
|   | Share good practice amongst providers in employer engagement, age positive case studies and use of work trials.    | Immediate action |

# 1 Introduction

1.1 Older people who are out of work face significant barriers in the labour market. They typically spend longer unemployed than their younger counterparts, are more likely to be long-term unemployed and are more likely to claim benefits for a health condition or disability<sup>1</sup>. Recent research, including that by AgeUK<sup>2</sup>, has focused on the typical barriers to work that older jobseekers might face, including direct and indirect age discrimination, skills gaps and the lack of flexible working opportunities. Less studied but equally important is an understanding of the extent to which employment support can help older jobseekers overcome their barriers to work.

## Aims and objectives

1.2 In order to build on what is already known and to develop an understanding of the extent to which employment support meets the needs of older jobseekers, the Centre for Economic and Social Inclusion (*Inclusion*) was commissioned by Age UK to conduct a mixed methods piece of research, designed to address the following key aims:

- Establish the nature and extent of the gap in outcomes for older people receiving employment support;
- Explore the reasons why older people may experience poorer quality or less effective support than their younger counterparts; and
- Identify ways in which support could be improved in the future – both within the constraints of current programmes and in the longer term.

1.3 The research presented in the following chapters primarily focuses on the extent of effectiveness of the Work Programme, the Government's main back-to-work programme for the long-term unemployed and the experiences of older jobseekers who are long-term unemployed (over a year of unemployment).

---

<sup>1</sup> Source: Labour Force Survey and NOMIS

<sup>2</sup> See for example Kilpatrick, A (2012) *How ready is Jobcentre Plus to help people in their 60s find work?*, DWP In-House Research No 11; and Brooks, C. (2012) *A means to many ends: Older people's experiences of flexible working*, AgeUK

## Methodology

- 1.4 In order to answer the above overarching questions *Inclusion* developed the following research framework.

### Quantitative Analysis

- 1.5 *Inclusion* conducted a piece of quantitative analysis in order to assess the nature and extent of the gap in outcomes for older people receiving employment support. This analysis included:

- An analysis of claimant count data for different age groups to establish the extent to which older claimants have lower off-flow rates than younger groups and are more likely to flow through into long-term unemployment, and an examination of current trends to show whether differences have narrowed or widened.
- A detailed analysis of Work Programme performance data drawing on DWP data up to June 2013. The analysis looked at a variety of areas of interest including trends over time; differences by area; differences by contractor and payment groups. In addition, the analysis makes a comparison of Work Programme performance against the previous programme, the New Deal. Finally the analysis provides a detailed summary of Work Programme job outcomes against a range of demographic categories.

### Qualitative Analysis

- 1.6 The qualitative strand followed the quantitative analysis and provided a detailed analysis of the profiles of older job seekers and the extent to which employment support providers meet the needs of older workers. The qualitative analysis involved the following aspects:

- 10 in-depth telephone interviews with Work Programme providers and specialist 50+ voluntary providers, conducted during January and February 2014.

Work Programme providers were sampled according to their job outcome performance for older jobseekers and specialist 50+ voluntary providers were selected on the basis of their known expertise with older jobseekers.

|   |  |   |
|---|--|---|
| <b>Work Programme providers</b>           | <b>High overall performance and high 50+ performance</b> | 2 |
|   | <b>High overall performance but low 50+ performance</b>  | 2 |
|   | <b>Low overall performance but high 50+ performance</b>  | 2 |
| <b>Specialist 50+ voluntary providers</b> |  | 4 |

- 16 in-depth telephone interviews with jobseekers aged 50 or above receiving employment support from the interviewed providers, conducted from February to April 2014.

|                   | <b>Male</b> | <b>Female</b> |
|-------------------|-------------|---------------|
| <b>Aged 50-54</b> | 2           | 0             |
| <b>Aged 55-59</b> | 6           | 4             |
| <b>Aged 60-64</b> | 3           | 1             |

- Two focus groups with a total of 15 jobseekers aged 50 or above, conducted in April 2014. One was conducted in a Jobcentre with Work Programme returners and another at a specialist 50+ voluntary provider job club.

|   | <b>Total attendees</b> |
|---|------------------------|
| <b>Work Programme returners focus group</b> | 9                      |
| <b>Specialist 50+ job club focus group</b>  | 6                      |

- 1.7 The report is structured as follows. Firstly the quantitative aspect, showing the current gap in overall Work Programme performance for older jobseekers, is presented. Secondly, we report our qualitative findings on the barriers and support needs of older jobseekers. Thirdly we describe the landscape of employment support and views on the effectiveness of this. Finally, we draw our findings together and outline recommendations for improving employment support for older jobseekers.

## 2 What the data shows

- 2.1 This section covers information on Work Programme performance for older people, compared with that for younger, and looks at the information by a wide range of other factors that may impact on job performance. But first, we put the Work Programme information in context, looking at the wealth of data on Jobseeker's Allowance claimants, over a longer period.
- 2.2 The context in terms of (JSA) programmes is that it is only since 2006 that jobseekers aged 50 and over have been subject to mandatory activity. Before that point, the over-50s were required to have interviews at the Jobcentre, but not required to attend other activities. They could do so if they volunteered, but did not have to. Therefore, the idea that the over-50s could be 'parked' on benefit was official policy up to 2006.

### JSA Claimant flows

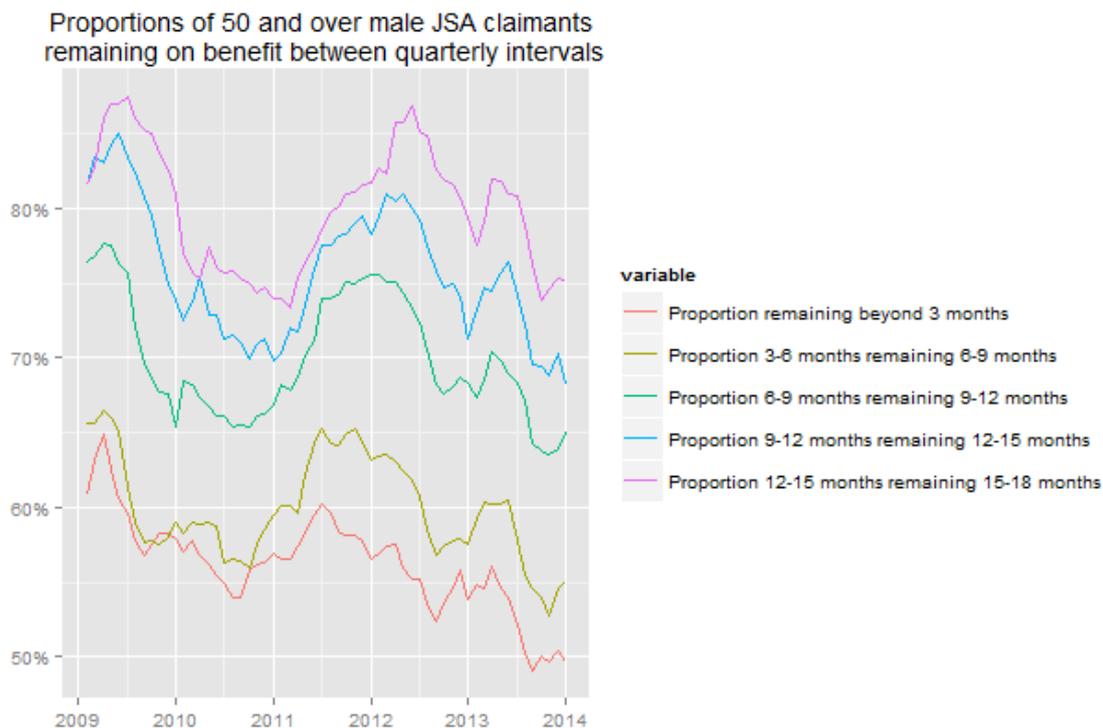
- 2.3 Flows off JSA are a key measure that Jobcentre Plus uses to manage claimant numbers. They intend to ensure that as many as possible leave benefit before twelve months, when claimants move onto the Work Programme, unless they have been identified for 'early entry', in which case they move at three months.
- 2.4 Our presentation differs from Jobcentre Plus' internal figures in that we identify flow rates between quarterly intervals. As Figure 1 shows, conducting analysis this way finds that flow rates (or the opposite used here, retention rates) follow very similar patterns between the duration groups – up to 18 months on benefit, after which we do not have flow data in quarterly intervals.
- 2.5 We have analysed flow data for men and women aged 50 and over, separately, and then the differences between those aged 50 and over and those aged between 25 and 49.
- 2.6 We follow this up with an analysis of the flows that are known to be to work, for those 50 and over, by duration group (using the same duration groups).
- 2.7 We have analysed flows separately by gender, as JSA has been a benefit predominantly claimed by men, and any distinct trends for women would have been lost. Currently, 37% of over-50 JSA claimants are female and 63% male.

- 2.8 The female proportion of JSA claimants has risen since 2007, by 6 percentage points for the over-50s, and 11 percentage points for the 25-49 group. This is due to the implementation of Lone Parent Obligations, moving lone parents onto JSA. Before this there were very few middle-aged to older women claiming JSA, and especially with claims over six months. This is because income-based JSA is a household benefit, and the value of a claim in a couple household does not differ by whether both partners claim, or one is regarded as a dependent. Where there are no children, the second partner may be required to be part of a 'joint claim', but the figures show the number of claims rather than the number of people.
- 2.9 It is therefore of interest whether the trends in JSA flows are the same, or different, for men and women.
- 2.10 In the following charts, the lines for those remaining beyond 3 months include contribution-based JSA, while the flow rate in the following group (from 3-6 months to 6-9 months) includes those who lose JSA (financial) entitlement on expiry of contribution-based benefits. They retain the right to claim for National Insurance Credits (and those who need to protect their state pension entitlement may do so).
- 2.11 In these charts, it is important to recall that, under the Work Programme, people remain on benefit and counted in the JSA count unless they leave for a job or some other reason. This treatment differs from previous programmes, where people left benefit and were paid a 'Training Allowance' instead, at certain intervals<sup>3</sup>.

---

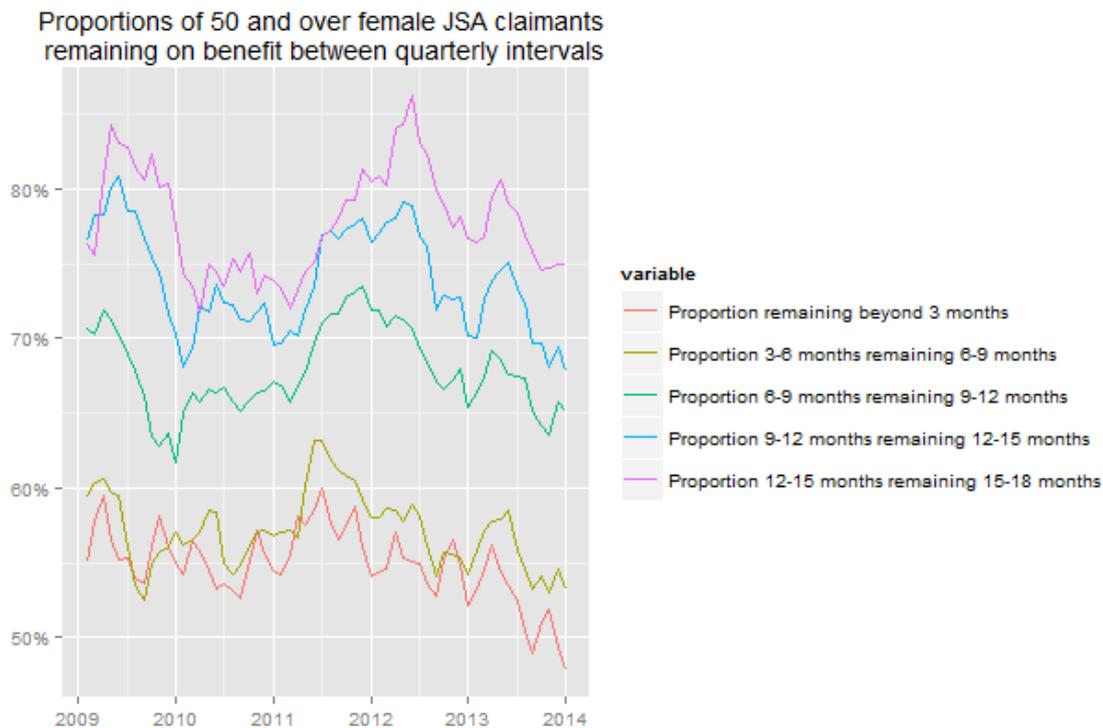
<sup>3</sup> Under the Flexible New Deal, the basic principles of people being counted as JSA claimants applied, but they were required to have a short mandatory period of activity, which broke the claim as shown in the long-term claimant figures. The New Deal for 25+ (where the Intensive Activity Period became mandatory for the over-50s in 2006) involved leaving benefit at 22 months.

**Figure 1: Trends in male JSA claimants aged 50 and over remaining on JSA**



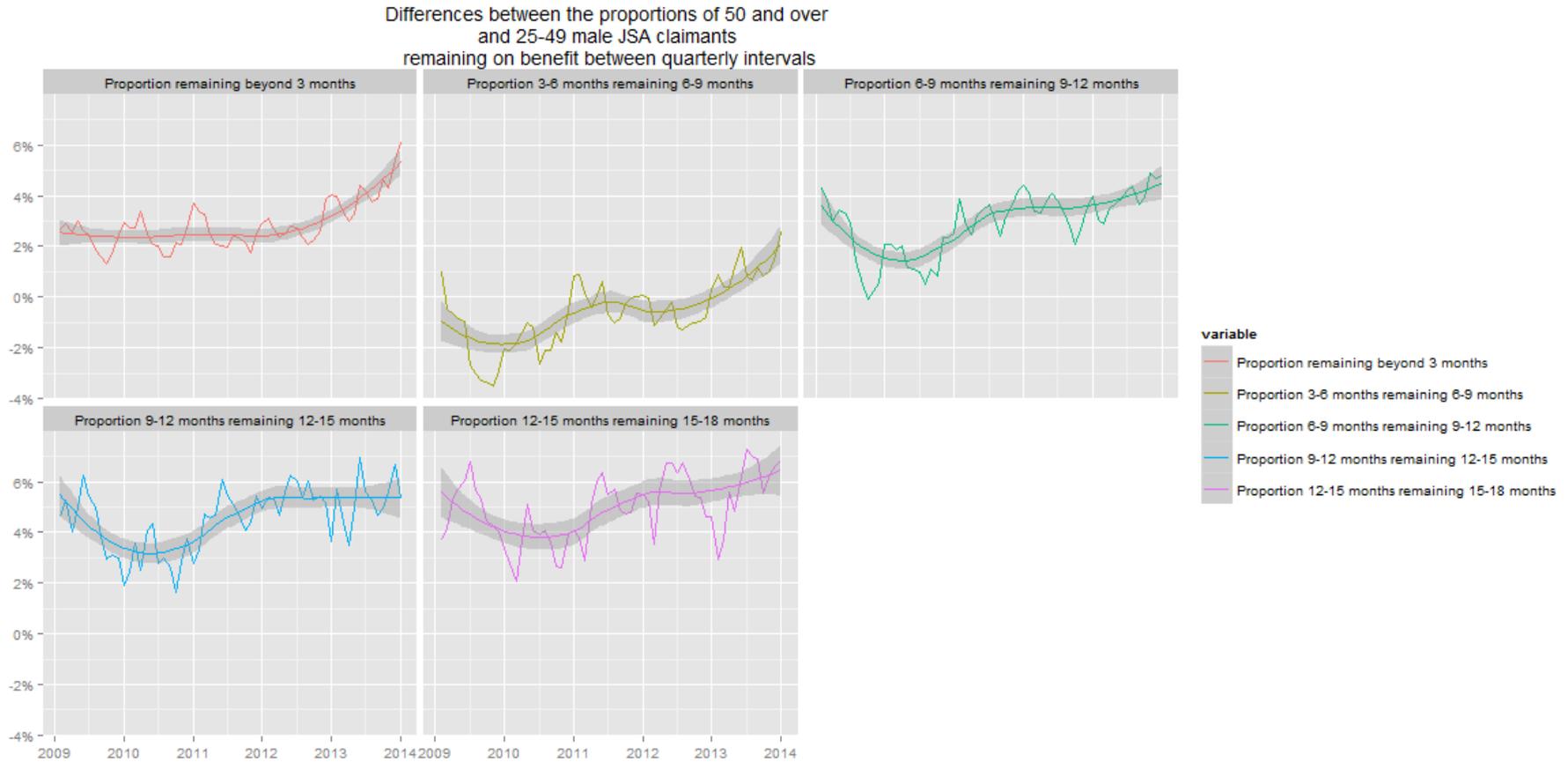
- 2.12 Figure 1 shows that already longer term unemployed are more likely to remain on JSA over the following three months. However, within that pattern, which is common to other groups, there are distinct trends. As 2010 turned into 2011, the economy worsened and, from April 2011, referrals to older DWP programmes that moved people off benefit onto Training Allowances (the old New Deal) ceased. The administrative change together with the economic trends resulted in increases in proportions remaining on benefit.
- 2.13 The patterns are very similar, at different levels, for each duration group other than the shortest term claimants, where a broad trend towards increasing off-flow, and reduced retention on JSA, is visible.
- 2.14 Over the last year, 52% of older men remained on JSA beyond three months, 30% beyond six months, 21% beyond nine months, 16% beyond 12 months and 13% beyond 15 months.
- 2.15 Figure 2 shows the equivalent picture for women.

**Figure 2: Trends in female JSA claimants aged 50 and over remaining on JSA**

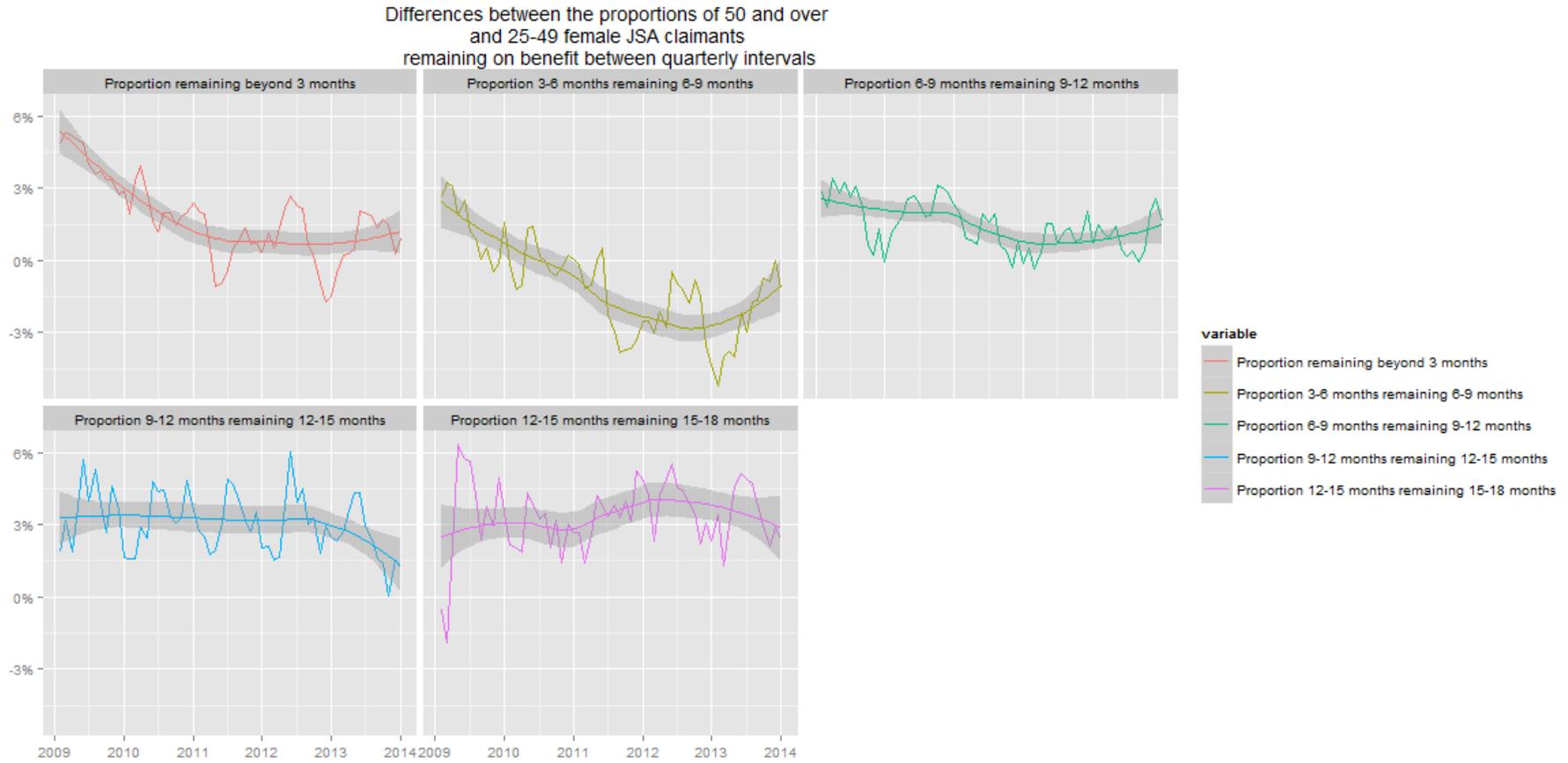


- 2.16 Figure 2 shows that there were some differences between the patterns for men and women, though largely for shorter term claimants.
- 2.17 Over the last year, 52% of older women remained on JSA beyond three months, 29% beyond six months, 20% beyond nine months, 15% beyond 12 months and 12% beyond 15 months. There is little difference between men and women for older JSA claimants. This is not the case for the 25-49 age group.
- 2.18 We find it significant that the longer-term groups within this analysis show moves in trends that look as though they relate to (1) the state of the economy and (2) changes in benefit administration and programmes.
- 2.19 We have undertaken the same exercise for the 25-49 age group (not shown here) and also taken the differences between the rates for the 25-49s and those 50 and over, again by gender.
- 2.20 The results for men are shown in Figure 3 and the equivalent information for women is shown in Figure 4. We have separated out the durations and added a smoothed series to each one.

**Figure 3: Differences in retention rates on JSA for males, with smoothed trends**



**Figure 4: Differences in retention rates on JSA for females, with smoothed trends**



- 2.21 Figure 3 shows that for most durations, older male JSA claimants are regularly more likely to stay on benefit than the 25-49s, with those flowing from 3-6 to 6-9 months being the exception. Figure 3 shows that there are sharp increases in the difference in the extent to which men 50 and over remain on JSA for shorter term claimants. This is largely due to even sharper reductions for the 25-49 group than for the 50 plus. For those with longer durations, the difference has not increased to anything like the same extent, while remaining large. The percentages here are percentage point differences, so 4% is that those 50 and over are 4 percentage points more likely to remain on JSA than those 25-49.
- 2.22 One factor that affects both men and women is that the six month point signals the end of contributory JSA. This affects those with other family income (or capital). Another factor that, in these figures, largely affects women aged 25-49 is that many are lone parents claiming JSA. Men aged 25-49 are more likely to move off JSA quickly than women of the same age, while for older claimants the gender pattern is more balanced.
- 2.23 Figure 4 shows the equivalent information for women. It shows very different trends. For the shortest three duration groups, trends in retention on JSA are either similar to or lower than the 25-49 age group. For longer duration claimants, JSA retention is higher than for 25-49 claimants, but not to the same extent as for men, and for those going through the 12-month Work Programme referral period, there seems a recent sharp improvement.

### **Summary**

- 2.24 The different trends in flow rates between the over-50s and 25-49s longer term claimants, for men and women, may be related to differences in flow rates for the 25-49s as much as to changes for older jobseekers.
- 2.25 For both the over-50s and the 25-49s, the proportion of long-term unemployed who are female has risen since the implementation of Lone Parent Obligations. For the over-50s, the female proportions of longer term claimants has risen 9-10 percentage points since 2007. The equivalent rise for the 25-49s is 16-17 percentage points. Therefore the relative improvement in comparative flow rates for over-50 women who are long-term claimants is likely to be due to relative improvements compared with a declining performance for 25-49 women. These issues do not apply to men, so we see a declining relative flow performance for older men.

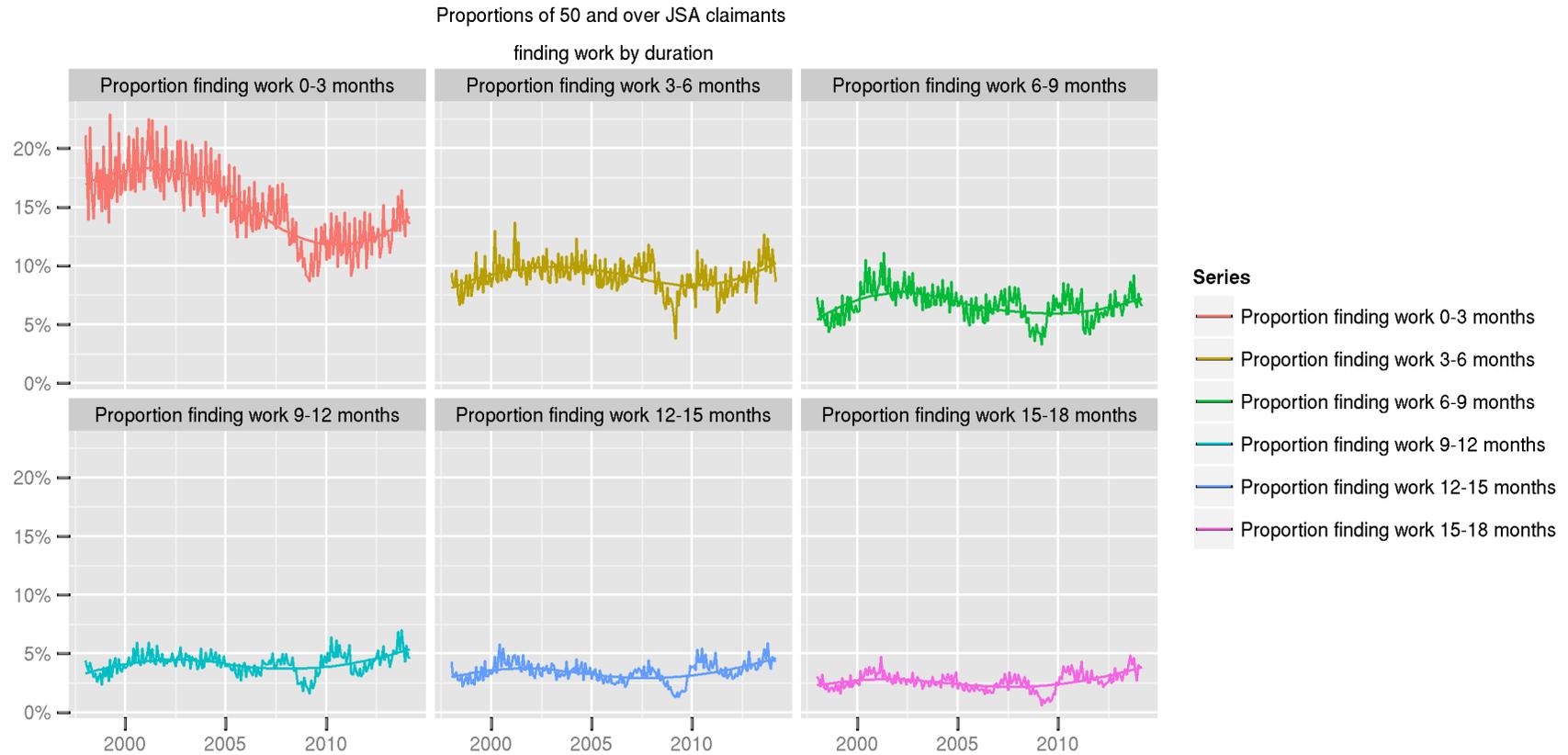
## Leaving JSA to work

- 2.26 The claimant count statistics include ones for those leaving JSA to work. These figures are not complete, because many people leave JSA without telling the Jobcentre they have found work.
- 2.27 We have analysed the data for those people who were over 50, who found work, by duration group, over the whole period for which we have data, which is since 1998.
- 2.28 We have compared leavers to work with the total number of claimants, so the percentages represent the job start rate of older JSA claimants by duration group.
- 2.29 The 'reasons for leaving' data records leaving to work, and to a large number of other destinations, but has not been updated to include leaving to Employment and Support Allowance, and neither is Pension Credit mentioned. This means than analysis of leavers to other benefits is not as clear as it might be. As Jobcentres do not make efforts to ensure that people provide details on their reasons for leaving, there are large numbers who left JSA because they did not sign on, which can include leaving to jobs, and other reasons.
- 2.30 Together, leavers to work and leavers to unknown destinations are 90% of JSA leavers aged 50 and over. This is composed of 49% of JSA leavers leaving to work, and 40% leaving to unknown. 4% left to 'going abroad', and 3% to another benefit. As the number leaving to an actual recorded reason (other than leaving to work or unknown) is so small, we have not analysed these further.
- 2.31 DWP have periodically researched the destinations of 'unknown' leavers. In 2004, the most recent one that tried to reconcile survey findings with administrative data, 50% of leavers of all ages to unknown had started full-time work, and 8% had moved to another benefit. 28% had left to a residual 'other' category<sup>4</sup>. We conclude that the figures for leavers to work are likely to be indicative of trends, but that the detail of leavers to other destinations (rather than unknown) may not be representative.
- 2.32 The analysis for JSA leavers to jobs is shown in Figure 5.

---

<sup>4</sup> Destination of benefit leavers 2004; Nick Coleman and Lizzie Kennedy, Department for Work and Pensions Research Report No 244, 2005

**Figure 5: Job start rates for JSA claimants aged 50 and over, by duration of claim**



Source: JSA claimant count, and off-flows found work, NOMIS, Inclusion analysis

- 2.33 As expected, the proportion of the over 50s who leave JSA as Found Work decreases with increasing duration of claim. However, the patterns are more interesting in detail.
- 2.34 For the shortest term claimants (0-3 months), the rate of finding work peaked in 2001 at over 20% - this is the proportion of those 0-3 months claiming in one month who found work in that one month. By 2007, before the recession, this had fallen to between 14% and 15% finding work. The recession resulted in a fall to under 10% of short-term over-50 claimants finding work, in that month. The found work rate for these shortest term claimants climbed back to 12% in 2010 and has now returned to just under the pre-recession rate, touching 14% on occasions.
- 2.35 For those claiming JSA for 3-6 months, around 10% leave benefit for 'found work' each month. The trend over the last year has actually been the best year in the time series. Before the recession, there was a shorter period at around 10%, before a fall to between 5 and 6%. By 2010, this had returned to 9% before a second slowdown to 7-8%.
- 2.36 For those claiming 6-9 months, which is prior to Work Programme mandatory referral, recent figures show 6-7% find work each month. Occasionally, there is a month with over 8%. The peak was in 2001, at over 9%, falling to 6-7% (like now) before the recession. The recession caused a fall to the 4-5% range.
- 2.37 For those claiming JSA for 9-12 months, the current range for job start rates is 4-5%, with an occasional month above 6%. This is a historically high range. This range was previously reached in 2010. The pre-recession range was a percentage point lower, and for some periods, lower still. The recession saw the pre-recession 4-4.5% fall to just over 2.5% before the recovery to 2010.
- 2.38 Moving into the groups that are now covered by the Work Programme, those between 12 and 15 months now have a found work rate averaging, over the last year, at 4.5%. This is high by historic standards. This is the same as the all-time peak in 2000(also annual average). The 2010 figure approached, but did not reach, this level. Before the recession, the job start rate was around 3.5%, falling to 1.76% with the recession. The job start rate had fallen to 3.3% at the time the Work Programme started, and continued falling to a low of just over 3% in February 2012.
- 2.39 The 15-18 month claimants have the lowest job start rate analysed at 3.8% averaged over the last year. This is notably higher than the previous peaks

of 3.5% reached in 2010 and 2000. After the 2010 peak the job start rate fell to a low of 2.6% (annual average) in spring 2012, well after the start of the Work Programme.

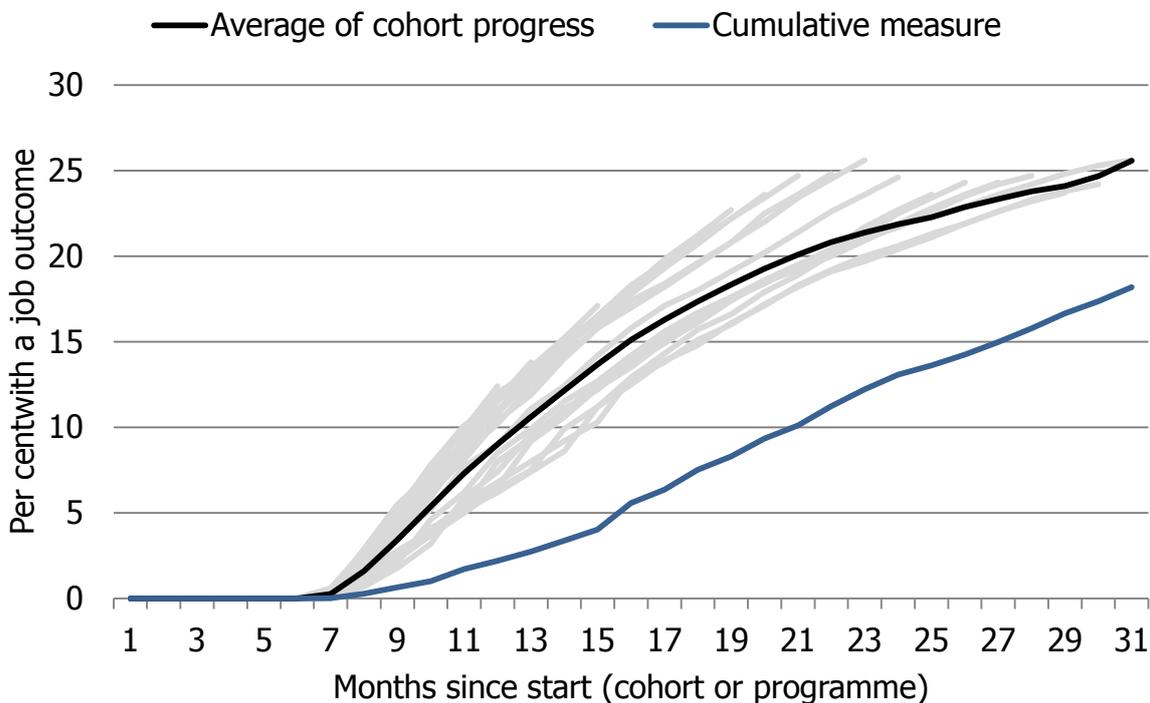
## **Summary**

- 2.40 The information on job start rates from the claimant count shows that:
- Job start rates fall the longer people are on benefits, to only 3.8% (one in 26) of 50 and over 15-18 months claimants starting work in a month.
  - Job start rate for long-term claimants aged 50 and over is at historic highs, but these are only a little above that reached in 2010 under the last Government's programmes, which continued in operation until the Work Programme started in 2011.

## **Work Programme analysis**

- 2.41 DWP publishes a large range of information on the performance of the Work Programme. DWP uses, for its own Business Plan, a measure based on the performance of monthly groups of starters. They call this a 'cohort' measure. They are now moving to manage provider performance using this measure rather than the flawed 'Minimum Performance Level' measure, where changes are driven as much by changes in referrals as by any change in performance.
- 2.42 Unfortunately, DWP has not released information by age on this basis, despite it being the preferred set of measures in their own Business Plan.
- 2.43 Figure 6 shows performance on both the cohort measures and the cumulative performance measure that we have had to use later on to analyse performance by age and a range of other factors.

**Figure 6: Work Programme, performance of the JSA 25+ payment group on cohort measures and the cumulative measure we have to use for age analysis**

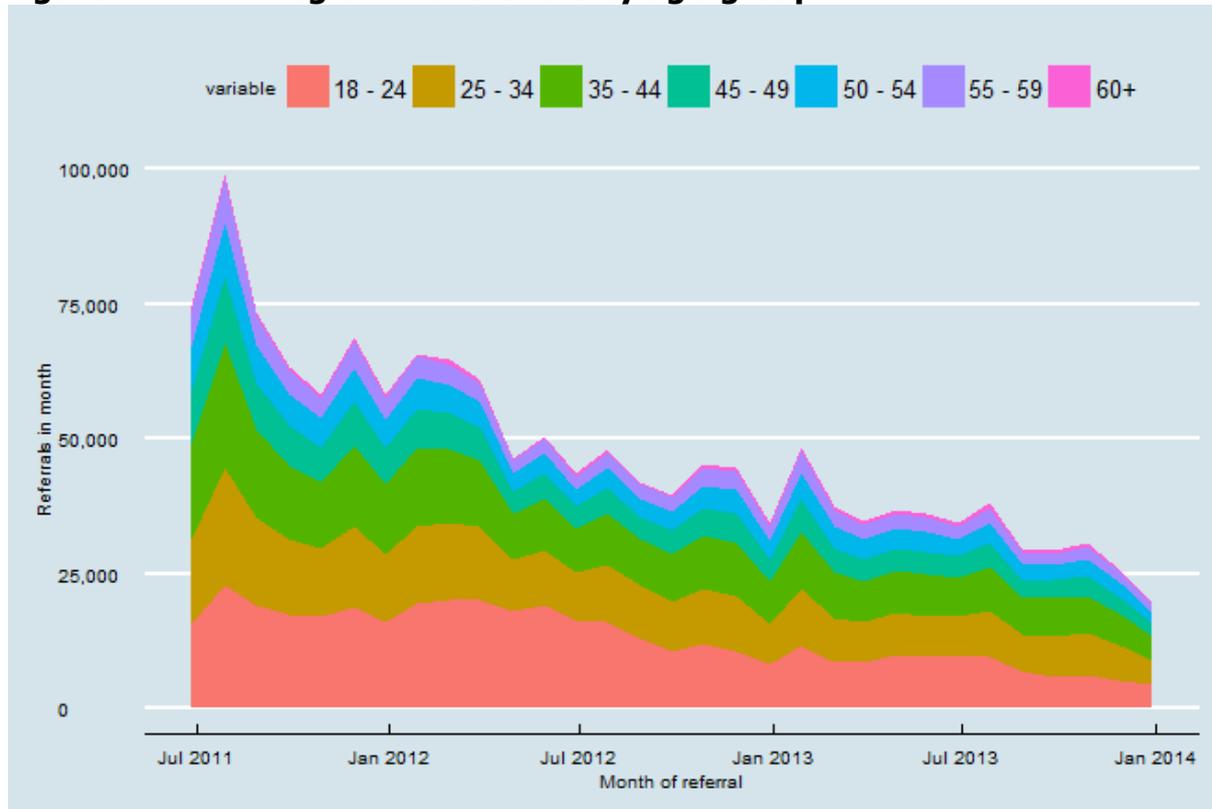


- 2.44 Figure 6 shows that the average performance of JSA 25+ cohorts over the 31 months for which we have data, is now showing over 25% with a job outcome.
- 2.45 Some of the more recent cohorts (shown in grey lines) are clearly headed to go well above this. For the JSA 25+ groups, Job Outcomes (six months in paid work) can be recorded up to and including 30 months since a person was referred to the programme.
- 2.46 Given the performance of recent cohorts, we would not be at all surprised if the 30-month total performance came to be over 30% and potentially higher. The blue line shows the cumulative performance measure for which there is a wealth of detailed information. Eventually, the cumulative measure, at the end of the programme, should converge to an average cohort measure, but it is still a long way below the measure that actually measures the chance an individual has of getting six months in work over their Work Programme period, which is the cohort measure.
- 2.47 Cumulative outcome measures are now significantly higher than in Age UK's previous report. However, this is largely an artefact of the measurement method rather than any sign of increased performance.

## Analysis of referrals

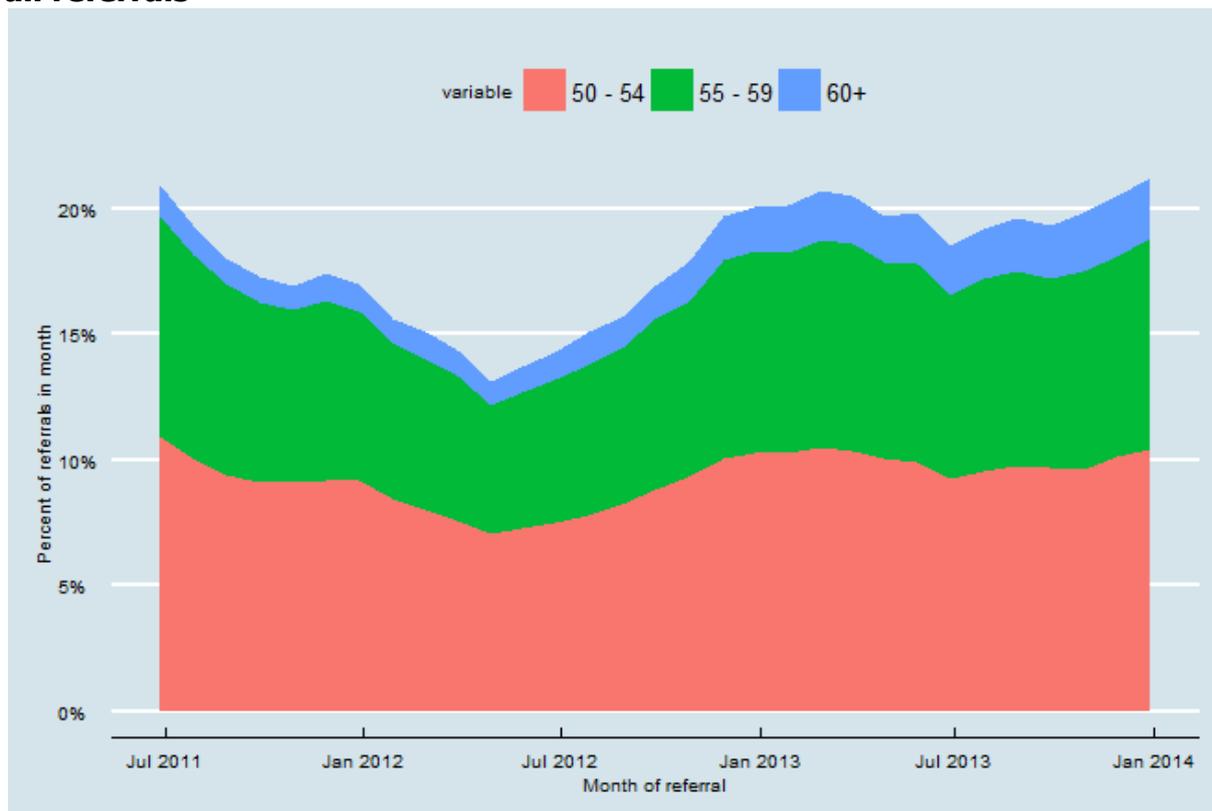
2.48 Overall, Work Programme referrals have fallen sharply. This is shown in Figure 7, which shows numbers of referrals by month, with age-groups identified.

**Figure 7: Work Programme referrals by age-group**



2.49 Within this overall picture, the proportion of referrals who are aged 50 and over has fluctuated. The patterns are shown in Figure 8.

**Figure 8: Work Programme referrals aged 50 and over as a percentage of all referrals**



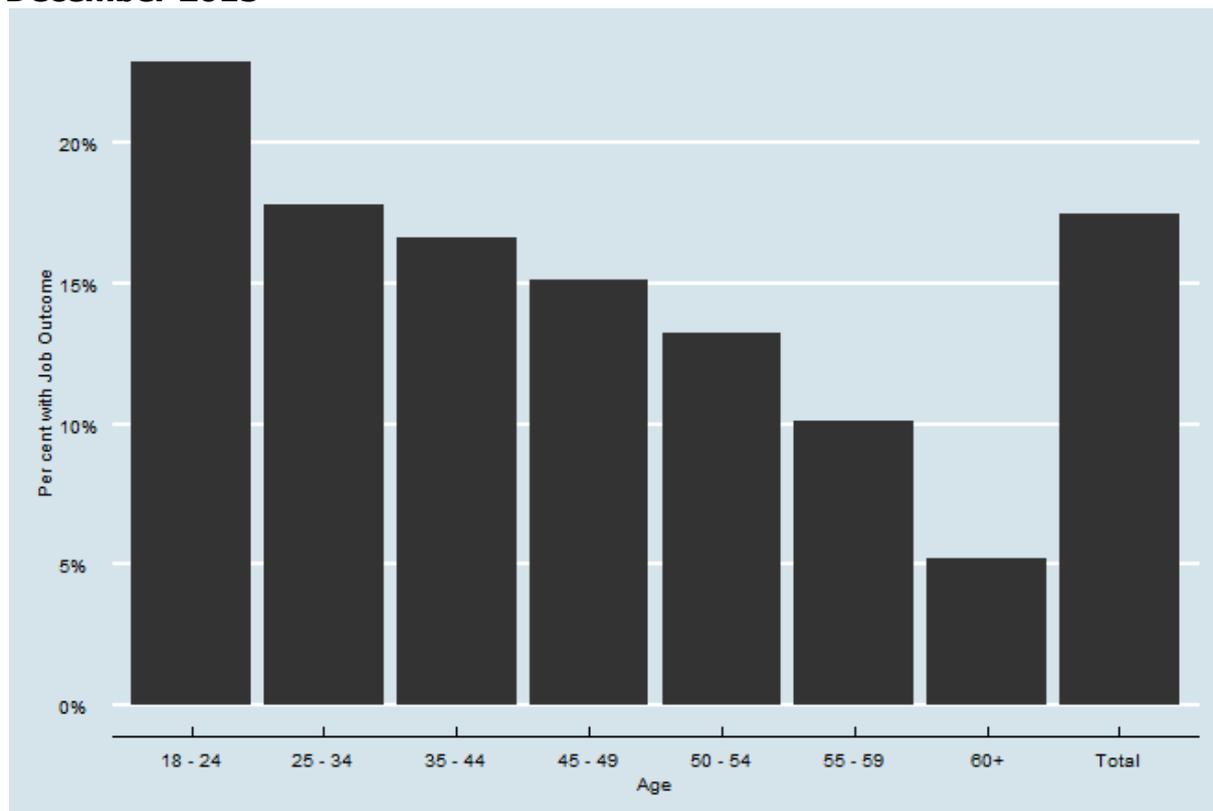
2.50 At the start, those 50 and over were over 20% of all referrals. However, the proportion fell rapidly over the first year. Since then, the proportion aged 50 and over has risen back over the 20% mark, and was rising over the latest six months.

### **Job Outcome rate analysis**

2.51 We have analysed cumulative Job Outcomes as a proportion of referrals on a variety of dimensions.

2.52 Overall, the job outcome rate declines with age, as shown in Figure 9.

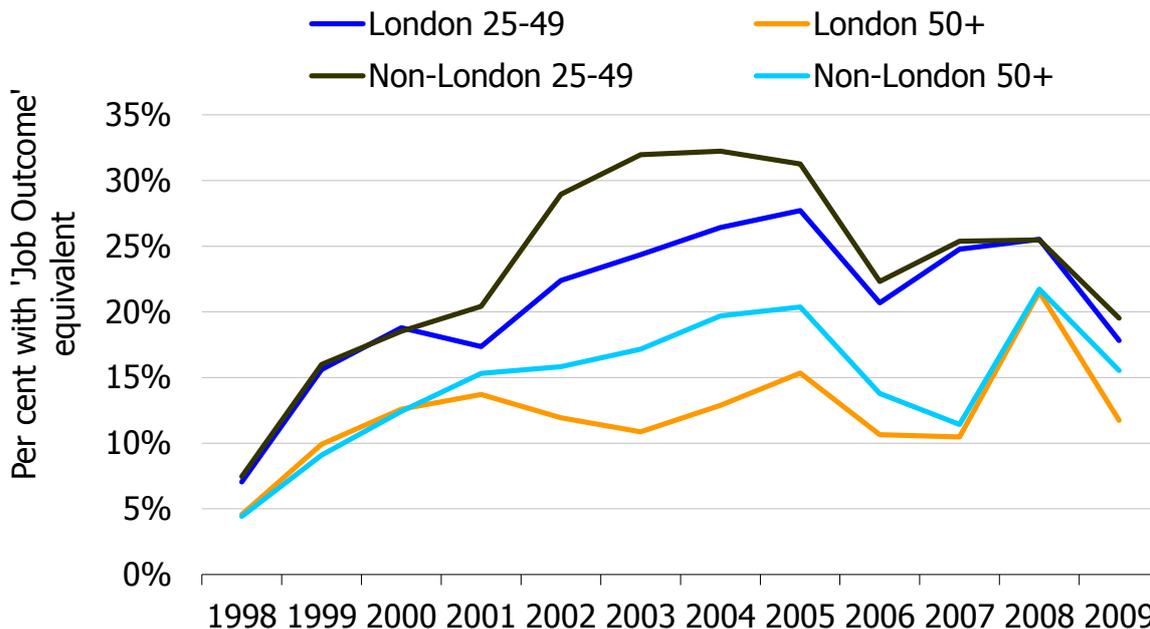
**Figure 9: Work programme cumulative job outcome rate by age, December 2013**



### **How does this compare with previous programmes?**

- 2.53 Work Programme Job Outcome rates often look lower than those for previous programmes because the measurement of a job outcome differs.
- 2.54 In the Work Programme a Job Outcome is a cumulative period of either six or three months in paid work depending on the payment group. In the old New Deal, the main outcome measured was a job start, with a sustained (three-month) job as an additional outcome. In the old New Deal (1998-2011), only 80% of job starts for older people lasted through to three months. This is slightly higher than for the 25-49 age-group. If we assume that 80% of those who lasted three months held their jobs for a further three months to make up the six months, we end up with the Work Programme equivalent job outcomes being 64% of the published New Deal job starts.
- 2.55 Figure 10 shows figures for the New Deal for 25+ rebased in this way, for London and non-London separately as well as for the over-50s and the 25-49 group.

**Figure 10: New Deal for 25+ job start performance, rebased to estimated sustainment to six months to compare with the Work Programme**



- 2.56 We have shown London separately because, under the New Deals, performance in London was distinctly lower than in the rest of the country. This does not seem to be the case for the Work Programme, but is important for the analysis of previous programmes.
- 2.57 The introduction of mandation into the New Deal for 25+ for older jobseekers in 2006 was associated with a reduction in measured performance. This is expected, as the expansion to those less willing to take part would mean that people would be less engaged with the process, and hence less likely to succeed. Equally, providers would have not necessarily known how to handle mandated older jobseekers.
- 2.58 The 2008 improvement in performance, at the same time as the onset of the recession, is partly an artefact of the measure we have used. This compares jobs in a year with programme starts in the same year. The New Deal for 25+ started at eighteen month's claim, so people starting the programme in 2008 would have started their claim in 2006, at a time when the claimant count was falling quickly. Therefore, in 2008, referral numbers were falling while job starts were still being recorded from 2007 starters (when there were more claimants).
- 2.59 The job measures are not perfectly compatible with Work Programme figures, because the New Deal figures are based on jobs verified by HMRC information on PAYE tax paid rather than just provider claims that are subject to audit, as in the Work Programme. When DWP introduced the

HMRC jobs measure for the New Deal, it produced a substantial increase in observed jobs. DWP currently believe that Work Programme providers are better at claiming job outcomes than their New Deal predecessors (as they only get paid for doing so). Therefore, while it is possible that the New Deal figures are overstated compared to the Work Programme ones, this may not be the case.

### **Summary**

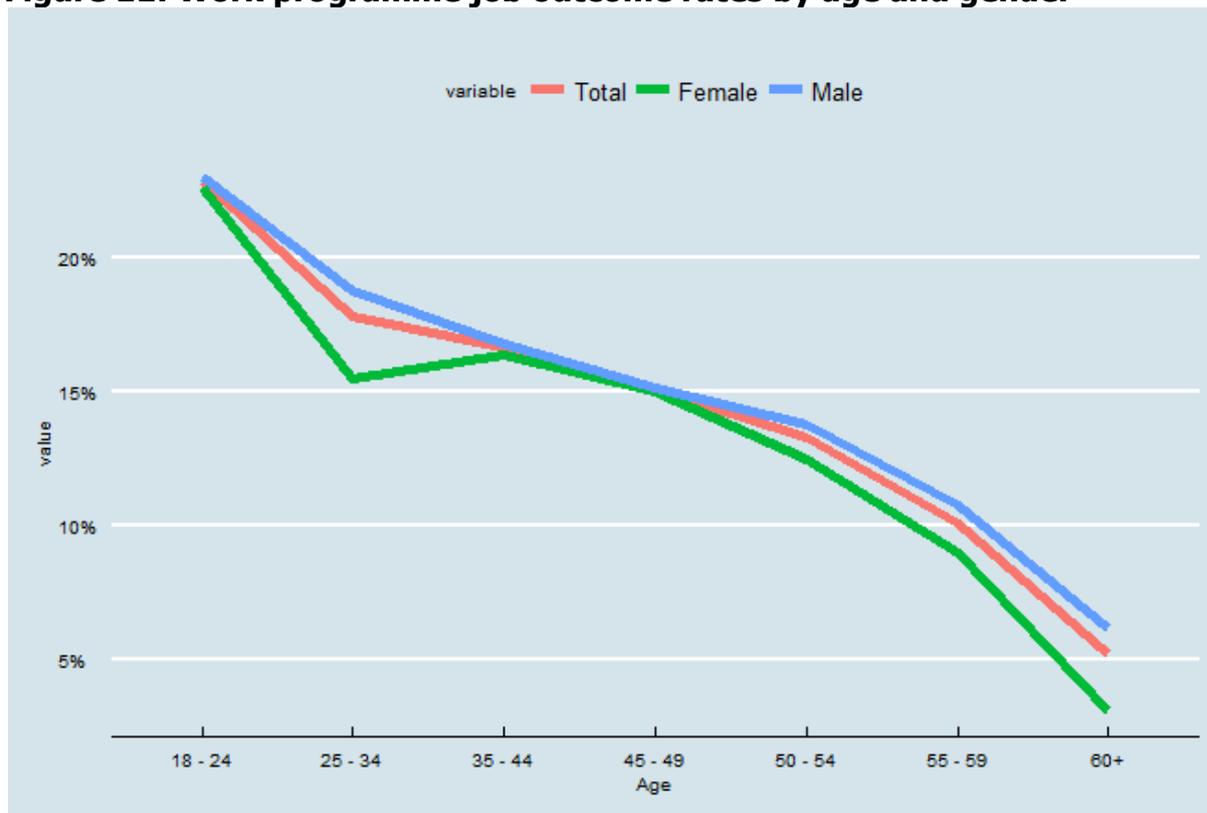
2.60 Work Programme job outcome rates for the over-50s are not substantially different from the results under the New Deal, so far as can be determined.

- It is feasible that the Work Programme results could be better than under the New Deal for the over-50s. The Work Programme is not clearly worse.
- One thing that is certain about the comparison between the New Deal and the Work Programme is that the cost to DWP per participant is far lower.
- Therefore, even if performance may be similar, once the state of the economy is taken into account, the Work Programme is more cost-effective for DWP.

### **Work Programme job outcome rates in detail**

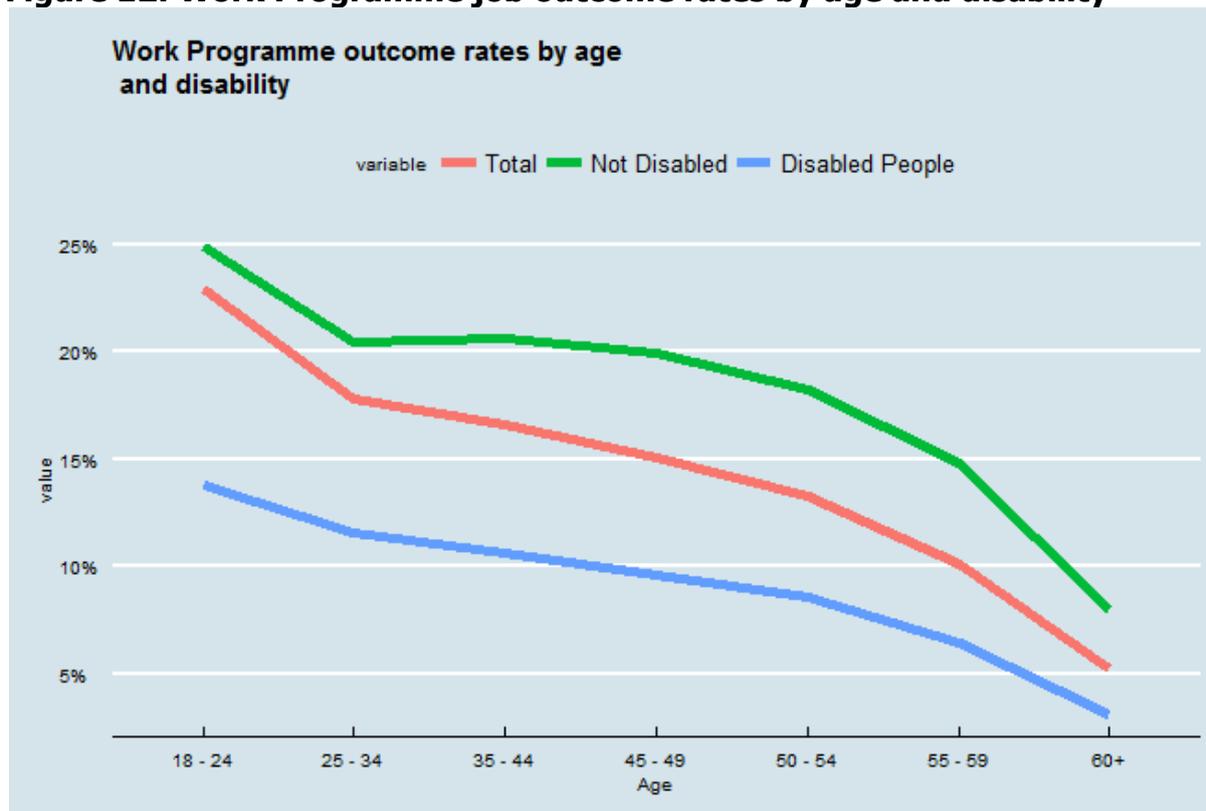
2.61 The Work Programme job outcome rate declines more rapidly for women than for men, as shown in Figure 11. In the middle age groups, there is almost no gender difference, but this emerges for those 25-34 and for older participants.

**Figure 11: Work programme job outcome rates by age and gender**



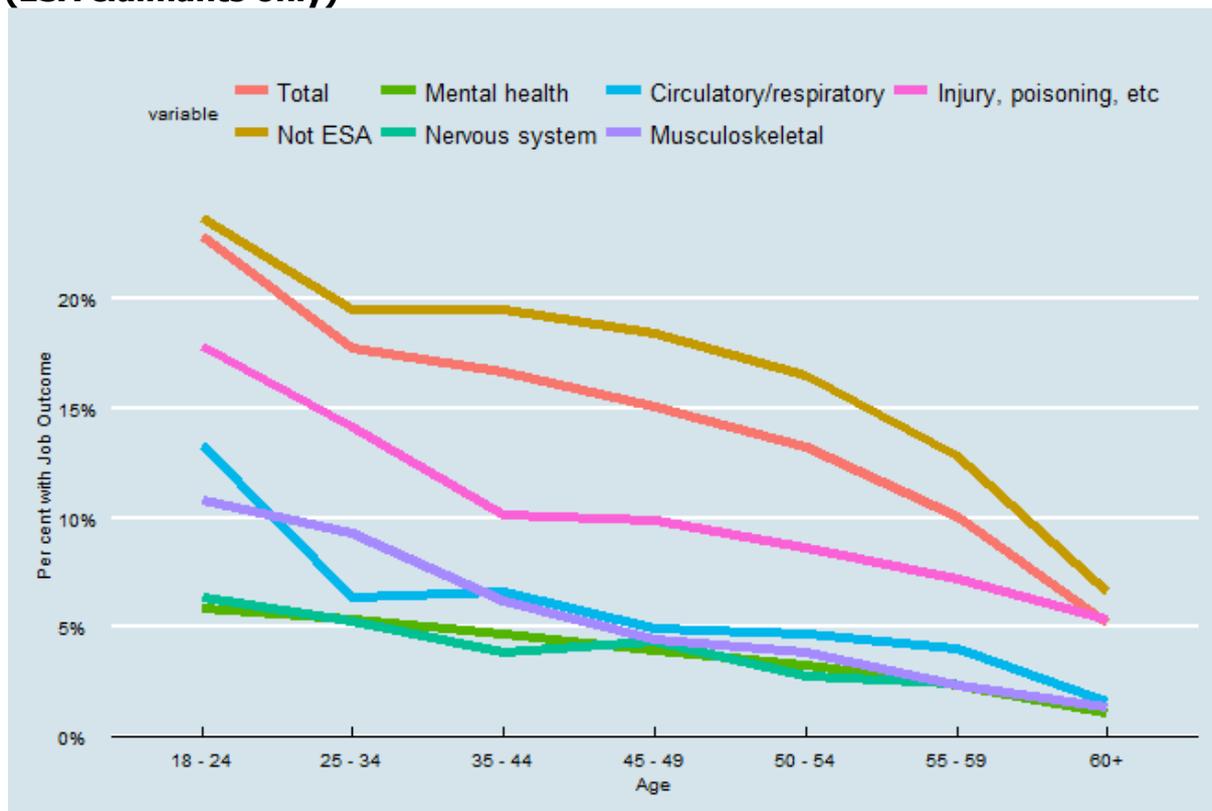
2.62 The overall patterns reflect different patterns by different dimensions. Disability is a key dimension, and the patterns are shown in Figure 12. This includes all people with a 'disability marker' in Jobcentre Plus' systems, rather than just ESA claimants.

**Figure 12: Work Programme job outcome rates by age and disability**



- 2.63 This shows that, while job outcome rates for those who are not disabled decline from the 45-49 age-group, the decline sharpens into the older age-groups.
- 2.64 For those who are disabled, there is, overall, a much lower job outcome rate, and there is not the flat period between the 25-34 group and the 45-49 group seen for those who are not disabled. The decline in job outcome performance for disabled people is constant through the 25-49 group and then accelerates.
- 2.65 Most of the Work Programme participants with a disability are in one of the JSA groups rather than the ESA groups. 60% of disabled attachments linked to one of the JSA groups. This means that the information we have on outcomes by health condition relates only to ESA claimants, and we are missing such information on JSA claimants.
- 2.66 Figure 13 shows job outcome rates by age and health condition.

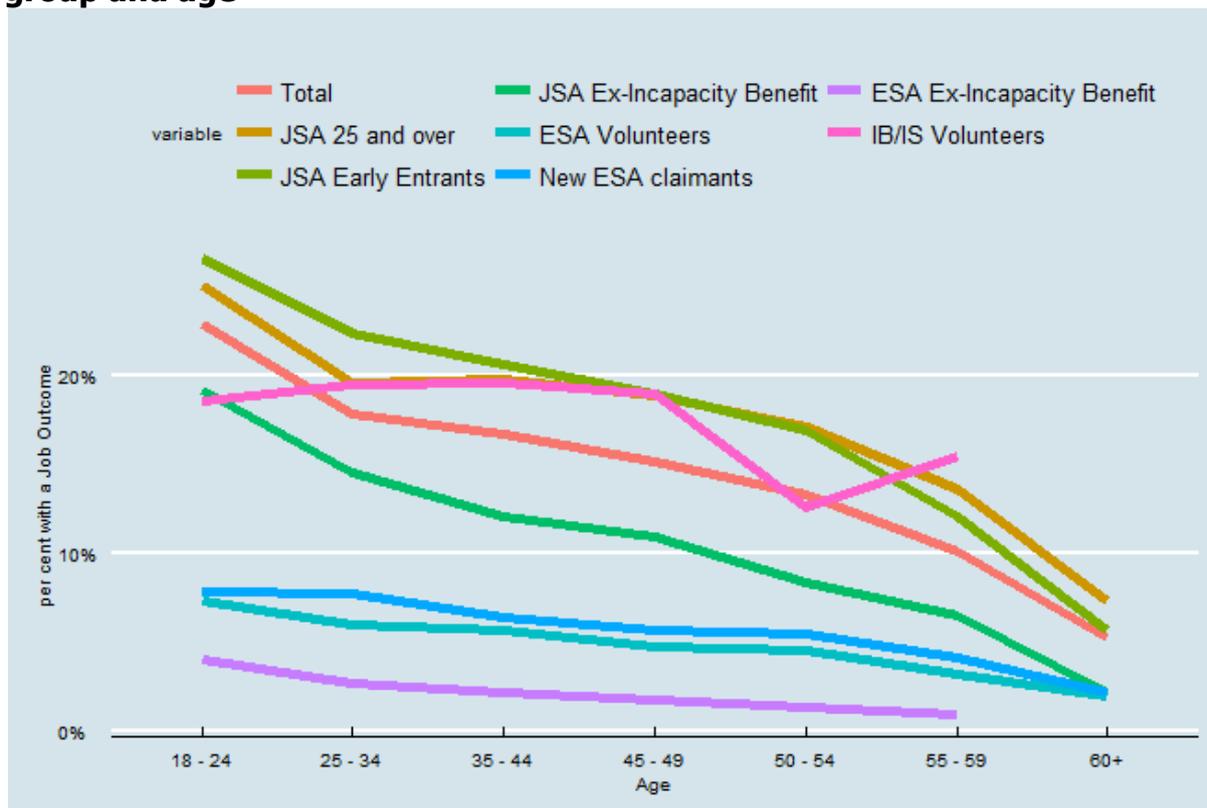
**Figure 13: Work Programme outcome rates by age and health condition (ESA claimants only)**



2.67 While the outcome rates for most conditions are very low, and also decline with age, the group with the best outcome rates is those with injuries, poisonings etc. This is the group where people are least likely to have chronic conditions. There is a decline in the job outcome rate with age, but this is not as fast as for the non-ESA claimants.

2.68 Figure 14 shows outcome rates by payment group and age. The payment groups that show the most pronounced drop with age are for the JSA Early Entrants group, and the JSA 25+ group. The JSA Early Entry group is particularly worrying as it is where Jobcentre Plus has discretion to refer people who are particularly disadvantaged in some way at three months' claim. The group does, however, include young people who have been not in education, employment or training (NEET) before becoming 18, and it may be that greater priority is given to young unemployed than to older people, particularly as the financial terms are identical. The fact that currently older JSA Early Entry Work Programme participants have a large decline in performance compared to younger ones does not preclude expanding Early Entry for older JSA claimants. However, improvement would be due to performance management with specific monitoring of performance for older participants. The financial terms, while important, are not the only consideration.

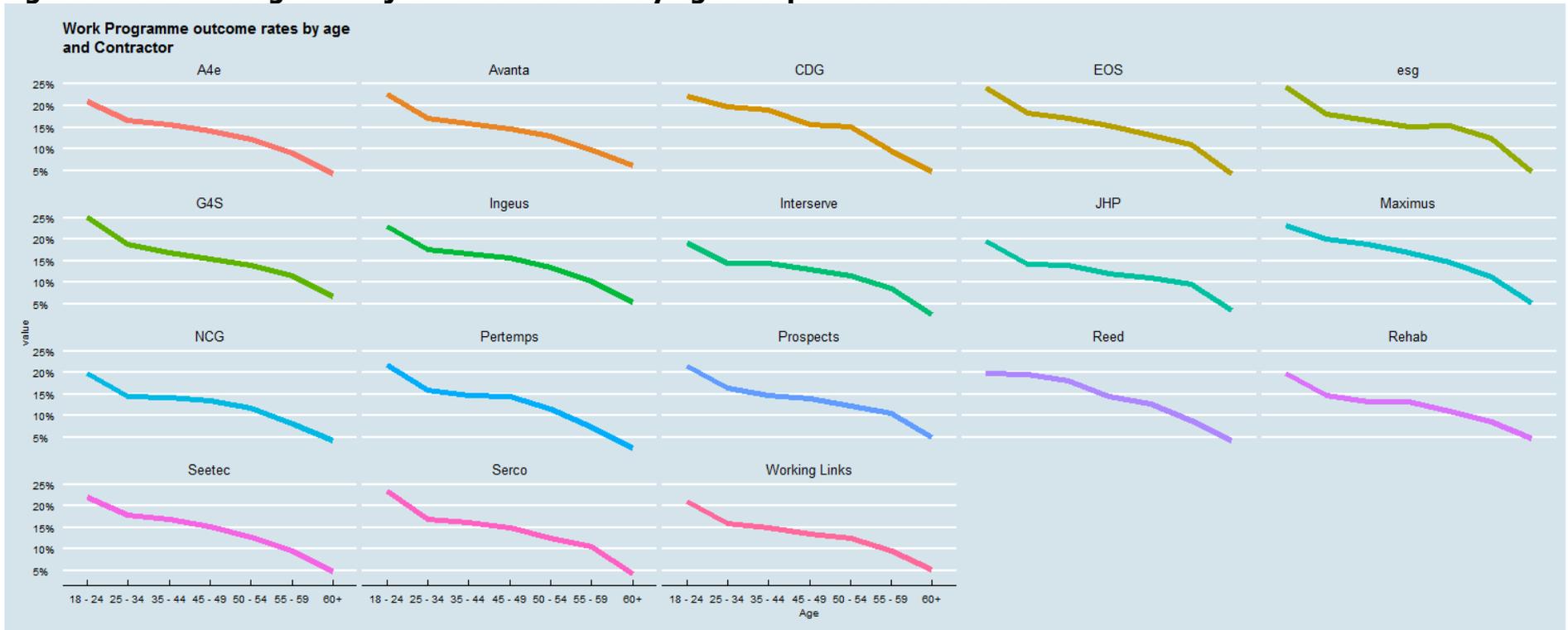
**Figure 14: Work Programme cumulative job outcome rates by payment group and age**



- 2.69 Figure 15 shows job outcome rates by contactor. Contractors vary in size from Ingeus, which has seven areas, down to eight contractors with only one area each.
- 2.70 Looking in more detail, job outcome rates for the 50-54 age group vary from 15.4% (esg), 15.1% (CDG-Shaw Trust) and 14.8% (Maximus) down to 11.1% (both JHP Learndirect and Interserve Working Futures). The larger providers tend to sit in the middle, as might be expected simply because their size will hide random moves up and down. Ingeus, however, is not far below those identified.
- 2.71 For the 55-59 age-group, job outcome rates range from esg at 12.4% and a larger group at 11%, namely EOS, G4S and Maximus. Ingeus is just a little lower at 10.3%. The lower end is brought up by Pertemps at 7.5% and NCG at 8.3%.
- 2.72 Some of the better performances are in areas where the economy provides more vacancies. However, this is not the whole story, because EOS, Pertemps and NCG all serve the West Midlands metropolitan area, and performances vary noticeably. The NCG contract that is delivered alongside

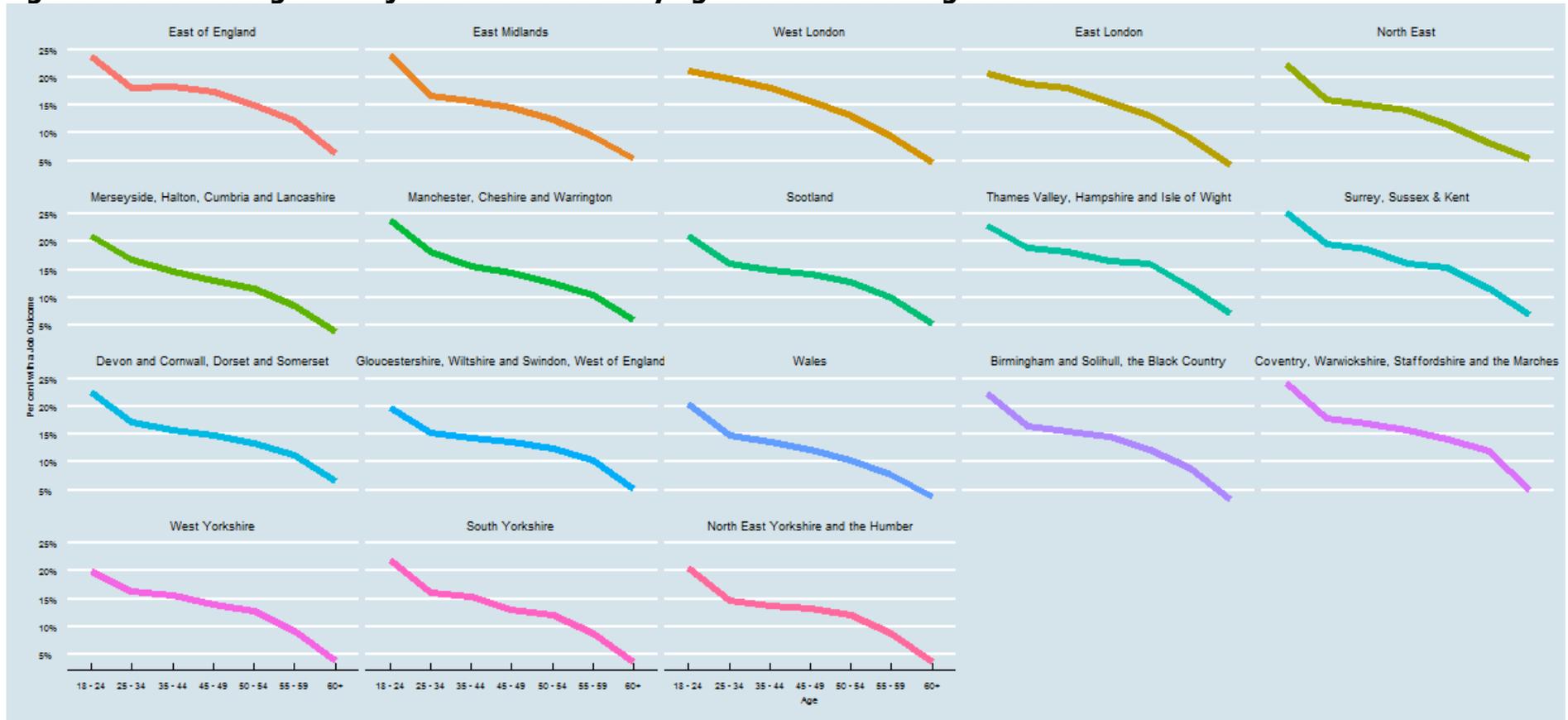
EOS and Pertemps is not the one that the Government has decided to terminate. NCG has two contracts, of which it is losing one.

**Figure 15: Work Programme job outcome rates by age and prime contractor**



- 2.73 Figure 16 shows job outcome rates by the 18 contract areas. This shows that no area escapes from the general pattern of lower performance for older jobseekers.
- 2.74 However, there are differences apparent. These, in general, follow the pattern of overall economic differences. Therefore, the two South East Contract Areas and the Eastern region show relatively good performance for older participants. Conversely, Wales, the West Midlands metropolitan area, Yorkshire and the Humber, East London and Merseyside/Lancashire show relatively poor performance. DWP's belief that the underlying economic health makes no difference to performance is not supported, but neither is the view that the economic pattern is the only thing that counts.
- 2.75 West London has a better performance than East London. However, East London's performance is better than some other areas. When examining the performance of the two London CPAs, the names are not fully descriptive. East London might better be South and East, while West London is North and West. The underlying economics differs from a simple East-West divide - and this is by DWP design so that all contracts (where possible) had a mix of underlying economic health.
- 2.76 Overall performance is expected to be driven both by provider effectiveness and by the underlying economics. In the two South West areas, the one with the worse underlying economic health, Devon, Cornwall, Dorset and Somerset, is doing better than Gloucestershire, Wiltshire and the former Avon county. This may be due to economic difficulties, but could be due to both of the contractors in the Gloucestershire, etc. area being weaker.
- 2.77 In the West Midlands, the more rural contract has a better performance record for the over 50s than the metropolitan area one. This is despite there being an argument that the Work Programme is more difficult to deliver in rural areas than in urban ones, with small numbers of participants in a range of small towns and villages rather than concentrated in larger groups.

**Figure 16: Work Programme job outcome rates by age: Contract Package Areas**



## **Work Programme completions**

2.78 DWP has now started producing information on the position of those completing the Work Programme. This is shown, analysed by age-group, in Figure 17.

2.79 The groupings are:

- Provider still receiving outcome payments - this means that a participant has completed 104 weeks on the programme and has had a job start and the provider may be receiving sustainment payments or the participant may have started work recently and not yet achieved a Job Outcome. Therefore it is not surprising that 60% plus have had a job outcome. The fall for the oldest age group is based on 100 people and therefore random differences could have an effect, but could be of concern.
- Returned to Jobcentre Plus post 104 weeks - this means that a participant has had a job at 104 weeks but later on returned to benefit. It is not surprising that this group has a relatively high Job Outcome rate. The Work Programme figures count people across multiple JSA or other benefit spells, so these are people who have broken their benefit claim and later made a new claim. The rise for the 60+ is based on 10 people and is therefore likely to be random variation.
- Returned to Jobcentre Plus at 104 weeks - not in a job at 104 weeks. Some of these have had a Job Outcome, but older participants are less likely to have done so than younger participants.
- Competed early - these participants have left the Work Programme for other reasons, which will include being assessed into the ESA Support Group, leaving to studies, leaving the country, and other reasons.

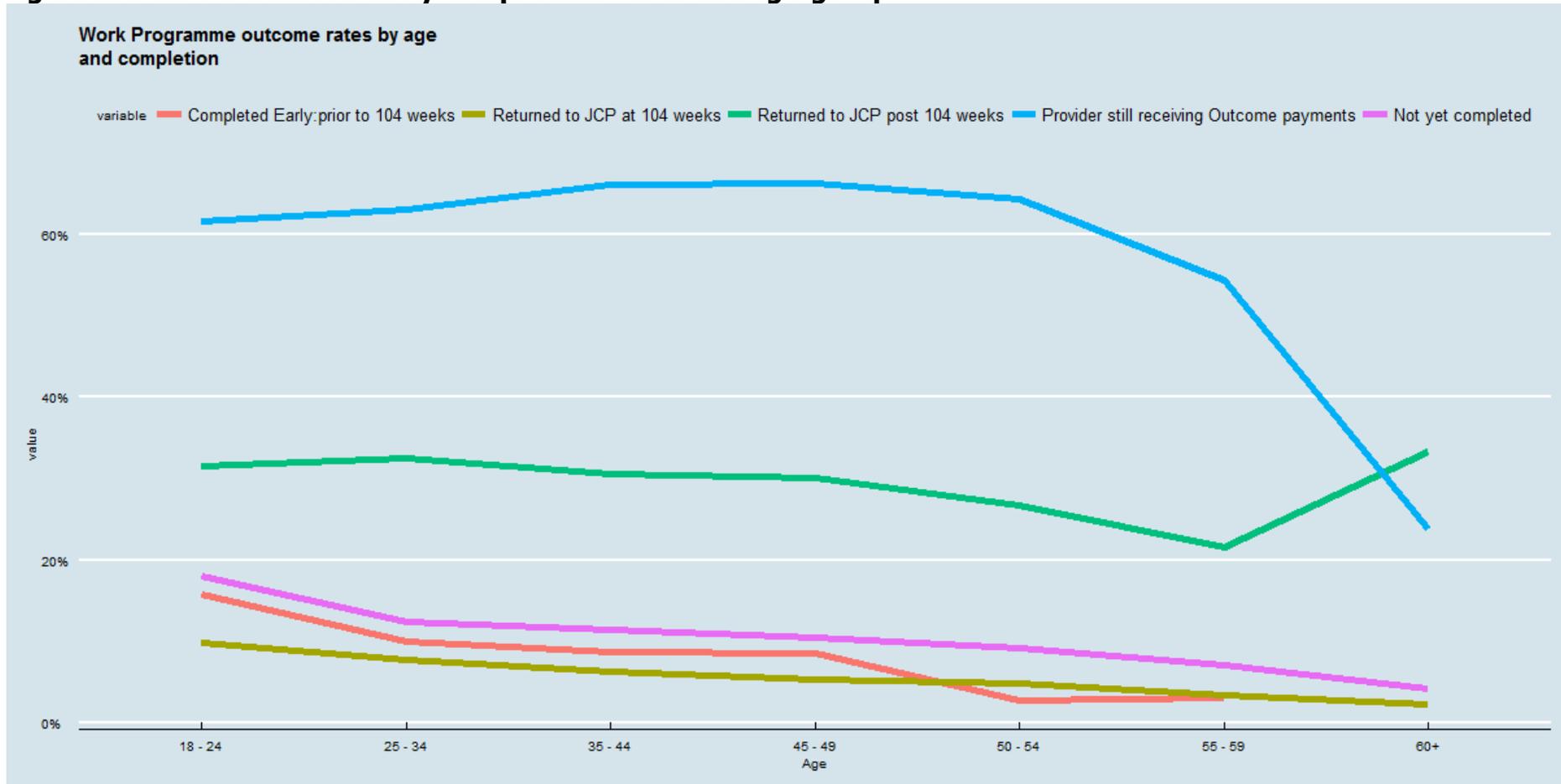
2.80 Those not yet completed have Job Outcome rates a little lower than those shown for the overall picture in previous charts, but on this scale the line appears much flatter.

### **Summary**

2.81 These figures have only recently been released for the first time. The evidence that, at the two-year point, lower proportions of older participants than of younger who are in work have completed a 'job outcome' is worrying and should be watched. It may mean that older participants get their job

starts later in the service period, and so have not completed three or six months in work by the two-year point.

**Figure 17: Job outcome rates by completion status and age-group**



## Chapter conclusion

- 2.82 Work Programme performance for older participants is lower than for younger participants.
- 2.83 Performance declines generally with age, but in most analyses in this report the performance decline is sharper once participants are over 50. The current performance gap between the 45-49 group and the 50-54 group that is evident in many of the charts supports the need for improvements in employment support for the over-50s.
- 2.84 The performance decline is sharpest for the JSA Early Entry group. One possible response to low performance for the over-50s might have been greater use of Early Entry. If Early Entry was working for the over-50s, then expansion of referral for older jobseekers is within the current powers of Jobcentre Plus. However, on evidence to date, this would not be sufficient.
- 2.85 We have examined the job outcome rates on the dimensions that DWP makes available, and the pattern of low performance for older jobseekers is common to all of them. In other words, the pattern is not caused by higher incidence of disability or particular health conditions among older people.
- 2.86 Currently DWP do not release Work Programme provider performance by age using the 'cohort' measure. As this is now their preferred measure of performance, it would be useful for this data to be available by age.
- 2.87 What is, perhaps, more positive is that the analysis of JSA data shows that current job start performance for longer-term jobseekers aged 50 and over is at historically high levels. The peaks in job start performance were in 2000, when the economy was doing well, in 2010, with the impact of the Labour Government's stimulus measures and programmes, and over the last year, where the Work Programme looks to have redressed a little of historical imbalances.
- 2.88 The data analysis does not conclusively identify that Work Programme providers are 'parking' older participants, but it does point in the direction that current provision declines in effectiveness sharply once participants are over 50. The lack of additional incentive to Work Programme providers to engage with employers to secure job outcomes for older participants may be contributing to these outcomes.

## **3 Barriers to work and support profiles of older jobseekers**

- 3.1 This chapter considers the extent to which there is a typical journey for older workers to become unemployed over the long term and whether older jobseekers have distinctive employment support needs.
- 3.2 In order to do so, this chapter firstly maps the labour market engagement profiles of older jobseekers and their attendant skills and work aspirations. It secondly considers the conditions in which older people are seeking to (re)enter the labour market, including the factors that led to their unemployment/need to re-enter the labour market, the external barriers that older jobseekers face and the cross cutting issues such as welfare and pension reform. Thirdly this chapter describes the different characteristics and ways in which older people may mitigate or exacerbate external challenges and captures different profiles of resilience to external barriers to work.
- 3.3 It is important to state at the outset that the findings presented here capture the views and experiences of sixteen participants who took part in in-depth telephone interviews and the fifteen research participants who participated in two focus groups, each who had experienced long-term unemployment (over a year or more continuous unemployment). As such, in a qualitative study of this scale, the support typologies that are described should be considered illustrative rather than fully representative of older jobseekers views.

### **Mapping the profiles of long-term unemployed older jobseekers**

- 3.4 Although individuals will have unique combinations of factors which have led them into long-term unemployment, the research captured a number of distinct profiles of labour market engagement and unemployment amongst older long-term jobseekers. To a great extent, these different profiles create different sets of objective and perceived barriers to work and employment support needs.
- 3.5 This section will discuss four typologies of labour market engagement:

- High labour market engagement: high-skilled trade/professionals
- High labour market engagement: varied career profiles/lower skill occupations
- Low labour market engagement: very long-term unemployed
- Low labour market engagement: history of economic inactivity

### **High labour market engagement: high-skilled trade/professionals**

3.6 A number of long-term unemployed older jobseekers in this study had held longstanding careers in professional fields such as law, administration, IT and the civil service – particularly local government. Typically, these individuals had only worked for two or three companies during their careers. As such, these individuals tended to have specialist skill sets tied to particular sectors:

*"I had worked in the Council in lots of roles but really doing the same thing."*  
(Older jobseeker, Work Programme returners focus group)

3.7 There was some evidence that this group found the change of life circumstances through unemployment difficult to adjust to as their identities were strongly linked with their careers, and as such their previous expectations that they would still be working created a sense of failure which negatively affected their confidence:

*"They doubt themselves, because there is a feeling of failure sometimes, older people tend to think that they thought they had their career sorted and had working life sorted and then it falls over and they never expected it."*  
(Specialist 50+ voluntary provider)

3.8 Providers also noted that these individuals also had real or perceived financial constraints to finding work. Firstly, providers noted that some older jobseekers were often in a completely different financial situation to their younger counterparts which created objective needs to find suitably waged work. For instance, those with insurance cover for mortgages would need higher wages in order to replace their income:

*"We have a customer at the moment... he used to work in security, doing very well but he can't just take any old job because he lives on his own, he has a mortgage that he has to pay for and has an insurance that covers that*

*at the moment. He needs to look at something that brings in a little more money to ensure that he can cover his outgoings."* (Work Programme provider)

- 3.9 Secondly, providers noted that some other individuals who were currently relying on income from out-of-work benefits sought to maintain a lifestyle that was incompatible with this level of income:

*"A lot may have had quite a good history of work and employment and established a lifestyle that is built around that... but during unemployment that has become much more difficult to maintain and sustain."* (Work Programme provider)

*"You can't meet friends, you can't entertain, that part of your life suffers. You can't go out in the evenings and take a taxi home. It is very, very restrictive. My lifestyle has changed."* (55 year old male jobseeker)

- 3.10 In addition, providers noted that this resistance to change also created perceived financial barriers to returning to lower waged jobs:

*"Some [older jobseekers] will be better off in work but this work will not cover the costs of the lifestyle that they have got used to previously...a significant barrier to this customer group, is that it can be really difficult to find a job that pays well enough for them to go back to work."* (Work Programme provider)

- 3.11 As such, many employment support providers noted that such individuals often continued to operate within their previous modes of financial management, and that this could lead to chaotic finances (with attendant impacts on their wellbeing):

*"[They] have a tendency to develop a skill set over time that becomes the only way that they will do business. So they pay mortgages in a certain way and want to do their banking in a certain way and when they go onto benefits they want to keep that process going and often they get to a point where their finances are very chaotic."* (Work Programme provider)

### **High labour market engagement: varied career profiles/lower skill occupations**

- 3.12 Another group of long-term unemployed older jobseekers had varied careers across a number of sectors. As providers noted, these individuals made up the majority of their caseloads:

*"The majority have had a reasonable work history at kind of a low to medium wage, they may have bounced about a bit, job shopping around a bit, but generally would have kept a similar work pattern throughout their lives."*(Work Programme provider)

- 3.13 As such, these individuals had gained experience in a number of sectors which meant that their skills profile was wider but lower level compared to those with longer standing careers. Indeed for many in this group, their careers had mainly been in entry level jobs, sometimes punctuated by short periods of unemployment:

*"I am looking for retail, I used to be a lab technician and I have done construction work, the Royal Mail."* (Older jobseeker, Work Programme returners focus group)

- 3.14 In addition, it was more likely for this group to have lower level or few formal qualifications:

*"I had lots of work, I had lots of experience in constructor work, even though I ain't got the papers, I got the experience, I can do electrical work, plumbing and all these things."*(Older jobseeker, Work Programme returners focus group)

- 3.15 A number of older jobseekers in this group had worked in a number of jobs then decided to start their own freelance work or small businesses but had failed to find work during the recession:

*"You have infinite faith that what you are doing is going to turn out alright and you'll have a big base that will get better and better but of course that didn't happen."*(61 year old male jobseeker)

- 3.16 Compared to the other typologies, this group generally had a more adaptable skill-set and had experience of finding different jobs and changing careers. However, the extent to which individuals felt this was possible was highly dependent on age within the 50+ age group. While younger individuals in the study felt that finding new kinds of work was more likely, others in the 60+ category felt that their age provided a limit to what roles or careers that they could change to:

*"I'm not 35 anymore, even though 53 is no age really... [but] I feel all right, I've found work all me life, and I have no problem with working. I just plod on, whatever it takes."*(53 year old male jobseeker)

*"It has made me aware that whatever way I look at it, there isn't an awful lot of working time left... there's no point me thinking that I am going to start a new career in teaching or nuclear physics because that is just not going to happen."* (61 year old male jobseeker)

### **Low labour market engagement: very long-term unemployed**

- 3.17 Although employment support providers stated that they made up a smaller proportion of their caseloads, the research found examples of jobseekers who were very long-term unemployed:

*"I think I must be the longest unemployed person in the room, 11 years for me; back then I thought it was going to be easy"* (Older jobseeker, Work Programme returners focus group)

- 3.18 Providers stated that older jobseekers with very limited or no employment experience had a very different set of support needs to those with high levels of labour market engagement. In many ways, providers felt that they were similar to young people not in employment, education or training in terms of their limited skillsets and experience, but found that the length of time that they had been unemployed made them much more difficult to engage with and build confidence. In some cases providers found it very challenging to change the aspirations of those who had never worked:

*"[An] extreme of our cohort are people who never have worked, so they may have literally been 20 years unemployed, through the benefits system, around and around and around, picked up a few weeks of employment here and there."* (Work Programme provider)

*"That never worked cohort is a whole other ball game... the older they get, the harder it is to engage with them and they are generally people who have built their lifestyles around benefits. They are people who have built their social life around it, their economic life around it and they are really happy with it, you can't use a social lever – like friends – wouldn't you like to be like your friends, because they all don't work either."* (Work Programme provider)

- 3.19 In some cases, providers reported that individuals who had been very long-term unemployed and reached a certain age, used their age as a barrier to finding work:

*"You are trying to change the mindset of 30 years, not 3, 30 years plus so they are very negative older jobseekers and they use their own age as their own barrier."* (Work Programme provider)

## **Low labour market engagement: history of economic inactivity**

3.20 Older jobseekers who had previously been economically inactive were generally so for two main reasons. The first reason was having long-term caring responsibilities. A number of individuals in the study (roughly an even split between men and women) had looked after older relatives for a long time, in one case, an individual had been caring for his mother and grandfather for 27 years.

3.21 A number of women in the study had low labour market engagement due to having taken care of children. In either type of caring role, the majority of those who had been carers had limited career experience and had achieved less career progression. As such, they generally had out-of-date skills in low income occupations. In addition, with limited career histories, they had less ability to demonstrate a variety of (transferable) work skills.

3.22 Others in the study who had been long-term carers did have high level skills and experience but had reduced work expectations after such a long period out of the labour market. Consequently, seeking lower level jobs created skills mismatches which meant that they felt both overqualified and under-skilled for different (lower level) job roles:

*"On paper I have got social care level 3 certificate and I have also got a diploma in social work from university and specialised in adult offenders, my last job was in a community care team. On paper that looks great, but I couldn't work a till or have an idea about cleaning."* (58 year old female jobseeker)

3.23 The second reason for economic inactivity was having a long-term mental or physical health condition. It was common for these individuals to have had a limited ability to participate in everyday activities and, as such, to have been socially isolated for a long period of time. As one individual in the study noted, having a long-term mental health condition had had a huge impact on her life; at one point she did not want to leave the house without assistance:

*"Well it got me as I didn't want to go out anywhere and with the condition I was going dizzy as I was going out, I usually had to ask someone to come with me."* (58 year old female jobseeker)

- 3.24 Providers noted that these individuals had low confidence in their abilities. In addition, being on out-of-work benefits for a significant amount of time created particular support needs regarding managing the transition from benefits to work, particularly in relation to developing financial management skills (budgeting, online/telephone banking and dealing with monthly payments) and assisting participants with establishing a daily routine to get them ready for the workplace.

## **Retirement prospects**

### **Retirement prospects of those with high labour market engagement**

- 3.25 For both groups with high labour market engagement, long-term unemployment had adversely affected their retirement plans. Some individuals (particularly with higher skilled professional jobs) had been able to freeze their pensions and anticipated that they would be working an additional year or two, although were concerned about inflation eating away at their prospective income:

*"When I am 65 I will be all right, but although with the rate of inflation if bread is £1.30 and I am 65, it will be about £8!"* (53 year old male jobseeker)

- 3.26 Other individuals had used up cash savings they had planned to use for retirement in order to not claim benefits for the longest time that they could manage.

*"I've always worked, ever since I was fifteen... I don't claim any housing benefit, I am ashamed to claim benefits, so I have used all my savings, bits that I have had put away, but I need that money to get me by."* (59 year old male jobseeker)

- 3.27 Many of these individuals did not rate their prospects for a comfortable retirement highly and were expecting that they would have to work for a long time in order to be able to remain financially afloat.

*"Well basically I am going to have to keep on working until I drop."* (61 year old female jobseeker)

### **Retirement prospects for those with low labour market engagement**

- 3.28 It was common for those with low labour market engagement to have limited provisions for retirement and they were much more likely to be dependent on the state pension rather than occupational provision. In many cases individuals reported that they had not thought about retirement:

*"The only time I have thought about retirement is the time when I got a letter through the door saying that I can't retire until I am 66."* (Older jobseeker, Specialist 50+ job club focus group)

### **Re-engagement profiles; the factors influencing older jobseekers return to work**

- 3.29 The research found distinct reasons why older individuals in the study were looking for work or seeking to reengage with the labour market and in some ways these different reasons created different perspectives and objective barriers towards how they could potentially (re)engage in the labour market and in which types of work roles. In many cases, those with previously high labour market participation were looking for work due to having been made redundant from their previous role or having had a number of short-term contracts end. In many cases – particularly those who had non-physically demanding roles or who still felt physically able – these individuals had generally (at least at first) been looking for similar or equivalent full time roles and had a high work focus. There was a tendency for individuals in these groups to express perplexity as to why they were not securing roles or to cite external barriers such as ageism or the economy.
- 3.30 Some individuals in the study with good work histories in clerical or non-physically demanding roles felt that they would still be able to find work in their previous field despite having developed a health condition. As one older jobseeker who had worked in administration stated, the only limits of his health condition would be having to do things at a slower pace:

*"My health condition doesn't stop me from getting a job; I don't want to go there and say I've got this and that hurts, that's not me. If they asked I would tell them, but I don't generally tell anyone... I can still move about, I*

*can still walk about but [due to neuropathy] I have to do everything now very slowly... apart from that I am very lucid and my faculties are all there."* (55 year old male jobseeker)

- 3.31 For others with histories of high labour market participation in physically demanding or stressful roles, the onset of a physical or mental health condition or simply age related declines in fitness meant that they could not seek employment in their previous field or role. As one older jobseeker with a knee condition who had previously worked as a yardman for a builders merchant stated:

*"I had to resign in the end - because I enjoyed my job so much that I would have kept on taking the pain killers [for my knee] and they would have eventually taken their toll and so the only way to do it at the time was to resign."* (56 year old male older jobseeker)

- 3.32 Similarly, one older jobseeker with a mental health condition felt that she could no longer work in her previous field due to its demanding and stressful nature:

*"I used to be a sewing machinist... and I said [to Jobcentre Plus] 'I've told you I cannot go back to sewing because if you are on piece work you get anxious at the end of the day if you haven't done whatever.'" (58 year old female jobseeker)*

- 3.33 These physical, mental health and age-related conditions created both objective limits and, for some, perceived barriers to what kinds of work were feasible for them.

*"It's not a disability but there are limitations on what you will do when you are older than younger. So if you went for a job where you would have to carry boxes or work outside – not for every person over 50 – but for a significant number – they don't want to do that work anymore... I had someone who said 'well I used to be a nursery nurse, but you used to have to sit on the floor a lot with the children and can't do it now so I need to think to do something else'. So that is a barrier, it's not really health, it's not really disability, it is just age."* (Specialist 50+ voluntary provider)

- 3.34 Similarly, some individuals in the study noted that the onset of health conditions meant that they could not feasibly go back to previous roles that were physically and/or mentally demanding:

*"I am willing to do anything – apart from caring – because my health started to fail and it was too much stress that job, so I wouldn't go back to that."* (Older jobseeker, Work Programme Returners focus group)

- 3.35 One older jobseeker who had worked in a variety of jobs had experienced a stroke which had reduced the kinds of work that would now be feasible:

*"I would much rather be working... I am trying to plot a path to get work in proof reading side... the other work I can't even consider at the moment so I don't want to waste anyone's time... to find something that I can do instead of something that I might do."* (59 year old male jobseeker)

- 3.36 As such, changes in health circumstances affected those with different career histories differently and created different support, training and adjustment needs. For those with previous experience in non-demanding roles, the key presenting need was to find employers who could and would be willing to adjust to these needs. For those with previously physically demanding roles, re-skilling and methods to demonstrate transferable skills would be necessary to allow them to either switch roles within a sector or to change work sectors entirely.

*"Some customers might need re-skilling and some might have been working in a manual environment who may physically not be able to cope with that environment any longer and may need retraining and so they may be accessing their skills intervention."* (Work Programme provider)

- 3.37 For those with low labour market participation profiles, there were also different reasons for which they were seeking to re-engage with the labour market. There were two main groups. Firstly, individuals whose caring roles had ended and therefore were seeking to find extra income for themselves or their household, or due to not being eligible for carers allowance any more. In many cases, these individuals were flexible about labour market re-engagement and had positive aspirations about work. The key need here was to develop up-to-date work skills.

- 3.38 A second group were those who had been affected by increasing work obligations due to welfare reforms around work capability assessments. For example one older jobseeker in this study who had a mental health condition was found fit for work and moved from Incapacity Benefit to Jobseekers Allowance. Another individual in the focus group with Work Programme returners had been affected by time-limits on his Employment and Support Allowance claim which was driving his search for work:

*"I am doing as much as I can with the permitted work, the ESA support runs out [soon], I was originally told that it would run out at the end of this calendar year but after that I am back to square one, I'd have to definitely look for something or go and see the Jobcentre."* (Older jobseeker, Specialist 50+ job club focus group)

- 3.39 Other very long-term unemployed individuals had been subject to increasing mandation or sanctions through the benefits system:

*"These people [Jobcentre Plus] put you under stress, the women tells me to get up at 10 o'clock in the morning and do voluntary work or whatever and what are they doing for me at the end of the day?"* (Older jobseeker, Work Programme returners focus group)

- 3.40 Overall individuals were divided over the extent to which increasing work obligations were a good thing or not. The individual above who had been reassessed as fit to work and subsequently found work felt that in hindsight the process led to a positive outcome *"I think that they have actually done me a favour in one way"* but others were much more sceptical of the intent behind increasing mandation and work obligations for those with health conditions, and many found this stressful.

- 3.41 Across both those with high and low labour market participation, changes to pensions had affected a number of individuals reasons for seeking work. In particular, a number of women had been affected by the rise in pensionable age and had not expected to have to be looking for work. In addition, some men in the study reported that they had been affected by the rise in pensionable age from 65 to 66. In both cases, these individuals felt that the pace of change was too fast:

*"They shouldn't have increased the pension age, I know that they would have to do it eventually but they have done it very quickly so we had very little warning."* (61 year old female jobseeker)

- 3.42 For these individuals who were expecting to be winding their working life down, having a change of status from pensioner to active jobseeker was difficult to adjust to and these individuals could be resistant to the idea of working:

*"Well it is the crux of the problem because I am now registered as seeking work but... normally in the past, I would have been on a pension."* (61 year old female jobseeker)

*"Typically a client will be waiting for their pension. The employment coaches in this case will have to be a bit stricter, they work with them to show them that they can work but it is hard."* (Work Programme provider)

- 3.43 The key support needs here were changing older people's perceptions about working past the age of 60, and providing support to counter any external ageism that they may face in attempting to re-enter the labour market.

## **Cross-cutting external challenges affecting older jobseekers**

- 3.44 The research found a number of distinct cross-cutting challenges that older jobseekers faced when looking to re-engage with the labour market. These affected older individuals and their prospects for finding employment in a variety of ways.

### **The economic context**

- 3.45 The economic context had affected older workers in a number of different ways. The recession was cited in a number of cases as the reason for unemployment in the first place, due to businesses losing contracts and closing teams, or companies fully closing down:

*"Well it was a contract situation... and that was it really... I had never really been out of work and it was a heck of culture shock I'm telling you."* (57 year old male jobseeker)

- 3.46 In a number of cases individuals reported a general insecurity in the labour market, with a number previously on short term contracts, and others experiencing a series of redundancies due to companies seeking to downsize:

*"I had three redundancies; one company went to the wall and the other two made me redundant."* (Older jobseeker, Work Programme returners focus group)

- 3.47 A number of older jobseekers with high labour market experience felt that the economic downturn had disproportionately affected older workers, as their skills and experience made them more expensive and therefore less affordable. Some had been made redundant due to cut-backs in local authorities and the civil service, which traditionally had been seen as good sources of stable jobs for older workers:

*"The economy is the problem; jobs being scaled back from the state."* (Older jobseeker, Work Programme returners focus group)

- 3.48 Similarly many older jobseekers with previous high labour market engagement held the perception that younger workers were more attractive in the current economic climate due to their lower cost:

*"The biggest thing is the money – they can pay younger people less – I would prefer it if I was an employer you know because I wouldn't have to pay them as much."* (Older jobseeker, Work Programme returners focus group)

- 3.49 Providers generally agreed that the recession had created a barrier for older jobseekers for a number of reasons. Whilst the recession was felt to have limited the potential pool of jobs available for all jobseekers, in different regions different types of jobs were recovering at different rates and in some cases these (re)growth sectors were not necessarily providing enough suitable jobs for older jobseekers:

*"We get a lot of jobs at the airport... but older people don't want to be a baggage handler because they feel that they are a bit old for them or not fit enough to do that."* (Work Programme provider)

### **Age discrimination**

- 3.50 Linked to the above, age discrimination provided both objective and perceived barriers to work for older jobseekers. Some providers did consider that age discrimination persisted, particularly in sectors such as retail which was felt to often want to promote a more youth orientated image:

*"We do work with employers [where] you talk to a recruitment manager and they say to you we don't want any people over the age of 50 and it is unbelievable."* (Specialist 50+ voluntary provider)

- 3.51 Similarly, providers reported that some employers continued to hold negative stereotypes about older workers. As an example, a provider mentioned the views of employers at a local skills board she attended:

*"They said oh no people over 50 are really stuck in their ways, I'd never be able to induct them into my company, they just bring with them wherever they have worked before."* (Work Programme provider)

- 3.52 Some older jobseekers mirrored this:

*"I think also when they look at older people, they think well if we employ a younger person, they are just going to do what they tell them whereas older people might have more of a mind of their own."* (Older jobseeker, Work Programme returners focus group)

- 3.53 In addition, some older jobseekers felt that their extended skills and qualifications also exacerbated the perception that older workers would be difficult to manage:

*"I went for a job a while ago and I heard from a rep that I knew and he said 'you went in for that job at such and such, do you want to know why you didn't get the job?' and I said 'why' and he said 'you know because the bloke that interviewed you was terrified that you were more qualified than him and he was going to be your boss.'" (Older jobseeker, Specialist 50+ job club focus group)*

- 3.54 To some extent, however, a number of providers felt that the expectation of age discrimination amongst older jobseekers caused barriers even when discrimination was not present:

*"It is more the perception [of age discrimination]... but it doesn't matter whether or not everybody will hire over 50s, if it is perceived that they won't hire within that age group then you are fighting a losing battle."* (Work Programme provider)

*"It is a two-sided coin, the labour market is definitely discriminating against older people and older people are discriminating against themselves, they are bringing their hang-ups to interview."* (Work Programme provider)

- 3.55 A number of providers stated that older jobseekers would withdraw from applying for jobs solely based on a perception that employers wouldn't want to employ them due to their age:

*"I think a lot of the older clients put the barriers in their own way as well; they tend to go, I'm not applying for that job as they won't want me."* (Work Programme provider)

- 3.56 Overall, both providers and older jobseekers felt that ageism was difficult to prove, and in many cases, believed that other reasons for not being offered the job would be cited where age was the true concern:

*"They all have policies but they are not going to blatantly tell an individual that they are not going to give them work for that reason, however, it is quite easily done."* (Specialist 50+ voluntary provider)

- 3.57 As such, number of providers felt that older customers needed support to counter potential ageism and support with confidence to apply for work:

*"I think [age discrimination support] does work because I haven't seen anyone who isn't able to work... the focus is 'lets look at what you can do'."* (Work Programme provider)

### **Recent Welfare Reforms**

- 3.58 In addition to broad changes to benefits that have impacted different sub groups of older workers (as discussed earlier in this chapter), recent welfare reforms including the bedroom tax were felt to be creating additional stresses for older jobseekers. As some providers noted, the bedroom tax (whereby those in social housing have to pay additional contributions towards their housing costs if they have unused bedrooms in their house) hits older individuals particularly hard as they are more likely to have lived in their houses for a long time and thus may find moving more stressful. This could lead to anxiety which is not helpful at a time when they are looking for work.

### **Internal factors affecting older workers potential to re-engage in the labour market**

- 3.59 This section considers the internal barriers to employment that older workers tend to face and must overcome in order to secure employment. To a great extent, internal factors are amplified or dampened by both the objective terms under which older jobseekers are seeking to reengage in the labour market and also their internal resilience and capacity to adapt.

### **IT skills**

- 3.60 It is simplistic to assert that older jobseekers find it difficult to secure work because they do not have IT skills. Indeed, many providers noted that a lack of IT skills generally clustered with those who held lower or limited skills overall or who have held primarily manual jobs:

*"With the IT skills - that is coupled to more general skills levels - you tend to find that people with lower level skills won't have the IT skills."* (Specialist 50+ voluntary provider)

- 3.61 For those with long career histories in administration or professional roles, IT skills could be just as sufficient as younger counterparts':

*"It difficult to say that the over 50's struggle because it is quite well documented that there are a lot of people who are very conversant with IT and it is not a problem whatsoever."* (Specialist 50+ voluntary provider)

- 3.62 More commonly an issue however, and indeed one which can cut across age groups, were frustrations relating to online application processes including the lack of direct contact with employers and feedback:

*"I spoke to a customer yesterday who was just completely frustrated because she was doing everything online and having that frustration of not being able to see a decision maker, never getting an interview in many cases, never having a response to an electronic application and I think that causes a lot of frustration and de-motivation."* (Specialist 50+ voluntary provider)

- 3.63 This appeared to particularly affect older jobseekers, who were used to and preferred more traditional methods of securing employment face-to-face:

*"[Advisers] find that there are a lot of frustrations with older jobseekers in the area of IT, they don't seem to understand the point of creating a CV to apply for jobs, they are used to just walking into a business and asking them if they need anyone to help them out."* (Work Programme provider)

### **Levels of resilience, confidence and motivation**

- 3.64 Unemployment can create social isolation and confidence issues. Many of the older jobseekers interviewed described unemployment as having had a notable negative effect on their mental wellbeing, confidence and self-esteem:

*"When you are working you are meeting people, you learn a lot, but when you are just stuck and not doing anything it just makes you depressed."* (55 year old female jobseeker)

*"Being out of work gives you an overwhelming feeling of being a failure."* (56 year old female jobseeker)

- 3.65 To some extent, internal resilience to the experience of long-term unemployment is mainly a personal attribute, but providers noted that resilience, confidence and motivation could all be affected by a number of factors. These included the extent to which individuals could reconcile a large change in circumstances or their physical and mental health. Indeed some providers noted that while those who had a (sudden) change in physical or mental health had difficulties with confidence and motivation, older clients who had longer standing mental or physical health conditions tended to be reconciled with these and had less incidences of 'crisis' situations.
- 3.66 A key factor in resilience was the extent to which older individuals perceived that the employment market was ageist. In our research sample, it was clear that those who had received some sensitive support to combat ageism were much more confident:
- "I said, are you actually thinking that you're going to find me a job at my age? She said 'there's no such thing as age anymore and a lot of people in the care sector would sooner have someone that little bit older than someone a lot younger... don't be thinking that age will pull you back because it won't. It made me realise that my age didn't matter.'" (58 year old female jobseeker)*
- 3.67 In addition, providers noted that levels of resilience could be mitigated or exacerbated by the extent to which an individual was socially isolated.

## **Chapter conclusion**

- 3.68 This chapter has found that there is no typical journey into long-term unemployment. Moreover, older jobseekers are not a homogenous group; there are a number of distinctive profiles or typologies of older jobseekers.
- 3.69 Firstly, as this chapter has outlined, those with extensive labour market histories generally have a very different skills-base and set of support needs to those with histories of low labour market engagement; indeed for those with extensive skills profiles it is a case of demonstrating the transferability of skills or adapting aspirations around work goals. For those with extensive labour market gaps, it is about building up and updating skills and developing work goals.
- 3.70 In many ways, where barriers exist for older jobseekers they present as amplified; where they are overqualified, they are very overqualified, where

they have spent time out the labour market, they have often spent a significant period of time out and as such their objective skills profiles, modes of working or extent of barriers diverge over time to make them even more distinctive to other types of job seekers.

- 3.71 The test of employment support in these often very different cases is the extent to which providers can accurately and quickly conduct a good diagnostic of these different needs and address these appropriately with a comprehensive and personalised support plan and specialist training and development.
- 3.72 The research also found that the terms on which older jobseekers' seek to reengage with the labour market can also vary. As this chapter has shown, there are several sets of reasons for why older jobseekers are seeking to reengage in the labour market. In a number of cases these reasons can be due to significant changes in life circumstances, such as the end of caring roles or through having to adapt to mental, physical or age-related health conditions. In addition, due to broad policy changes in welfare and pension reform, employment providers will need to deal with clients who may not always wish to be seeking work at this stage of their life and who may need significant amounts of work to help change their work aspirations. Dealing with these intensive support needs in a sensitive manner will be imperative to assisting these individuals with adapting to these changes as they search for work.
- 3.73 This chapter has also shown that while there are distinctive differences in older jobseekers support needs there are also cross-cutting issues which the group as a whole face. Ageism and the competitive nature of the economy both present overarching objective and perceived barriers to employment. In turn, older jobseekers to some extent have different levels of confidence, social support and resilience that providers can draw on to help them move into work. Identifying these needs and support requirements is essential to assisting older workers find employment.

## **4 Employment support for older jobseekers**

- 4.1 This chapter explores the employment support delivered to older jobseekers by Jobcentre Plus, Work Programme providers and specialist 50+ voluntary providers. Findings are based on interviews with providers and interviews and focus groups with older jobseekers.
- 4.2 Unemployed jobseekers aged 50 and above are initially in contact with Jobcentre Plus. After 12 months of unemployment, they are transferred to the Work Programme. If after two years on the Work Programme they are still unemployed, they return to Jobcentre Plus.
- 4.3 Alongside their mandatory contact with Jobcentre Plus or the Work Programme, some older jobseekers interviewed were also accessing specialist 50+ voluntary provision. A number of different routes to this voluntary provision were reported in the research. Some jobseekers were referred by their mandatory providers; either by Jobcentre Plus pre-Work Programme, by a Work Programme Provider or by Jobcentre Plus post-Work Programme. Others heard about the specialist provision via word of mouth or leaflets in Jobcentre Plus. The jobseekers interviewed were typically attending the specialist 50+ voluntary provision alongside, rather than in place of, mandatory provision.

### **Assessing support needs**

#### **How barriers and support needs were identified by providers**

- 4.4 Most Work Programme providers reported using a standard diagnostic tool to identify customer needs, with the results of this assessment used to develop a tailored action plan. In some cases the assessment was also used to determine which 'stream' of provision a customer was assigned to, based on a rating system that determined their proximity to the labour market. Work Programme providers typically felt that the information they received from Jobcentre Plus on customers referred to them was very limited.
- 4.5 None of the Work Programme prime providers interviewed had developed specific diagnostic tools for use with customers of different age groups,

though some had included additional assessment questions or allocated more time to assessments for customers with health conditions on Employment and Support Allowance.

- 4.6 One Work Programme subcontractor, that delivered to all age groups but previously ran some specific provision for older jobseekers and had brought some good practice elements from this forward, described how they tailored their assessments for older customers. For example, they asked additional questions about IT as they felt this was often a barrier for older people and they asked when their customers had last had an interview as older people might have a long work history but have not had an interview for a long time.
- 4.7 Although specialist voluntary providers typically used a standard assessment process or tool like Work Programme providers, they were more likely to describe their diagnostic as holistic and to state a longer average length of time spent conducting the assessment. Some reported that they carried out their customer assessments over a number of weeks as *"it takes this amount of time to build a relationship."*
- 4.8 Older jobseeker views on the extent to which mandatory (Jobcentre Plus and Work Programme) providers got to know their support needs varied. In many cases, this seemed to be linked to individual advisers. However, jobseekers also typically felt that their Work Programme provider had gained a greater understanding of them and their support needs than Jobcentre Plus.
- 4.9 All jobseekers interviewed who were seeing a specialist voluntary provider felt they had got to know their needs well. Things that were felt to have been good included staff taking the time to understand the skills they had, the type of work they wanted and the reasons for this.

## **Employment support**

### **Employment support delivered to older jobseekers**

- 4.10 Many Work Programme providers reported that they did not provide any specific employment support for the older group. Of these, some reported that their provision was individualised and *"tailored to everyone"* and others grouped customers by distance from the labour market. One stated that the Work Programme encourages focus on particular groups (for example 18-24

year olds and people with health conditions) and highlighted that 50+ is not one of the current groups of focus.

4.11 Some of the Work Programme providers interviewed appeared to offer some specialist support for older jobseekers alongside their standard support offer. For example, one provided specific workshops to address barriers more common to older customers, including how to tackle ageism in interviews and motivation and self-esteem issues. Another provider had allocated an older employment coach to support their older customers. Another provider ran a weekly 50+ job club and a weekly ladies group for women aged 45+. This provider also looked to tackle potential issues of isolation among older jobseekers by building peer support and the option to visit the centre daily into their provision.

4.12 Only one of the six Work Programme providers interviewed stated that they currently collected and analysed performance information for older jobseekers as a specific group. Some providers had performance management systems that would not support this whereas others could look at this but did not currently.

*"We don't have enough hours in the day to analyse everything and I would rather spend the time with the customers."* (Work Programme provider)

4.13 There was some indication that target pressures in the Work Programme contract had led some providers to focus support on motivated jobseekers and to 'park' those who do not want to work.

*"Our programme works with a lot of over 50s, but usually the ones with work ethic. The hard core ones, the ones that don't want to work, find all the excuses, it is very hard for us to focus on them when everyone is under target pressure."* (Work Programme provider)

### **Need for specialist support**

4.14 The specialist voluntary providers interviewed tended to think that age-specific delivery was beneficial.

*"The one thing that makes us specialist is that they are with their peer group. It makes them feel less inadequate."* (Specialist 50+ voluntary provider)

*"Peer support is very useful for working with older clients."* (Specialist 50+ voluntary provider)

- 4.15 Elements of support delivered by the voluntary providers that were felt to be tailored to older jobseekers included running IT courses at a slower pace and recognising the anxiety some will have about using IT, inviting 'age-friendly' employers to give talks to jobseekers, focusing on jobseekers' mindset and motivation, helping jobseekers to think about transferable skills and linking with services that can provide financial advice on planning for retirement.
- 4.16 However, some highlighted that their provision was not currently as tailored as they would like due to funding constraints. For example, one third sector organisation delivering a local authority funded employment programme for older jobseekers stated that they would like to be able to teach their customers more practical IT to help them up-skill and show them they can learn.
- 4.17 Looking across all provision at aspects of support that provider staff felt were most helpful, staff attitude and experience was considered critical. This included a need to treat older jobseekers with respect, build their self-esteem and encourage them, and build trust. Staff experience was also felt to be important as less experienced advisers may feel less confident giving advice to long-term professionals, which a significant proportion of older customers will be. Having low enough caseload numbers to allow high, regular levels of activity and contact and flexible, tailored support was also felt to be very helpful. Job brokerage and employer engagement were also considered extremely valuable. Having a training offer and strong partnerships with other services were also highlighted.

### **Jobseeker views of provision**

- 4.18 In this research, the older jobseekers interviewed provided more positive views and feedback on the specialist voluntary provision they had accessed as compared to mandatory provision (Jobcentre Plus and Work Programme). However, it should be noted that it is not possible to conclude from this that the voluntary provision was more effective. Firstly, there are certain requirements that mandatory providers need to impose on jobseekers (for example, requiring minimum levels of attendance and job seeking activity and providing sanctions for non-compliance) that voluntary providers do not, and these may influence jobseeker views on the providers. Secondly, as there is no requirement to attend voluntary provision, jobseekers are likely to continue to access this only if they find it beneficial and so the recruitment of interviewees attending voluntary provision would likely be biased towards those who had positive views of it. Finally, no conclusions

can be drawn on whether the voluntary provision is more effective at moving jobseekers into work as much of this provision does not have comparable performance monitoring to mandatory provision.

- 4.19 Reflecting on the initial 12 months of unemployment, many of the older jobseekers interviewed felt that the level and type of input from Jobcentre Plus had been too limited for their requirements. A number described Jobcentre Plus as focusing on monitoring job search rather than providing support.

*"The only thing that they are interested in are the jobs that you apply for... They look at a list and then sign you on, they give you nothing else."* (55 year old male jobseeker)

- 4.20 Offering limited support in the initial stages of unemployment can help prevent significant resources being directed at individuals who may quickly move back into work without support, and thus can ensure resources are instead directed at the long-term unemployed who are more likely to need greater support. However, there were some indications that offering limited support in the initial stages of unemployment may be adversely disadvantaging those older jobseekers who have limited knowledge of IT or the current job market and applications process. A number of older jobseekers reported that they required support to conduct the online job search Jobcentre Plus required them to do, but felt this had not been available.

*"I couldn't do the job search they required as I didn't know where to start and didn't receive any help in how to do it."* (58 year old female jobseeker)

*"I've been sanctioned – they said I wasn't doing enough looking for jobs. I tried to show her what was in my books but she wasn't interested in me book, she said everything had to be on the computer, but I asked why it had to be on the computer because I haven't got no training on the computer."* (Older jobseeker, Work Programme returners focus group)

- 4.21 Many of the jobseekers interviewed perceived the attitude of the Jobcentre Plus staff they had seen as negative, although this did vary depending on the individual staff member seen.

- 4.22 The older jobseekers who felt they had received useful support from Jobcentre Plus in the first 12 months of unemployment had been referred to training courses, for example in IT or customer service. This access to training was felt to be helpful.

- 4.23 Once referred to the Work Programme, a number of the older jobseekers interviewed reported that the level of support they received did not significantly increase and was not sufficient. Others reported that the level of contact from their Work Programme provider was good but that there was little tangible support.

*"You were just left to your own devices... I am no better off than when I was signing on [at Jobcentre Plus]." (55 year old male jobseeker)*

*"You see your advisor and that would be it, they would tell you to go on the computer and find a job that you are looking for." (Older jobseeker, Work Programme returners focus group)*

- 4.24 There was some suggestion that limits on the support available were a result of Work Programme adviser caseloads limiting the time advisers had available, rather than due to a lack of willingness to help.

*"They did their best, but there were too many clients." (55 year old female jobseeker)*

- 4.25 Work Programme staff attitudes were typically perceived as better than Jobcentre Plus staff attitudes, and some jobseekers interviewed had very positive feedback, though again attitudes appeared to vary depending on the individual staff member seen.

*"They are pleasant, not aggressive, they are absolutely brilliant... there's always someone to support you if you have any questions." (53 year old male jobseeker)*

- 4.26 Views on the age and experience of Work Programme staff were also provided by some, who felt they would prefer to be seen by a slightly older adviser with experience.

*"People my age would feel more comfortable talking to someone older." (59 year old male jobseeker)*

*"Sometimes I find it objectionable that a 25 year old is trying to tell me what to do and it is either something that I am fully aware of, or tried it before and it doesn't work, etc." (61 year old male jobseeker)*

- 4.27 Jobseekers also commented on the type of support provided, and some felt the focus of the support from their Work Programme provider was too narrowly focused on job search.

*"All they [Work Programme provider] did was job search, job search, job search. They should have put us on courses, they should have got us to see employers."* (55 year old female jobseeker)

- 4.28 A number felt that the Work Programme support they received was not tailored to their individual needs. For example, having to progress through a set series of steps regardless of whether they were helpful or not.

*"They go through these little steps and that's it... it's not tailored to each individual person."* (Older jobseeker, Work Programme returners focus group)

- 4.29 Others highlighted being given inappropriate job suggestions. For example, one individual was advised to apply for jobs that were unsuitable due to their health issues.

*"I think at the moment they are putting everyone forward for everything because they have been told to."* (61 year old female jobseeker)

- 4.30 Views on voluntary work placement opportunities varied. Some, whose providers did not offer voluntary placements, felt these would be useful. Some who had undertaken voluntary placements felt these had been useful. However, others with significant work experience felt undertaking voluntary placements would not be appropriate for them, and some who had undertaken placements which they had hoped would lead to paid work felt dispirited when they had not. There was also a general distrust of government schemes which would require them to volunteer for benefits and a concern that mandatory voluntary work could lead to them being taken advantage of by employers and take time away from searching for paid employment opportunities.

- 4.31 Some interviewees felt that the Work Programme was less helpful for older jobseekers as compared to younger jobseekers. For some this was because they felt the Work Programme was not designed for skilled or experienced people which many older jobseekers are. Others felt Work Programme providers concentrated resources more on younger jobseekers and others highlighted that many of the vacancies available were apprenticeships which are geared towards younger jobseekers.

*"In my experience, the 18-24s that's who they were concentrating on, how they could get these ones into a job... you could see that they were being interviewed more intensively by the advisers."* (Older jobseeker, Work Programme returners focus group)

*"I notice that when I look on the boards it is apprenticeships, apprenticeships, so that's not going to be me."* (Older jobseeker, Work Programme returners focus group)

- 4.32 The jobseekers interviewed provided more positive views and feedback on the specialist voluntary provision they had accessed as compared to the mandatory provision. As noted earlier, this may be as much a reflection of recruitment bias as of the provision itself. However, it is useful to consider the elements of this provision that were felt to be helpful. These included proactive job brokerage, the tailoring of provision and staff attitude.

*"The staff at [specialist 50+ voluntary provider] give you a sense of worth and build confidence."* (57 year old male jobseeker)

*"They're brilliant, because they don't talk down to you, they don't bully you, they tell you straight, they will go at your pace, so if you're uncomfortable they will stop."* (58 year old female jobseeker)

- 4.33 Looking across all provision at aspects of support that older jobseekers felt to be most helpful, staff attitude was considered critical and was described as having a big impact on jobseeker motivation and confidence.

*"If you find the right place and you find the right person it helps you a lot... I thought, this is it, I will get a job... The confidence he gave me was very, very good."* (55 year old female jobseeker)

- 4.34 Being proactively offered support that was tailored and personalised was also felt to be highly important. Job brokerage was also felt to be extremely helpful where this was offered. At its most useful this included being informed about specific vacancies and being secured interviews, but having advisers with knowledge of the local job market and able to provide practical tips on where and how to job search and how to complete online applications was also felt to be useful. Finally, access to training courses in IT and vocational skills was considered valuable. The elements of support felt to be most helpful by the older jobseekers interviewed matched well to the support provider staff felt was most useful, discussed earlier.

## **Employer engagement**

- 4.35 All the Work Programme providers interviewed had employer engagement staff or teams, but none did anything different or specific for older jobseekers. For some providers, this was deliberate as they felt that

targeting one age group over others would be discriminatory. For others, age was a consideration but just one of many. For example, one provider highlighted that they ensured they were aware of which employers were more or less open to employing different groups of jobseekers including older jobseekers.

- 4.36 However, other Work Programme providers suggested that if they had more time and resource they would like to do more specialist job brokerage for the older group. One Work Programme subcontractor used to run a specific 50+ programme for which they had a dedicated member of employer engagement staff who went out specifically looking for vacancies for older jobseekers. This provider thought this worked really well but stated that they could not continue this practice for the Work Programme due to resource constraints.
- 4.37 One specialist voluntary provider had built up a network of 'age-friendly' local employers, especially in 'age-friendly' sectors such as health and social care. This provider used this network to generate work trials, job opportunities and employer talks. One voluntary provider was offering a wage incentive of £140 per week for six months to employers of their older customers and thought this had made a difference. Another voluntary provider felt it was hard as a smaller organisation to get the attention of employers. This is in contrast to some large Work Programme prime providers who have developed 'national accounts' with some large employers.

### **Provision of support to counter ageism**

- 4.38 Some Work Programme providers reported that they did not provide any specific support to counter ageism from employers. Others stated that they would provide this on a case-by-case basis if required. However, many of these providers did not feel they were well placed to challenge any potential ageism. Two key reasons for this were given. The first was that, because ageism is illegal, it is typically hidden rather than overt. The second was that they did not have any expertise in employment law so felt they would not be qualified to deal with this. These providers felt it would be useful for the government to do more to tackle ageism.
- 4.39 Other Work Programme providers did provide some limited support to counter ageism from employers. This consisted of supporting their older jobseekers to look at what they could do and telling them how to respond to

questions in interviews and how to sell themselves. One provider did not deliver anything specific in relation to ageism but felt this was covered more generally as part of their non-age-specific advice on how to counter negative attitudes and discrimination.

- 4.40 One specialist voluntary provider undertook a significant amount of work aimed at countering ageism. This provider's approach focused on changing both jobseeker and employer attitudes. In order to show older jobseekers that employers are interested in them and what they can offer, they arrange for employers to come to talk to their jobseekers and, in order to demonstrate to employers the value of their older customers and what they can do, they looked to get their customers into workplaces via work trials or placements.
- 4.41 A number of the older jobseekers interviewed could not think of any examples of support they had received to counter potential ageism, though some of these felt that this would be helpful. One jobseeker highlighted that he had hoped the specialist voluntary provider he had started to see would have *"a formula to deal with ageism, but they don't and there's no magic bullet."* In common with provider staff, a number of the jobseekers interviewed were not sure how such support could be provided as they felt it was very difficult to work out if they had been discriminated against when a job application was unsuccessful.
- 4.42 Other jobseekers did feel that their provider had supported them to counter potential ageism. For some being supported by specialist voluntary providers, this had consisted of their adviser positively challenging them and making them see that their age did not matter and that they had something to offer and employers would be interested in them.
- 4.43 This approach of addressing older jobseekers own fears and negative perceptions about the impact their age could have on them securing a job was felt to be very useful. In contrast, some jobseekers had been advised by their Work Programme provider to downplay their experience and make it less easy to see their age on their CVs in order to try to reduce the likelihood of employer ageism, but this was not felt to be helpful.

## **Suggestions for improvement**

- 4.44 Providers and jobseekers were also asked how they thought support for older jobseekers to find work could be improved. These discussions covered both how to increase employer demand for older workers (through wage

incentives and work trials) and how to improve the skills and job readiness of the supply of jobseekers (through training and job brokerage). Work Programme providers also discussed performance and whether more could be done to incentivise support for the over 50 group.

## **Employer incentives**

- 4.45 A number of providers saw a role for government or national bodies to tackle age discrimination through a national campaign to promote older workers and show what older jobseekers can offer. It was felt that this would need to address stereotypes about older people and highlight the business case for employers to recruit someone aged over 50.
- 4.46 Provider views on the efficacy of providing financial incentives for employers to recruit older jobseekers were mixed. In line with wider evidence, one Work Programme provider suggested that an employer would recruit the best person for the job and that such an incentive would have a limited impact on their decision. Few jobseekers mentioned the use of a wage incentive as something that they felt would help them to find work.
- 4.47 However, some Work Programme providers felt that a wage incentive for older workers could be useful; one suggested that it would help reduce the (perceived) risk of taking someone on. In a number of cases the notion of a wage incentive came up in relation to the current Youth Contract wage incentive which is paid to employers recruiting 18-24 year olds on the Work Programme. There was a suggestion that having a financial offer to employers could be a useful tool to begin a discussion and even that some employers would approach providers only wanting youth contract applicants. Similarly, some providers suggested that Apprenticeships specifically targeted at the over 50s would be beneficial. There is currently an Apprenticeship Grant available for businesses to recruit 16-24 year olds into an Apprenticeship but nothing similar for older groups.
- 4.48 Another proposed approach to incentivise employers which was commonly cited by jobseekers was the use of work trials or placements with a link to paid work. In effect this reduces the risk to employers by reducing recruitment costs and enabling them to 'test out' an employee before entering into a formal contract. However there was a concern amongst jobseekers that work trials should only be for a limited time to avoid exploiting unpaid labour, or that a longer placement should be paid for by government:

*"The government should provide incentives as they have done for the younger group; you know where the company takes you on and keeps you for longer than six months, they get paid a couple of thousands of pounds, that kind of thing might open doors a little bit." (61 year old female jobseeker)*

## **Job brokerage**

- 4.49 Some jobseekers would like to see providers adopting more of a recruitment agency approach; keeping up to date with the labour market, sourcing vacancies and identifying appropriate candidates:

*"They could have actually sent me to interviews rather than getting me to apply." (55 year old male jobseeker)*

*"At one time you had help... now it is all up to you to do. You need support and help and guidance and somebody to sort of – say DWP – to say 'There's a job going with such and such and I've got an interview for you', which they used to do, but not now. Because, if you have got the backing of an organisation behind you, it gives you that extra bit of clout." (Older jobseeker, Specialist 50+ job club focus group)*

- 4.50 However, this inevitably implies a more resource intensive approach which may not be feasible within funding constraints and which also may not adequately equip individuals with job search skills of their own.

## **Age-specific support**

- 4.51 Amongst Work Programme providers and jobseekers there was a range of views in terms of whether it is better to deliver support, such as group work, by age. Some older jobseekers liked to mix with younger customers and others preferred to just be with others of a similar age:

*"Most job clubs were full of young kids who didn't care and were messing about and messing about with the computers, not doing proper job searches." (Older jobseeker, Specialist 50+ job club focus group)*

- 4.52 Some providers felt that specific older jobseeker groups would provide better peer support and also allow them to tailor their approach more. This was because they found that their older customers typically preferred a formal approach whereas their younger customers preferred an informal approach.

- 4.53 However, there are practical challenges to setting up age-specific groups for providers working with a range of clients. One provider highlighted that many 50 year olds do not consider themselves as older so segregating them as standard rather than offering this might not be helpful. In addition, some felt a mixed age range is beneficial as this can broaden horizons and provide inter-generational learning.

### **Increasing skills**

- 4.54 A number of providers stated that it would be beneficial to have greater funding available for training and upskilling older jobseekers and cited a skills funding bias towards younger people in terms of the level of free provision available for retraining. Others called for a training fund, perhaps that customers themselves had control over.

- 4.55 Jobseekers also saw a need for more training opportunities than were perceived to be currently available, although with the caveat that these needed to be appropriate. For example, a number pointed out that IT courses needed to be pitched at the right level and at an appropriate pace:

*"We are the older generation, and the mind gets slower and doesn't work as quick, it takes a little longer to get into what they are actually trying to teach you, two or three months ain't going to do it, they should have longer courses".* (Older jobseeker, Work Programme returners focus group)

- 4.56 Some jobseekers highlighted a 'catch 22' in relation to training funding, in that their Work Programme providers were only willing to fund certain types of non-standard training (e.g. HGV training) for jobseekers who were guaranteed a job on completion of the training, but employers were unable to guarantee to employ jobseekers who had not already completed the training. The earlier suggestion of a training fund could help to address this issue.

### **Provider incentives**

- 4.57 Finally, Work Programme providers talked about performance and whether more could be done to incentivise support for the over 50 group. Some felt that a specific payment group dedicated to the over 50s would provide an additional focus on their needs:

*"Maybe it would be different if they were in a payment group of their own. So whoever you are in the supply chain - a delivery manager or whatever -*

*you know were thinking about it as a bottom line as well - you know in terms of business as well as just believing in people.” (Work Programme provider)*

- 4.58 Conversely concerns were also voiced that, without additional financial incentives, this would merely create greater complexity and have minimal impact on behaviour.

## **Chapter conclusion**

- 4.59 In terms of the support that older jobseekers receive through the Work Programme, this mainly appears to be tailored based on perceived distance from the labour market and work ethic rather than anything specific to the needs and barriers of an older worker. Specialist providers of support for older jobseekers perceived a need for provision more tailored to an older age group, such as peer group support, addressing IT barriers (where these exist) and identifying transferable skills. This approach is popular with older jobseekers but there is limited evidence to suggest that this approach is more or less effective at getting older groups into work.
- 4.60 Looking across all provision it appears that staff attitudes and experience are viewed as critical by both jobseekers and providers. This included a need to treat older jobseekers with respect, build their self-esteem and encourage them, and build trust. Staff experience was also felt to be important.
- 4.61 Jobseekers were also looking for a great extent of job brokerage akin to a recruitment agency model. This is likely only to be affordable (and possibly desirable) for those with greater support needs. However to equip those able to find their own opportunities to do so, IT support early on could ensure that they have the skills required for successful modern job search.
- 4.62 Support from Jobcentre Plus was generally perceived negatively, which largely centred on a lack of time to get to know the individual and to create a package of support to meet their needs. This may suggest that it would be advisable to move older jobseekers into the Work Programme earlier, as Work Programme advisers were generally perceived to offer more contact. However in terms of the actual levels of support, e.g. training, offered through the Work Programme (and the performance results discussed earlier in the report) as it stands early entry for a bespoke payment group may not be enough to meet older jobseekers' needs.

4.63 In terms of creating demand for older workers, wage incentives and grants were perceived as favourable to the extent that they would correct a potential bias in favour of younger (and potentially cheaper) workers. However as the number of older workers increases over time a more sustainable solution to address employer perceptions of this group may well be required.

## 5 Conclusions and recommendations

- 5.1 This research set out to examine the nature and extent of the gaps in outcomes for older people receiving employment support and to explore the reasons why older people may experience poorer quality or less effective support than their younger counterparts.
- 5.2 Older jobseekers are not a homogenous group and they have a diverse range of different support needs. However, being an older jobseeker can often be associated with amplified barriers. For example, those who are over-qualified for the jobs available are often *very* over-qualified, those who have had time out of the labour market have generally spent a very long time out of it, and those who are under-qualified are often very under-qualified because they obtained their skills and qualifications a long time ago. In addition, real and perceived age discrimination from employers amplified current labour market challenges for older jobseekers. As such, older workers would often benefit from more intensive and tailored provision. The views of jobseekers in this research suggest that Jobcentre Plus may not currently be offering this type of tailored support, though it should be noted that this research engaged largely with individuals who had become long-term unemployed and were therefore less likely to have positive views of the support provided to them towards the start of their unemployment journey.
- 5.3 The policy intent was for the Work Programme to provide personalised support in a way that Jobcentre Plus is not fully able, or intended, to provide. Yet in practice, it appears that the Work Programme also operates as a generalist programme which does not fully cater for distinctive support needs of groups that are disadvantaged in the labour market. This may disproportionately affect the capacity of the Work Programme to meet older workers support needs.
- 5.4 This assertion is supported by quantitative analysis which found that Work Programme performance for older participants is lower than for younger participants; performance declines with age and this decline is sharper once participants are over 50. The analysis found that this pattern was not caused by higher incidence of disability or particular health conditions among older people and therefore does appear to be directly linked to age per se.

- 5.5 DWP-published Work Programme performance data could be improved to help support ongoing and accurate analysis of the programme's performance for older participants. Currently DWP do not release Work Programme provider performance by age using the 'cohort' measure but, as this is now their preferred measure of performance, this data should be made available by age.
- 5.6 It has been suggested that Work Programme providers are focusing their resources on those for whom they are most likely to achieve job outcomes, at the expense of other participants such as older jobseekers (this is often described as 'creaming and parking'). Whilst the current research does not conclusively identify this, it does show that current Work Programme provision declines in effectiveness sharply once participants are over 50. The lack of additional financial incentive to support to older jobseekers may be contributing to these poorer outcomes.
- 5.7 Current mainstream employment provision does not appear to fully meet the needs of the older jobseeker. There are a number of ways in which this situation could be addressed. The first and foremost of these would be to improve the ability of Jobcentre Plus staff to meet the needs of older jobseekers. The recent publication of DWP's 'Fuller Working Lives' framework<sup>5</sup>, including the announcement of testing of new and tailored provision for older jobseekers in some Jobcentres using the Flexible Support Fund, may indicate that support is set to improve. However no *additional* funding was announced which may make it difficult to drive significant change. Piloting different approaches for supporting older jobseekers would be valuable but, in order to fully maximise the benefits of this, processes will need to be put in place to ensure that 'what works' lessons are shared nationally – not just within Jobcentre Plus but with Work Programme and voluntary providers too. It will also be important to ensure that the pilots recognise 50+ Work Programme returners as a group requiring particular focus.
- 5.8 A further option would be to take older jobseekers out of the Jobcentre Plus system and move them into the Work Programme at an earlier point in their claimant journey. Other 'disadvantaged groups' on JSA enter the Work Programme for personalised support at three months and the easiest change to make to the current system would be to add older jobseekers into this group. However, the quantitative analysis shows that performance decline is

---

<sup>5</sup> DWP (2014) [Fuller Working Lives: A Framework for Action](#)

sharpest for the JSA Early Entry group, suggesting that early referral to the Work Programme is not currently working well for those older jobseekers already contained within this group. Early referral to the Work Programme in its current form would not necessarily therefore improve employment support for unemployed older people. Any decision to refer older people to the Work Programme earlier would need to be coupled with improvements to Work Programme support to properly prioritise and meet their needs, in order to be effective. Within the minimum prescription or 'black box' environment of the Work Programme, the main lever that government holds to incentivise providers to focus on particular groups is through the payment model. Therefore an additional option to drive greater support for older jobseekers could be to create a new payment group specifically for those on any benefit over a certain age threshold, with financial incentives attached to positive outcomes. Indeed, many Work Programme providers involved in the research were open to the idea of focusing greater resource on older jobseekers and working to specific targets for this group, but indicated that any such increase in requirements would need to be supported by additional resource.

- 5.9 However it should be noted that the DWP Evaluation of the Work Programme<sup>6</sup> found little evidence that Work Programme providers were using differential pricing in live delivery to target different types of support to different payment groups, with some providers suggesting that the payment differences were not large enough to influence their behaviour. Whilst limited resources may therefore be a key limiting factor to the levels of support Work Programme providers are offering to older jobseekers, increasing the payments for older jobseekers within the current financial model may be necessary but not sufficient to significantly improve support.
- 5.10 What a separate payment group would achieve would be to send a clear signal to providers that this is an important group to the government. If that were backed up by rigorous contract management (as now occurs for a selection of other payment groups) a modest impact may be observed. Whether the value and impact of this signal outweighs the risk of labelling older jobseekers in a slightly pejorative sense as a 'hard-to-help' group, is another matter for consideration.

---

<sup>6</sup> Lane et al (2013) Work Programme Evaluation: Procurement, supply chains and implementation of commissioning model. DWP Research Report No. 832  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/197710/rrep832.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/197710/rrep832.pdf)

- 5.11 Given the complexities and criticisms of the current Work Programme payment model it is also sensible to consider the scope for redesign of the system in such a way that places greater emphasis on *need* over broad categorisations based on age or benefit claimed, which disguise the heterogeneous nature of the population within. Various methodologies have been suggested to improve on the segmentation of the claimant population. For example, in Australia a Job Classification Instrument is used (covering factors like family circumstances, language skills, transport, workplace support needs, recent work experience, criminal record and qualifications) to identify specific barriers to work so that support can be better targeted.<sup>7</sup>
- 5.12 Putting the *structure* of employment support for older jobseekers aside for a moment, this research has also identified ways in which the *form* of support could be improved. The first of these relates to access to (re)training opportunities. It is important to ensure that all those who need access to training or re-training are financially able to do so, regardless of age. With limited public funds available for skills development, this scarce resource cannot be made available to all and it is right that employers and individuals should make financial contributions to training where this is affordable and where they will realise the benefits. However, it is important that decisions on who is asked to contribute to training are made fairly and appropriately.
- 5.13 Funding should be based on the needs of the individual instead of the current arbitrary age criteria. In addition, decisions on whether to provide funding for a second qualification at any particular level should be based not on the learner's age but on how recent the previous qualification was<sup>8</sup>. We therefore recommend that access to skills funding support should be prioritised for those with the lowest levels of current (i.e. in the past five years) work experience and skills, and not based on age.
- 5.14 Secondly, the research has found that much mainstream employment support relies on the ability of jobseekers to conduct their own job search (at least in the early stage of their customer journey). This policy/practice fails to acknowledge that some unemployed people are less able to conduct effective independent job search than others. For example, older jobseekers may be proportionately more likely than other jobseekers to have issues with the IT skills required to register on the government's online system universal

---

<sup>7</sup> Holmes, E and Oakley, M (2011) *Rethinking Personalised Welfare*, Policy Exchange

<sup>8</sup> For a suggested model see page 40 of the following report

[http://www.cesi.org.uk/sites/default/files/publications/CESI\\_IES\\_for\\_sustainable\\_employment.pdf](http://www.cesi.org.uk/sites/default/files/publications/CESI_IES_for_sustainable_employment.pdf)

job match and may be less aware of the range of online job websites now in existence. Providing employment providers with sufficient resource to spend more time with disadvantaged jobseekers to help them identify appropriate jobs to apply for, and more time engaging with employers to draw in vacancies for these groups would be of real benefit to older jobseekers.

- 5.15 Such 'job brokerage' services are resource intensive however and so, where this is not possible or limited, a more sustainable but also useful approach would be to invest early on in equipping jobseekers with the skills to effectively look for work online and to make speculative approaches to employers. This type of support is theoretically available but this research suggests it is either not being delivered in practice or is not effective enough. Whilst this should be available to jobseekers of all ages that require it, this is likely to be of particular benefit to older jobseekers.
- 5.16 As well as making recommendations for improvements to the way older jobseekers are supported, the research has identified ways in which the demand for older workers could be better stimulated. Real and perceived age discrimination causes employment barriers for older jobseekers, and the 18-24 wage incentive may be exacerbating the 'uneven playing field'. Evidence for a positive impact of the wage incentive on employer recruitment decisions is limited but findings from this report suggest it may be influencing providers in terms of where to focus their efforts. Therefore whilst ever a wage incentive is available for employers of 18-24 year olds it may act as a barrier to getting other groups into employment. Given recent improvements in the youth unemployment figures, now may be the right time to broaden this policy out to all ages, whilst maintaining affordability by restricting it to those who are longer-term unemployed.
- 5.17 Wage incentives are not the only method by which real and perceived age discrimination barriers can be addressed. To be most effective, there is a need to focus simultaneously on tackling both employer attitudes and *perceptions* of employer attitudes amongst provider staff and older jobseekers. Campaigns such as DWP's 'Older Claimants' fortnight from 9 - 23rd June 2014 attempt to address this issue by focusing the attention of internal staff on supporting older people to find a job and on demonstrating the benefits to business. However it will also be important for providers (including Jobcentre Plus) to share good practice on supporting older jobseekers. Good practice identified in this report includes engaging employers to give talks, to mentor jobseekers, to offer work trials and placement opportunities and should also involve highlighting positive case-studies of successful moves back into work by older jobseekers. As well as

addressing employers' recruitment concerns this is likely to improve confidence and motivation amongst older jobseekers. Greater promotion and use of the [Age Positive website](#), which hosts case studies and an employer guide to a multi-generational workforce, may be helpful in this respect.

5.18 Some of the recommendations discussed in this chapter can, and should, be immediately addressed but others will require longer-term changes in policy priorities and employer/public attitudes. We have summarised the recommendations as immediate calls for action and priorities for future policy development in the table below:

| What  | How  | When             |
|---|--|------------------|
| Prioritise older jobseekers' needs within mainstream employment support | Release Work Programme provider performance by age using the 'cohort' measure                                      | Immediate action |
|   | Improve Jobcentre Plus capacity and capability to give personalised support  | Immediate action |
|   | Early entry to the Work Programme  | Immediate action |
|   | Dedicated Work Programme payment group (may or may not be associated with early entry)                             | Immediate action |
|   | Pilot different approaches for supporting older jobseekers and disseminate 'what works' findings                   | Future priority  |
|   | Work Programme redesign sees individuals classified on need rather than arbitrary categories.                      | Future priority  |
| Effective employment support for older jobseekers' needs                | Early investment in the skills required for effective modern job search  | Immediate action |
|   | Greater job brokerage for those who need it most – sourcing bespoke vacancies and supported applications           | Immediate action |
|   | Ensure that all those who need access to training or re-training are financially able to do so, regardless of age. | Future priority  |
| Stimulate employer demand for older workers                             | Revise youth wage incentive to cover all long-term unemployed  | Immediate action |
|   | Share good practice amongst providers in employer engagement, age positive case studies and use of work trials.    | Immediate action |