



LEP – Sub Committee

LEP - Lancashire Skills and Employment Board

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DWP Fuller Working Lives Strategy and Lancashire 'The Value of Experience' Conference

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Executive Summary

The Department of Work and Pensions (DWP) published “Fuller Working Lives – a partnership approach” setting out its approach relating to “retaining, retraining and recruiting older workers” on 2nd February 2017. This report provides an overview of the document and also examines the issues and opportunities for Lancashire.

Recommendation

The committee are asked to:

1. Note the approach as defined in the publication 'Fuller Working Lives – A partnership approach', summarised in this report.
2. Provide feedback on the proposed conference in Lancashire.

Background and Advice

1.0 Fuller Working Lives – a partnership approach

- 1.1 The Department of Work and Pensions (DWP) published 'Fuller Working Lives – a partnership approach' setting out its approach relating to older workers on 2nd February 2017. The document sets out a case for action for employers in leading a national strategy for older workers focusing on the 3 strands of 'Retain, Recruit, Retrain'.
- 1.2 A group of employers was established to follow up the recommendations of the previous Business Champion for Older Workers report published in March 2015 'A New Vision for Older Workers: Retain, Retrain, Recruit'. A business strategy group was established and the outputs from this group are detailed in the Fuller Lives report including guides and products to help other employers and individuals.



- 1.3 The report sets out an evidence base in making a case for action focusing on:
- The ageing demographic. The report makes the case that 'as the population and workforce continue to age to avoid a loss of labour employers will need to increasingly draw on the skills of older workers'.
 - The proportion of older workers in the workforce.
 - Retaining the valuable skills of older workers and gaining the benefits of a multigenerational workforce.
- 1.4 The report puts Employers at the heart of the partnership approach and in terms of action puts this into 3 categories:
1. Employers taking the lead.
 2. Supporting individuals in making the right choices: 'Rethink, Refresh, Reinvent'.
 3. 5 actions the government is taking to support older workers:
 - a. Legislation to support fuller working lives: removal of the default retirement age, reform of state pension, extending the right to request flexible working, review of state pension age.
 - b. Empowering change through others:
 - Developing an evidenced base case for action
 - Business in the Community Age at Work leadership team
 - Influencing employers and individuals
 - c. Supporting those who need more help:
 - Women
 - Carers
 - People with long term health conditions and disabilities
 - BME groups
 - d. Reforming the adult skills system:
 - Building the industrial strategy – technical education
 - Lifelong learning
 - Apprenticeships
 - e. Improving the job centre plus offer for older workers
 - Older claimant champions
 - Increasing awareness of barriers to older workers and how to address them
 - Central hub for resources
- 1.5 Fuller Working Lives is an ongoing initiative and there will be regular updates of new Fuller Working Lives Research and Policies including the publication of the annual OS: Economic labour market status of individuals aged 50 and over since 1984 which will be used by DWP to monitor changes.
- 2.0 Fuller Working Lives - A Lancashire perspective**
- 2.1 The publication of Fuller Working Lives is particularly pertinent to Lancashire. The Lancashire Skills and Employment Strategic Framework describes a Lancashire workforce that is ageing. Combined with modest population



growth, this is a significant challenge to the LEP in meeting its economic targets.

- 2.2 It is anticipated that growth sectors in the Lancashire economy will create 45,000 jobs over the next 10 years and this is anticipated to increase to over 55,000 if the LEP's ambitions for economic growth are met. There will be significant challenges for companies recruiting to new jobs and this will be exacerbated by the need to replace existing workers as they retire, change jobs or leave the labour market. The Lancashire skills and employment evidence base (October 2015) reports a replacement demand of 4% per annum.
- 2.3 The loss of experienced personnel does present a particular challenge in the sectors where growth is expected in Lancashire including Advanced Manufacturing where 45% of the workforce is aged 45 to 64¹ and the Social Care sector where half of the workforce is over 45². The energy and environment sector also has an above average proportion of employees aged 40-59³.
- 2.4 The evidence base also highlighted the number of people in the age group 50-64 that are economically inactive 27% compared to the regional average of 25% and England (minus London) average of 22%.
- 2.5 The Strategic Framework also recognises that whilst the workforce in Lancashire is ageing many people will need to remain in employment for longer due to changes in pension arrangements.

3.0 Opportunities for Lancashire

- 3.1 Through its comprehensive evidence base and understanding of the local labour market and the national context the LEP through the Lancashire Skills and Employment Hub has ensured that key projects relating to skills and training will seek to address the projected skills gaps and the key issues of an ageing population and workforce. These include the ESF/SFA funded Project Employee Support in Skills being delivered by Learndirect and Age of Opportunity the ESF/Big Lottery funded project being delivered by Selnet Working with People 50+ who are currently unemployed or economically inactive helping to improve their skills and employability.
- 3.2 Provision has been made within the engagement activity/capacity building plans for the ESF/SFA funded project to undertake further research to ensure the evidence base is updated. This evidence base will continue to inform the future strategic approach to the ageing workforce and actions to support the strategy.
- 3.3 The Skills Hub, with support from the chair, has worked with the DWP Fuller Working Lives unit to put together a proposal for a Lancashire Conference titled 'The Value of Experience Retaining, Retraining and Recruiting Older Workers' to be held Tuesday 25th April 12:30 – 16:30 at the University of Central Lancashire, Preston. As highlighted above research undertaken by



the LEP has highlighted the ageing workforce in Lancashire and the need for employers to value the experience that older workers can bring to a business. The proposed conference will highlight the DWP Fuller Working Lives strategy, give an insight into some of the underpinning research and enable employers to access and share best practice in retaining, retraining and recruiting older workers. A draft agenda for the conference is attached as Appendix A to this report. Committee are asked to provide feedback on the proposed conference and agenda.

4.0 Recommendations

- 4.1 The board are asked to note the approach as defined in the publication Fuller Working Lives – A partnership approach and summarised in this report.
- 4.2 The board are asked to provide feedback on the proposed conference in Lancashire.

1. Sector Skills Baseline Study and Action Plan for Advanced Manufacturing Regeneris Consulting 2015
2. Sector Skills Baseline Study and Action Plan Health and Social Care New Economy 2015
3. A Skills Action Plan for Lancashire's Energy and Environmental Technologies Sector, Proposed Action Plan and State of the Sector Report, SQW 2015