



## **The Business Champion for Older Workers' Target: Commit & Publish**

As the Government's Business Champion for Older Workers, we have set a target for one million more older people in work by 2022. This target requires every employer to increase the number of employees aged 50-69 by 12%. We are calling on employers to commit to taking action towards the Business Champion target, and to publish the age profile of their workforce, which requires them to:

- **Commit** to collaborating with Business in the Community to reach the target and as a starting point to employ 12% more older workers by 2022, and;
- **Publish** the number and percentage of older workers in their workforce.

This guidance paper outlines what action employers can take to help achieve the target of one million – or 12% – more older people in work by 2022, starting with Commit & Publish. It then outlines why the target is important, and how it was determined.

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## How can your organisation achieve the target?

### 1: Commit & Publish

To grow the movement, increase impact, and mobilise support for older workers, and to ensure that the UK stays on track to achieving the target, we are asking employers to Commit & Publish:

- **Commit** to collaborating with us to reach the target.
- **Publish** the number and proportion of older workers in your organisation.

In committing to collaborate with us to reach the target, employers are committing to increasing the number of employees aged 50-69 in their workforce by 12%, as a starting point, by 2022. By publishing the proportion of older employees in your organisation, you will enable us to establish a baseline for change, as we seek to reach the target. You will be contributing to the public debate on how we make the most of the opportunities provided by our ageing population. And finally, you will gain recognition as a leading employer on age in the workplace.

#### Where will the data be published?

Employers that 'Commit & Publish' will be included in a public list on our website alongside all other committed organisations. As part of the 'Publish' requirement, the percentage of older workers in your organisation will be shared online for transparency, and to encourage more organisations to take action. We encourage these employers to communicate their commitment and transparency to all stakeholders and will provide supporting materials to enable them to do so.

We are keen for each employer to update their workforce data annually, to enable us to effectively track our collective progress towards the one million more target.

#### What data do I need to submit?

We ask employers to submit the following data:

- Organisation
- Name of senior contact
- Name of main contact
- Main contact email
- Total number of employees in UK
- Number of employees 50-64
- Number of employees 65-69

We will then **publish** the percentage of employees aged 50-64 and 65-69 and the organisation's name.

#### Can I still Commit & Publish if I don't have the data yet?

We urge employers to Commit & Publish at the same time. However, employers do have the ability to publically sign up to 'Commit' and be included in the public list, and then submit their data at a later date (allowing time for them to gather data if required). All employers will need to have submitted their data on

our website for 'Publish' by 31<sup>st</sup> December 2017. Employers that 'Commit' in any subsequent year until 2022 (2018 – 2022) will have the option to 'Publish' their data within four months.

If data is not published within the required timeframe (by the end of 2017, or within 4 months for 2018 – 2022), the organisation's name will be removed from the public Commit list.

### Where can I Commit & Publish?

You can Commit & Publish at: [www.age.bitc.org.uk/BusinessChampion/Commitandpublish](http://www.age.bitc.org.uk/BusinessChampion/Commitandpublish)

## 2: Understand, Listen, Act

We are committed to supporting employers in meeting their 12% target. Our [guidance for action](#) outlines three key steps to take, each with practical recommendations and resources:

- 1 **Understand** your workforce profile; assess your data by age. **Commit & Publish** is your starting point.
- 2 **Listen** to your older employees; their wants, needs and perspectives can feed into your action plan.
- 3 **Act** to transform your workplace to better support older employees. Take your knowledge gained from Understand (workforce data) and Listen (employee feedback), and feed it into your action plan. Your action plan will be most impactful, if it focuses on these three areas: **retain, retrain** and **recruit**.

*On 4th September 2016, the Government appointed Business in the Community's Age at Work Leadership Team, led by Andy Briggs, CEO of Aviva UK Life, as the Business Champion for Older Workers. As part of this role to mobilise and support employers to take action on the ageing workforce, we launched the target in February 2017. We will track progress by reviewing the government's Labour Force Survey statistics, including increases in the total number of older people in work and increases in the employment rates.*

*In May 2017, we called upon employers to Commit & Publish – commit to collaborating with us to reach the One Million More target, with 12% as a starting point, and publish the number and percentage of older workers in their organisation.*

## Why is the Business Champion target important?

As the Government's Business Champion for Older Workers, we are calling for **one million more older people in work by 2022**. This means increasing the number of employees aged 50-69 by 12%.



Achieving this target will help address the widening skills gap in the UK workforce, tackle age bias in the workplace, and enable people to stay in work for longer.

### Economic sustainability

This is an ambitious, yet necessary target. The UK's population is ageing; people are living longer and the birth rate has declined year on year since 2012. As the population ages and relatively fewer young people enter the workforce, it will become increasingly difficult to support the retired generation. It is an economic imperative to enable people to work for longer.

- If the employment rate of people aged 50-64 matched that of those aged 35-49, it would add more than 5.6% to UK GDP, or £88 billion.<sup>i</sup>
- If the employment rate of workers age 55 and over matched that of Sweden, the highest performing EU country, it would add 5.8% to GDP, or £105 billion.
- As it stands, the UK employment rate at age 50 is 83%, dropping to 64% at age 60.
- By 2020, over 50s will comprise almost half of the adult population. The average age when leaving work is increasing, but it is not keeping pace with increasing life expectancy.<sup>ii</sup>
- It has been estimated that between 2012 and 2022, 14.5 million jobs will open up; 12.5 million through people retiring and 2 million additional jobs, but only 7 million younger people will enter the workforce.
- 47% of people aged 50+ and unemployed have been out of work for 12 months or more, compared to 34% of all UK adults.
- 12 million people of working age are heading towards inadequate retirement incomes.<sup>iii</sup>

### Making the most of older workers

Our research found a [Missing Million](#) older people out of work, who want to work. But employment isn't working for many people over 50; while some can choose to retire, too many are pushed out of work through redundancy, dismissals, or being unable to balance work with caring or health responsibilities.

The target is aimed at supporting older people who want the same range of options and opportunities as younger colleagues, and to be recognised for their experience and expertise. In recognising the skills older people bring to the workplace, employers will benefit from the breadth and depth of their experience, as illustrated in our [business case](#) and [myth buster](#) factsheets.

We are calling on all employers, large and small, to work towards achieving the target. It is ambitious yet achievable, and one that will make a huge difference.

## How does the One Million More target translate to your organisation?

To achieve one million more older people in work by 2022, every organisation needs to increase, on average, the number of older people in their workforce by 12%.

This is a starting point – every organisation's circumstances will be different.

For example, if you have 100 employees aged 50-69 now, you'll need **112** by 2022:

$$\begin{aligned} & \mathbf{12\% \text{ of } 100} \\ & \mathbf{= (100 / 100) \times 12} \\ & \mathbf{= 12} \end{aligned}$$

$$\begin{aligned} & \mathbf{100 + 12} \\ & \mathbf{= 112} \end{aligned}$$

If you have 6,578 employees aged 50-69 now, you'll need **7,367** by 2022:

$$\begin{aligned} & \mathbf{12\% \text{ of } 6,578} \\ & \mathbf{= (6,578 / 100) \times 12} \\ & \mathbf{= 789.36} \end{aligned}$$

$$\begin{aligned} & \mathbf{6,578 + 789} \\ & \mathbf{= 7,367} \end{aligned}$$

If you have 420 employees aged 50-69 now, you'll need **470** by 2022:

$$\begin{aligned} & \mathbf{12\% \text{ of } 420} \\ & \mathbf{= (420 / 100) \times 12} \\ & \mathbf{= 50.4} \end{aligned}$$

$$\begin{aligned} & \mathbf{420 + 50} \\ & \mathbf{= 470} \end{aligned}$$

With the older population set to grow between now and 2022, the number of older people in work will increase naturally. The Resolution Foundation estimates that there will be 400,000 more employees over 50 by 2022, due to demographic shifts. This is two fifths of the target, so employers need to prepare for demographic change, and work to get the further three fifths of the million into their workforce.

Employers have five years to achieve the target, and each organisation or sector will have its own starting point. What is important is that every organisation assesses its own business risk - are you future proof? Employers need to be imaginative in making the most of our ageing population.

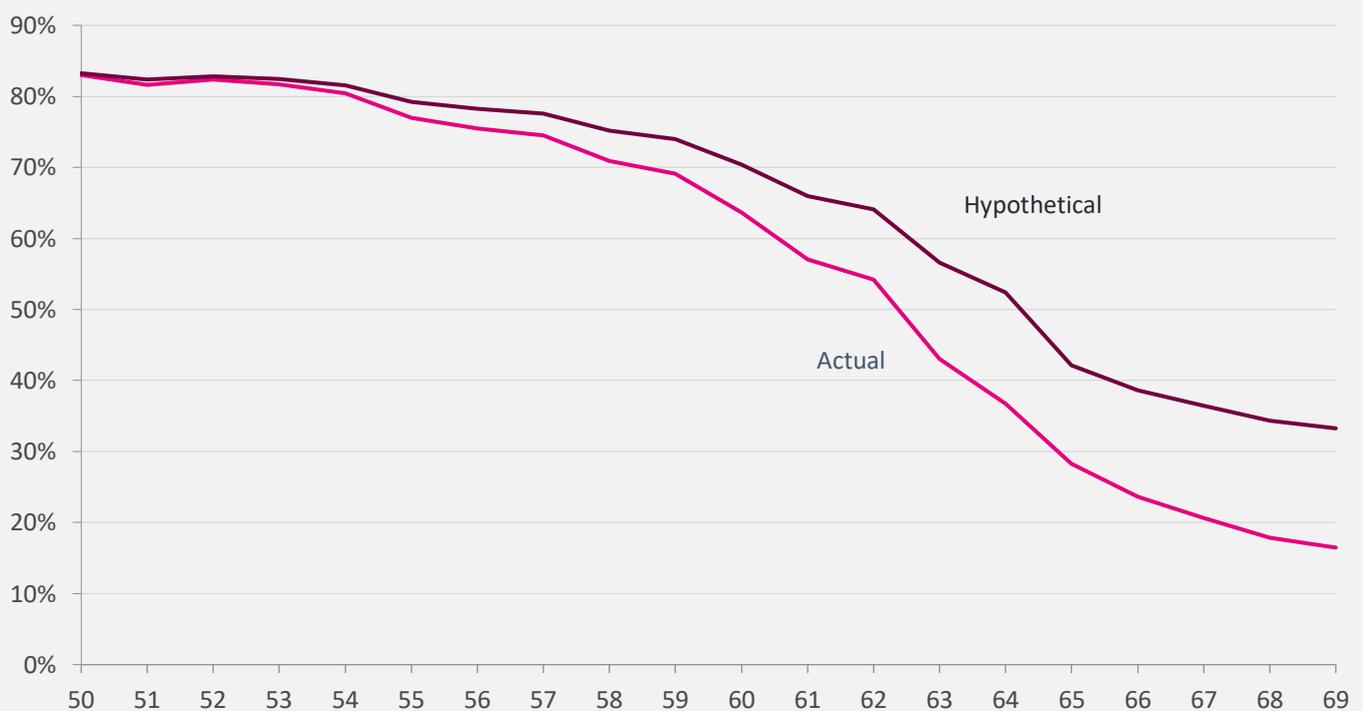
## What is the target and how was it determined?

The target is a national target across all UK-based employers, and it is based on UK-based government data. With the numbers rounded, there are 15 million people in the UK age 50-69, but only nine million are in work. We intend to increase that to over ten million over the next five years.

To determine the target, we looked at the gaps between the employment rate of two older age groups, and the employment rate of the 45-49 age group:

- 1 People aged between 45-49 have the highest employment rate of any age group - 84%. We call this 'peak rate'.
- 2 For people aged 50-64, the employment rate is 70%. We want to reduce the gap between this rate and the peak rate by a third. This would mean increasing the number of employed people in that age group by 545,859 people.
- 3 For people aged 65-69, the employment rate is 21%. We want to reduce the gap between this rate and the peak rate by a quarter. This would mean increasing the number of employed people aged 65-69 by 560,997.
- 4 Added together, we want to see 1,106,855 more 50-69 year olds in work. We have simplified this to one million, and it equates to a 12% increase in the number of employed people aged 50-69.

Employment rate by age, Jul 2015-Jun2016



Hypothetical employment rates (target) calculated by The Resolution Foundation.

## References

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- <sup>i</sup> Saga and Centre for Economics and Business Research (2014) Consumer spending key trends among the over 50s.
- <sup>ii</sup> DwP (2017) Fuller Working Lives: Evidence Base 2017
- <sup>iii</sup> DwP (2017) Fuller Working Lives: Evidence Base 2017