

*New Horizons Research Programme.
Social Exclusion of Older People:
Future Trends and Policies*

Think Piece

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Future Trends and Policies

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Alan Walker, University of Sheffield
Matt Barnes, Kate Cox and Carli Lessof, National Centre for
Social Research

June 2006

On 5th May 2006 the responsibilities of The Office of the Deputy Prime Minister (ODPM) passed to the Department for Communities and Local Government (DCLG)

Department for Communities and Local Government
Eland House
Bressenden Place
London
SW1E 5DU
Telephone: 020 7944 4400
Website: www.communities.gov.uk

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Although this report was commissioned by the Department, the findings and recommendations are those of the authors and DO NOT necessarily represent the views of the Department for Communities and Local Government. This report will form part of our evidence base when tackling future issues and policies.

Introduction

This short report accompanies *The Social Exclusion of Older People: Evidence from the first wave of the English Longitudinal Study of Ageing (ELSA)* (Barnes *et al*, 2006) and is intended to do three things: to summarise the key findings of the main report, to examine how the landscape of social exclusion it reveals is likely to change over the next five to 15 years and the policy implications of these changes, and to highlight the most promising policy options in seeking to combat present and future social exclusion among older people.

Social Exclusion of Older People: the Evidence from ELSA

The objectives of the main report were to measure the patterns of different forms of social exclusion among older people and to examine the risk factors for social exclusion. The study was based on data from the first wave of the English Longitudinal Study of Ageing (ELSA), carried out in 2002–3, which focuses on the circumstances, behaviour and attitudes of people aged 50 years and older. The second wave of ELSA took place in 2004–5 and wave three will begin in Spring 2006. Because it was based on the first wave only of ELSA the analysis was not able to capture the dynamic aspects of social exclusion. Nonetheless the size and representativeness of the survey enabled us to document with greater precision than hitherto the main individual risk factors associated with social exclusion in later life.

The study used the ELSA data to identify seven dimensions of social exclusion: social relationships, cultural activities, civic activities, access to basic services, neighbourhood exclusion, financial products and material goods (CF Scharf and Smith, 2004). ELSA was not commissioned specifically to study social exclusion; a picture of it had to be constructed from the available data rather than starting from scratch. Thus each measure of exclusion used combinations of appropriate questions in ELSA to construct an exclusion score for each dimension. No clear thresholds were apparent to signify exclusion on the different dimensions therefore thresholds were established to identify the 10 per cent of older people who had the highest indicators of deprivation on each of the seven dimensions.¹

The population of older people is evenly split between those who are not excluded on any of the dimensions and those who are excluded on at least one of them. Three in ten older people (29 per cent) are excluded on one dimension, 13 per cent on two and 7 per cent on three or more dimensions. The description ‘multiple exclusion’ was applied when people were classified as excluded on three or more of the seven dimensions. In terms of the total population of England the 7 per cent who are multiply excluded represents around 1.1 million older people. Those who are at greatest risk of multiple exclusion fall into the following eight categories:

- age: being 80 and over;
- family type: living alone, having no living children;
- health: depression or poor health
- mobility: no access to private transport, never uses public transport, no physical activity;
- housing tenure: rented accommodation;

¹ The percentage of older people defined as excluded varied across the seven dimensions between 9 and 13 per cent.

- income: low income, benefits as the main sources of income;
- area: city resident;
- telephone: those without access to a telephone.

Within these categories the strongest statistical associations with multiple exclusion were: depression, living alone, no living children, no private transport, living in rented accommodation, low income and benefits as the main source of income.

The main report emphasised the complexity of social exclusion: not only is it multi-dimensional but, also, the risk factors vary across the different dimensions. Some risk factors increase the chances of exclusion on several dimensions and some are particularly strongly related to one of them. The risk factors with the widest influence over the seven dimensions of exclusion are as follows:

- depression (six dimensions, not material goods),
- poor health (five dimensions, not civic activities and financial products),
- low incomes (four dimensions: financial products, material goods, neighbourhood and cultural),
- living alone (four dimensions: access to basic services, material goods, social relationships and civic activities),
- non-white ethnic group membership (four dimensions: cultural, civic, financial products and material goods),
- renting accommodation (four dimensions: civic, neighbourhood, financial products and material goods),
- not having access to a private car or van (four dimensions: social relationships, cultural activities, access to basic services and material goods),
- being female (three dimensions: cultural, civic and financial products).

Age itself was not found to be strongly connected to every dimension, indeed no factor was. Age is a risk factor for the older-old (80 and over) with regard to exclusion from access to basic services and material goods and for the younger-old with regard to civic activities.

Finally, it is not surprising that a connection was found between multiple social exclusion and the quality of life/well-being of older people. Overall quality of life falls as the number of dimensions of exclusion increases. The lowest quality of life was reported by older people who were excluded on the access to basic services dimension (lack of access to financial services, health services and local shops). The next lowest were those people excluded from cultural activities and financial products.

Potential Trends in Social Exclusion

Social exclusion is a complex moving target or, more accurately, collection of targets. While it is not possible to predict, with any certainty, the future trajectory of the different dimensions of exclusion among older people, we are able to identify likely changes in the characteristics currently associated with them. In the absence of sophisticated simulation models for social exclusion we have conducted a simple extrapolation where the necessary data are available. In addition the results of the main study were discussed at a specially convened expert and stakeholder seminar and the future trends highlighted there are reported below.

Population Trends

The key population trend with regard to social exclusion is the continuing ageing of the population over the next two decades, an effect that is reinforced by the transition of the first post Second World War baby-boomer cohort into advanced old age. Figure 1 shows the projected increase in the numbers of people aged 50 and over for the UK as a whole: by 2011 this population will have risen by 1.9 million compared with 2003 and, by 2021, 5.5 million. Figure 2 shows a comparison of the population pyramids for 2001 and 2031 which illustrates the long term inversion that is in prospect. It also reveals a narrowing of the gender inequality in longevity. Between 2001 and 2031 the numbers aged 80 and over are expected to double (2.4 million to 4.9 million) and the rate of increase in the population of very elderly men will be twice that of women.

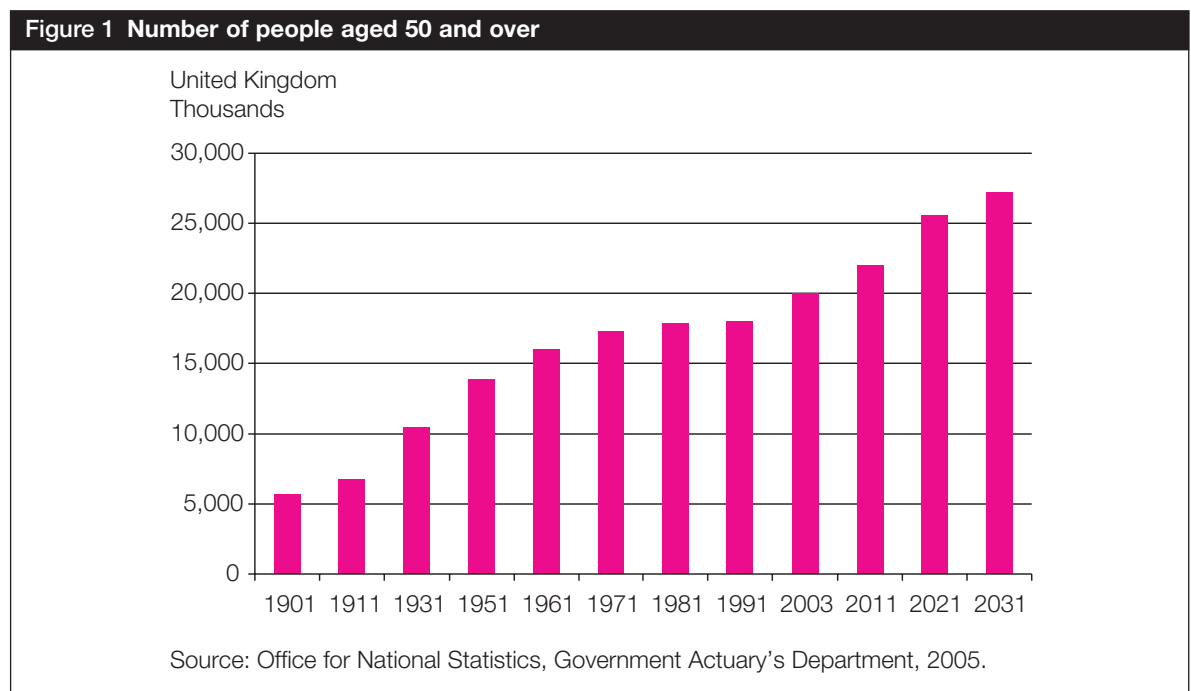
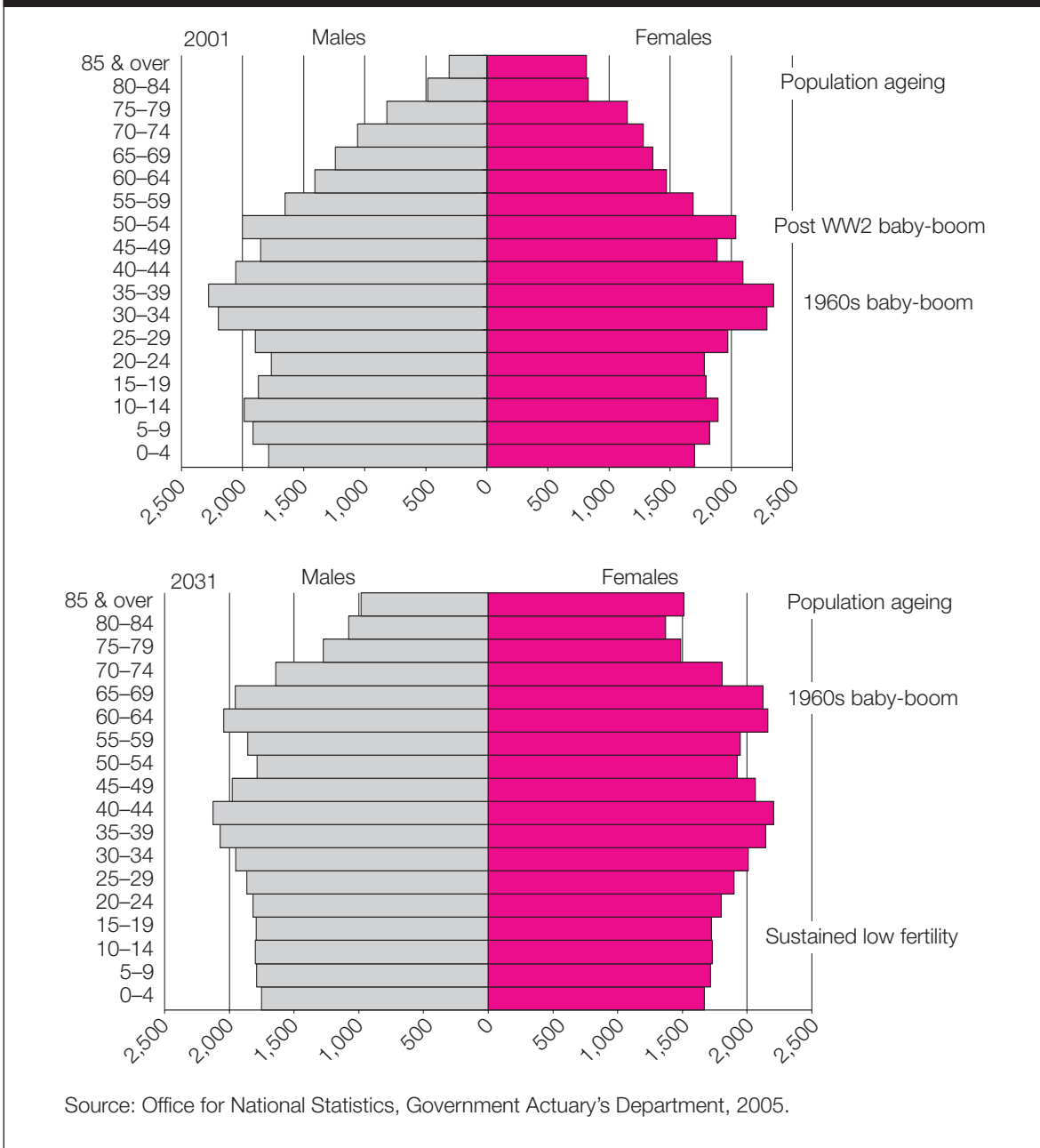


Figure 2 Population: by age and sex, 2001 and 2031



Source: Office for National Statistics, Government Actuary's Department, 2005.

As the analysis of ELSA data shows those aged 80 and over are at risk of multiple exclusion and, over the next five to 15 years their UK numbers will rise by 223,000 (2011) and 909,000 (2021) compared with 2006 (Government Actuary's Department, 2005). Older women are at particular risk with regard to three dimensions of exclusion and, over the next five to 15 years their numbers will increase by 69,000 (2011) and 355,000 (2021).

It is certain that, for the foreseeable future, there will be more people living to advanced old age. Life expectancy has increased steadily since 1840 and is predicted to continue to do so (Oeppen and Vaupel, 2002). Such projections are a matter of scientific controversy and the Pensions Commission and Government Actuary's Department have detailed their most reliable 2003-based forecasts (Pensions Commission, 2005, pp. 179–187). Compared with

2003/4 male life expectancy at birth will rise 1.9 years by 2011/12 and 3.5 years by 2021/22 while, for women, it will increase by 1.7 and 3.2 years respectively (Government Actuary's Department, 2005). The nature and quality of the additional years of life that are won over the next five to 15 years is a key policy issue but, as with all projections involving human behaviour, one that it is impossible to be precise about.

While it has been common hitherto to crudely extrapolate current prevalence rates of diseases by age, recent scientific evidence points to the potential realisation of the long predicted 'compression of morbidity' (Fries, 1980, 1990) or, at least, 'dynamic equilibrium' (Manton, *et al*, 1982).² The incidence of chronic conditions increases with age and more women than men suffer from such conditions in all age groups (Deeg, *et al*, 1998). Nonetheless, during the 1980s and 1990s the experience of several OECD countries was that, while declining mortality was accompanied by an increase in the prevalence of chronic diseases, these conditions were, on average, less severe and less often led to severe or very severe levels of disability (Robine, 2003). This rise in severe disability-free life expectancy and very severe disability-free life expectancy has been demonstrated, among both men and women, for Australia, Canada, France, Japan and the USA. Evidence of a rise in disability-free life expectancy in the UK is not so clear-cut although it is probable that policies implemented since the late 1990s, such as measures to combat poverty and social exclusion, Sure Start, improved neo-natal services and the stop smoking campaign, will soon begin to show some effects (DH, 2005a; 2005b). Table 1 shows that healthy life expectancy at age 65 increased for both men and women between 1981 and 2001 but that these advances were accompanied by a rise in the expected time being lived in poor health (1.3 years of the 2.97 extra years for men and 0.9 years out of 2.11 years for women).³

Table 1 also shows that the increase in healthy life expectancy has not kept pace with that of life expectancy. Thus, for both men and women, the gap between the two has widened. This pessimistic scenario may be, to some extent, a function of the definition of healthy life expectancy used to generate these data. Rather than the absence of disability or severe disability, as in the international trends referred to above, table 1 is based on subjectively perceived good or fairly good general health. This corresponds to the definition of general health employed by ELSA but we would expect the pattern to be different if an alternative definition of healthy life expectancy was used.

Looking forward it is reasonable to expect a continued downward trend in some of the 'geriatric giants' – the major chronic conditions affecting older people – such as circulatory diseases and cancer, though at different rates between men and women, but not necessarily in all of them. Death rates from the major killers, circulatory diseases and cancers, have fallen over the past 30 years though the cancer mortality rate has dropped twice as fast among men than women (between 1973 and 2003) while the male lung cancer death rate halved (-51 per

² The compression of morbidity means that healthy life expectancy increases faster than life expectancy and results in fewer years in ill health. In other words disease and disability are compressed into a shorter period before death. Dynamics equilibrium sees a rise in the proportion of life lived with disability or illness but a decrease in the proportion lived with severe forms of illness or disability.

³ Healthy life expectancy is the number of years in full health that someone can expect to live based on current rates of ill health and mortality.

Table 1 Life Expectancy (LE) and Healthy Life Expectancy (HLE) 1981–2001				
Year	Men at 65		Women at 65	
	LE	HLE	LE	HLE
1981	12.97	9.94	16.92	11.88
1991	14.15	10.84	17.91	12.97
2001	15.94	11.62	19.03	13.17

Source: GAD, 2005.

cent) the female lung cancer death rate increased by 45 per cent. The chronic conditions that have a considerable impact on the daily lives of older people and which are implicated in the key health-related factors for social exclusion, such as stroke, diabetes, mental health disorders and sensory impairment, do not show signs of abating. Similarly with musculoskeletal conditions like arthritis and osteoporosis. The close correlation between age and the incidence of moderate or severe cognitive impairment, including Alzheimer's disease (7.2 per cent among those aged 75 to 84 and 21.9 per cent in those aged 85 and older) presents a major risk of exclusion in later life, as well as acute problems for family carers and challenges for service providers. Advances in treatment may have a substantial impact in this area in the next five to 15 years but, although extensively trailed, at the moment this is only speculation. In the community depression is present in around 15 per cent of older people while up to two-thirds of some in-patient groups either have mental health problems or will develop them during their stay (Royal College of Psychiatrists, 2005). With regard to financial costs, the direct costs of Alzheimer's disease exceeds the total cost of stroke, cancer and heart disease (SCIP, 2005). In addition to these existing risks changes in lifestyle may present new health risks with, longer-term, implications for social exclusion in later life. The national decline in smoking over the last 30 years has been greater among men than women. Drinking to excess is more common among men than women (7 per cent of adult men and 3 per cent of women in 2002) but, in recent years, has risen faster among women than men. Roughly one-fifth of the adult population is obese (21 per cent of men and 22 per cent of women) compared with 15 per cent and 18 per cent respectively in 1994.

The absence of children and living alone are present risk factors for multiple social exclusion. Projections indicate a more or less constant average fertility rate, over the next five to 15 years, of 1.73 children per woman. Fertility levels in Scotland are lower than in the rest of the UK: currently 1.53. Table 2 illustrates the long term trend towards later childbearing and the recent rise in childlessness among the 1960s baby boomer generation (see below). It is estimated that, by the end of their reproductive years, some 21 per cent of women in this generation will remain childless compared with 13 per cent in the immediate post-war generation (Falkingham, 1997).

Table 3 shows the projected increase in the proportion of older men and women who will be classified as 'never married' as a further, very rough, indicator of family building propensity (though confounded by the parallel rise in cohabitation). Fertility rates differ between population groups and the higher than average birth rates among some black and ethnic

Table 2 Percentage of Women Remaining Childless at Selected Ages by Year of Birth			
Year of birth	Age 25	Age 35	Age 45
1925	46	19	17
1935	39	13	12
1945	34	11	9
1955	48	19	15
1965	60	25	–
1975	65	–	–

Source: ONS, 2003.

Table 3 Projected Population by Age, Sex and Legal Marital Status, England and Wales (percentages)						
Age Group	Year	Never Married	Married	Widowed	Divorced	Total
Men						
45–54	2003	14	71	1	14	100
	2011	20	64	1	16	100
	2021	30	55	1	14	100
55–64	2003	8	77	3	12	100
	2011	11	71	3	15	100
	2021	18	63	2	17	100
65–74	2003	7	76	9	8	100
	2011	7	75	7	11	100
	2021	10	70	6	14	100
75+	2003	7	62	27	3	100
	2011	7	63	25	5	100
	2021	7	63	21	9	100
Women						
45–54	2003	9	72	3	17	100
	2011	15	64	2	19	100
	2021	25	56	2	17	100
55–64	2003	5	72	9	14	100
	2011	7	68	7	18	100
	2021	13	61	5	20	100
65–74	2003	5	58	28	9	100
	2011	5	61	21	13	100
	2021	6	59	16	18	100
75+	2003	7	26	63	4	100
	2011	6	30	58	6	100
	2021	5	36	49	11	100

Source: Government Actuary's Department, 2005.

minority groups may help them to guard against the childlessness risk factor for multiple exclusion, although ethnicity itself is a current risk factor in four dimensions of exclusion.

The projected decline in the popularity of marriage is particularly marked among the younger-old. Together with the predicted rise in divorce, especially among the older-old, this suggests a greater likelihood of childlessness and living alone. However the decline in the proportion of men and women who are widowed in the oldest age group, which is partly a function of the narrowing of the gender gap in life expectancy, make it *less* likely that older people will be living alone in 2011 and 2021. Nonetheless household projections for both England and Wales and Scotland show a continuing trend towards living alone among both older men and older women. This does not necessarily imply, however, that there will be a rise in small dwelling occupancy among older people. More likely is a continuation of the trend, established between 1991 and 2001, for large house ownership in the age group 45–54 to be transferred into the 55–64 age group (King and Hayden, 2005). Currently the ‘average’ one-person owner-occupier aged 65 and over occupies a five roomed home and this is projected to continue to 2021 with sizeable increases in their occupation of six and seven or more roomed dwellings.

Income and Assets

It is even more hazardous to predict the future course of income and wealth than life expectancy and fertility. The authoritative reports from the Pensions Commission (2004, 2005) provide as robust an account of these trends as it is scientifically safe to venture. They paint a clear picture of the risks associated with the UK’s present pension system.

The Commission clearly regards the current period as a kind of golden age for many pensioners compared with previous generations: ‘many retirees with Defined Benefit (DB) pensions enjoy a historically high level of private pension provision and many present retirees are receiving state earnings-related pensions more generous than in the past and more generous than planned for the future’ (Pensions Commission, 2005, p.2). At the same time, however, the Commission points out that the distribution of current pensioner income is highly unequal. This inequality is systemic: pension income is determined by lifetime earnings which are characterised by disparities, for example, based on gender; the coverage of private pension provision is dispersed widely, depending on employment sector, occupational group and hours of work; and the state system, being dependent on contributions made through paid employment, has left major gaps in provision – particularly for those with interrupted earnings, in part-time work and with caring responsibilities, the majority of whom are women. Although the state system has been adjusted over time to try to respond to the realities of many women’s working lives and the increased divorce rate – so that around one-third of rights accrued for the basic state pension (BSP) arise not from NI contributions but from the various credit arrangements such as Home Responsibilities Protection – today only one in three newly retired women pensioners are receiving a full BSP and the vast majority of pensioners receiving means-tested benefits and living below the relative income poverty line are women (Pensions Commission, 2005, p.149).

In other words, there are systemic reasons why women are more likely than men to experience social exclusion and, also, why low income and benefit receipt are associated strongly with multiple exclusion. With regard to the latter the unequal distribution of private pensions wealth is remarkable: the state pension is dominant in the bottom half of the pension wealth distribution but then it begins to be outstripped by non-state provision, especially Defined Benefit pension wealth, until the richest decile where other forms of pension wealth exceed that of the state by roughly eight times (IFS, 2005).

Looking forward it is likely that the proportion of women with full BSP and significant S2P rights will rise but, according to the Pensions Commission (2005), even in the long term a small percentage of women and an increasing percentage of men will not accrue full rights to the BSP. Furthermore the Government is planning a reduced role for the state in pension provision, at least as far as the average pensioner is concerned. This policy assumes that there will be a trade-off between this programmed decline and the growth of private pension provision. Voluntary private pension provision is not growing, however, and it is the view of the Pension Commission (2005, p.2) that it is 'in serious and probably irreversible decline'. This analysis is of critical importance to combating poverty and social exclusion in old age because private, especially occupational, pensions have been the historic dividing line between poverty and relative affluence in old age – between what Titmuss, 50 years ago, called the 'two nations' of older people. Conversely, as the ELSA data show, low income and reliance on benefits/pensions are key risk factors for multiple exclusion in old age. The Pensions Commission emphasises the demise of this poverty prevention ticket: 'Employers' willingness voluntarily to provide pensions is falling and initiatives to stimulate personal pension saving have not worked' (Pensions Commission, 2005, p.2). It argues, moreover, that the systemic problems in the UK's pension arrangements are not solvable through either changes in the state system alone or measures to encourage voluntary provision. The Government's response to the Pension Commission's recommendations, expected in the Spring, will determine the long term trajectory of pension income and its distribution between state and non-state holdings. In the short term diverse factors such as the collapse of some employers' pension schemes and the re-designation of others from Defined Benefit to Defined Contribution, increasing insecurity in the labour market and continued growth of part-time employment are likely to exert a strong downward influence on income levels in retirement. On the other hand, a continuation of the present trend towards later retirement, reinforced by the introduction, in October, of the EU Equal Treatment in Employment Directive will tend to push incomes in the opposite direction (see below).

The Pensions Commission noted the important role played, for some people, by the accumulation and decumulation of housing assets. Owner-occupation among older people is likely to remain high and increase further as those at the top of their housing 'career' in the age group 45–54, transfer their ownership into retirement (King and Hayden, 2005). Housing wealth is more evenly distributed than private pension wealth but, again, it is only around the half-way mark in the distribution of total wealth that this begins to equal the value of the state pension. On average housing wealth comprises 25 per cent of total wealth holdings compared with 20 per cent for the state pension. The IFS (2005) estimates that if 50–65 year olds liquidated half of their housing wealth as well as all non-pension financial wealth it would cut

their risk by more than half of having replacement rates below benchmarks of pension adequacy. This begs two questions however. On the one hand there is the extent to which there is a negative correlation between pensions and housing wealth so that those with inadequate pension rights can compensate for this by the sale of their houses. Leaving aside the impact of paying for personal care, in England, there is no such negative correlation. This fact led the Pension Commission to conclude that home ownership 'cannot be seen as providing a total substitute for earnings related pension provision' (Pensions Commission, 2005, p.77).

On the other hand there is the question of how far people are prepared voluntarily to liquidate their housing assets as a contribution to their retirement income. It has been assumed, including by the Pensions Commission, that older people were unlikely to liquidate their housing equity for three main reasons: economic rationality, emotional ties to their family home and the desire to bequeath the asset. Recent attitudinal research suggests that people's resistance to housing equity liquidation due to the desire to bequeath may have been overstated. For example in all age groups above 18, except the 80 plus age group, a majority regard property as a superior way of making financial provision for retirement than a pension (Rowlingson and McKay, 2005, p.18). It is those with private pension assets that are the most willing to access their housing equity, that is, those least likely to need to do so! Nonetheless more than three out of five of people surveyed without private pensions said that they would enjoy life and not worry about leaving a bequest (Rowlingson and McKay, 2005).

The Labour Market

It is predicted that, over the next two decades, demand for labour will be buoyant, particularly in the South-East of England (HM Treasury, 2004). Globalisation, however, will tend to increase the current 'hour glass' polarisation between good and bad jobs as the proportion of middling jobs continues to decline (Dickens, Gregg and Wadsworth, 2003; Moynagh and Worsley, 2005). Despite the spread of intermediate level qualifications many workers will continue to be trapped in low-skilled and low-paid jobs while international competition will further boost the salaries of those at the top end and for whom there is a global market. The trap at the lower end will be tightened by the 'hollowing out' of intermediate jobs which may have provided a ladder out of low-paid employment (Moynagh and Worsley, 2005).

The implications of these labour market developments for social exclusion in old age are huge potentially. They will directly affect the income security and, therefore, the future pension security of those in the last part of their working lives. In addition the spread of low-skilled and poor quality jobs will have a direct impact on the physical and mental health of the workers concerned which, if carried into old age, become key risk factors for multiple social exclusion. There are also well documented indirect health effects associated with a growth in income inequality. For example, lowered self-esteem and feelings of powerlessness among those at the bottom of the income distribution, give rise to stress which is commonly associated with poor health. Mortality rates and certain forms of morbidity vary directly with levels of income inequality (Wilkinson, 1996; Marmot and Wilkinson, 1999) as do homicide

rates (Marmot, 2004). More generally, with regard to social exclusion, social capital rates are higher and a society is more cohesive the more egalitarian it is (Wilkinson, 2000). Thus many policies aimed at tackling social exclusion are often dealing with the consequences of growing inequality (Moynagh and Worsley, 2005, p.23).

Alongside these pressures enlarging social exclusion there are others emanating from the changing labour market and real economy that might work in the opposite direction. For example demographic changes, particularly the ageing of the work force, will increase the demand for those aged 50 to 64 to remain in employment. Some employers have recognised already the need for new approaches in response to the changing age composition of the labour force, such as 'age management' and 'age diversity' (Walker, 1997; 2005). Public policy developments will reinforce these positive tendencies towards older workers and may lead to an increase in the very small number who work beyond pension ages. For example there is the 'age positive' campaign to encourage employers to recruit and retain older workers, the staged equalisation of women's and men's state pension ages between 2010 and 2020 and the implementation of the European Equal Treatment in Employment Directive in October 2006. Whether or not such measures successfully raise the employment rate of the current generation of older workers, with beneficial effects in avoiding risk factors for social exclusion such as low incomes, reliance on benefits, poor health and unemployment, will depend to some extent on whether improvements can be made in the quality of jobs at the bottom end and, if so, how quickly?

The Boomer Generations

Finally no forward look with regard to ageing would be complete without at least passing reference to the baby boomers. Apart from emphasising that there were two distinct baby booms in the post Second World War era: the late 1940s/early 1950s and the 1960s, it is important to guard against the common fallacy that cohort is independent of age or 'cohort centrism' (Riley, 1993). In other words we should exercise care in making deterministic assumptions along the lines of 'because generation x behaves this way in its teens it will continue to do so in its eighties'. In particular caution is advisable when dealing with attitudinal data. Given these strictures are there any characteristics of the boomer generations that are likely to have an impact on social exclusion in the next five to 15 years? The first baby boom cohort is already in its third age, by 2011 it will be approaching pension age and, by 2021, it will be on the threshold of its fourth age. The second baby boom cohort will only be in the early part of the third age in 2021. Nonetheless some recent analyses have conflated them (Huber and Skidmore, 2003).

It has been noted already that women in the second baby boom cohort are significantly more likely to remain childless than those in the first one (21 per cent compared with 13 per cent). As with each succeeding generation levels of education, particularly among women, are higher than in their parents' generation. They are also more affluent, although (in the age group 35–59) one-fifth do not have a private pension and plan to rely on state provision (DWP, 2002). Cultural and ethnic diversity is more marked than in earlier generations. Because

the first baby boom coincided with the first post-war wave of migration from former British colonies the proportion of people from ethnic minority groups is around five times greater in the boomer generations than the preceding one (combining the two baby boom cohorts). Thus a major risk factor in four dimensions of social exclusion will be reinforced by the ageing of the boomers. This may be mitigated to some extent, for certain forms of exclusion, by their higher levels of familiarity with science and technology and ITC literacy than previous generations (Harkin and Huber, 2004).

There is some limited evidence to suggest that the two cohorts of baby boomers may be more disconnected from their local communities than earlier generations which could place them at greater risk of isolation and depression (Huber and Skidmore, 2003, p.67). For example,

- They claim to belong to fewer social networks than either older or younger generations.
- The social attachments they do have are likely to be less meaningful.
- They are less interested in and feel less of a sense of belonging to their neighbourhoods.
- They feel more like outsiders.
- They are less attached to their geographical communities than previous generations.
- They are less eager than older generations to participate in voluntary work (Huber and Skidmore, 2003, p.68).

Whether or not these attitudes persist with ageing will require longitudinal data which are not available at present. The research quoted previously into attitudes about equity liquidation and inheritance suggests that attitudes are related somewhat to context and, of course, age is an important determinant of changes in context. For instance, those least concerned to leave bequests and most interested in Equity Release Schemes (a tiny minority overall) were those in their 50s and 60s, for whom this was a current issue. Younger people were more supportive of the concept of inheritance compared with those around retirement. Those in their 80s were most committed to the idea of leaving bequests rather than using their assets for themselves (Rowlingson and McKay, 2005).

Overall Risk Analysis

What is the likely overall impact of these trends on the incidence of social exclusion over the next five to 15 years? For obvious reasons it is not possible to be precise about trends in social exclusion: it is a moving set of targets, new risk factors may emerge in the short to medium terms and many socio-demographic and economic forecasts entail high margins of error. With varying levels of certainty we can expect the following (with high probability unless otherwise stated):

- *Population ageing*: especially the growth in numbers of very elderly people and very elderly women in particular.

- *Ethnic diversity*: increase in black and ethnic minority elders.
- *Childlessness and living alone*: increase in the proportions in both groups despite the effect of the reduction in sex inequality in life expectancy.
- *Health*: solid predictions are not possible because the long term reductions in mortality rates due to certain diseases are translated into morbidity for some groups, the delivery of new treatments (e.g. for Alzheimer's) is impossible to predict, new risk factors may arise (e.g. obesity) and the impact of recent policies on morbidity is not clear yet (e.g. NSF). Undoubtedly there is potential to increase healthy and disability-free life expectancy.
- *Incomes and assets*: a rise in the proportion of older women with full BSP and significant S2P rights but increasing proportions of men without full rights and uncertainty about the levels of private pensions for middle and low income earners. An increase in housing wealth and *perhaps* in the propensity to liquidate it.
- *Labour market*: relatively high demand for labour but this will vary considerably by region and local labour market. Downward pressure on incomes and pension rights among the generation approaching retirement, especially those in the lower part of the earnings league. An increase in the risk factors for poor physical and mental health. Pulling in the opposite direction are factors, such as workforce ageing and public policy, which are likely to increase the employment rate and incomes of this generation.

Although the risk factors identified by the ELSA analysis are likely to see an increase overall it is not inevitable that they will lead to social exclusion. Policy in this field will play a critically important role, not only in combating existing exclusion but also in preventing its future occurrence.

Futures Workshop

As well as examining the likely trends in the main risk factors for social exclusion revealed by the ELSA analysis we report briefly on the discussion that took place at an expert and stakeholder workshop specially convened by ODPM, in December 2005, to consider the future implications of the analysis for social exclusion among older people.

The key points may be summarised as follows:

- There was a high level of consensus between participants on the nature and scale of the challenge facing policies to combat social exclusion in old age and about the necessity for such policies.
- There was an equally strong consensus about the importance of building policy responses directly in line with the experiences of excluded older people and their priorities.
- If services are failing to reach some older people then the chief fault is with the services themselves not the potential users.
- Many interventions to reduce the risks of social exclusion are extremely low cost and low tech, such as exercise to promote well-being and some assistive technologies.
- UK policy makers must seek lessons from other countries and exchange good practices.
- Combating social exclusion in old age is not purely about older people and must encompass other age groups across the life course. This means paying attention to prevention as well as fighting existing exclusion.
- There is a need for continual close liaison between research and policy making to ensure a sound evidence base.

The key points highlighted with regard to the future were:

- The likelihood of a continuing age divide in the use of ICT but tremendous potential in the growth of virtual communities and relationships.
- The need for caution about the health status of future cohorts of older people because of current health problems such as obesity.
- The certainty of a more ethnically diverse older population to which service providers must respond.
- The possibly limited shelf-life of the terms 'old' and 'older people'.

- A growth in the numbers of older people without children and living alone. This will continue to affect women mainly but, increasingly, men also.
- Future generations of older people may be more financially literate and have different attitudes to debt than previous ones.
- There is a need for an intergenerational perspective in policy making: what impact do policies have on relationships between the generations?
- Transport plays a key role in social contact and access to services.
- ICT may reduce the potential for real social contacts.
- Can we expect future cohorts to be more demanding consumers of public services? Will the baby boomers really be different?
- How is the NHS working to aid a compression of morbidity at the end of life?
- There is a need for more scientific evidence that prevention works, for example to convince the Treasury that the investment is worthwhile.

The key points for policy makers were:

- The need for national leadership, for example through legislation on equality.
- The important future role of the proposed Observatory on Ageing in cementing the relationship between scientific research and policy making.
- The need to include prevention and active ageing in the 2007 Comprehensive Spending Review.
- The need to address the question of where to spend the marginal pound: improving services or raising incomes.
- As indicated by the ELSA analysis the 80 plus age group should be a key policy target.
- The risk of exclusion among older people who remain in communities that change around them.
- The importance of seeing ICT as both a challenge and an opportunity.
- The need for services to adapt to changing demography: increased ethnic diversity and the numbers of older people who are divorced, single or who do not have children.
- The importance of empowering older people at the local level so that they can be genuinely involved with sustained capacity building to ensure that they can contribute.

- The need for a life course approach to ageing – which prioritises prevention.
- The need to join up services.
- The need for cultural change in the world of work, for example creating new bridges between full time work, part-time work and retirement.
- The need for a broad focus on active ageing – not only employment but non-vocational learning and leisure – and an explicit statement about what a strategy to achieve it would look like.

Policy Options: The need for a Dual Strategy

As is clear from the summary of the findings and the discussion that took place at the Futures Workshop, ELSA has proved to be a rich source of new information on social exclusion, especially the risk factors associated with it in old age, with compelling messages for policy makers. In this section we look at the policy options available to try not only to combat the existing social exclusion revealed by the ELSA analysis but, also, to try to *prevent* similar experiences being encountered by succeeding generations of older people.

While the policy focus will inevitably fall onto the most severely excluded older people – the 7 per cent of people aged 50 and over who suffer the most complex pattern of exclusion – a key finding of this project is that there are specific characteristics associated with each individual dimension of exclusion that must be taken on board in any comprehensive strategy to tackle social exclusion. For example, although not directly related to the risk of multiple exclusion (defined as exclusion on three or more dimensions) gender was a significant factor in four dimensions. On one of them, exclusion from social relationships, the vulnerability of men highlighted by this study echoes previous research (Davidson and Arber, 2004) and emphasises the need for *targeted* efforts if this dimension is to be tackled, an issue we return to below.

Priorities for Action

The top policy priority identified by the main report is the 7 per cent of people aged 50 and over who are currently experiencing the most complex forms of social exclusion. This is not to deny the existence of severe exclusion on each individual dimension but to say that there is a *prima facie* case for tackling multiple exclusion first. The threshold of three dimensions out of seven employed in this study to denote multiple exclusion (compared with two or more out of five by Scharf *et al*, 2004) indicates a substantial degree of exclusion affecting some 1.1 million people in the older population.

The characteristics identified as being strongly linked with multiple exclusion are also those associated with the most deprived part of the older population: advanced old age, single person households, no children, poor mental and/or physical health, lack of access to private transport, living in rented accommodation, living on a low income and, in a few cases, lacking access to a telephone. The fact that other well-known risk factors, especially gender, ethnicity and spatial location are not on this priority list requires some comment. Gender and ethnicity are unquestionably two of the main factors associated with poverty and deprivation in old age. They are also strongly associated with specific dimensions of social exclusion. With regard to multiple exclusion, however, the stepwise logistic regression analysis found that, when tested, gender ethnicity and area did not have any significant value. In fact they are subsumed within other individual risk factors: women are much more likely than men to be

aged 80 and over, to live alone and to lack private transport; minority ethnic elders are more likely than their white counterparts to live in rented accommodation. Similarly with spatial location rented housing is common in many deprived inner-city areas. Furthermore the associational risk factors identified in this research are not the *causes* of social exclusion.

Drivers of Social Exclusion

The causes or drivers of social exclusion in old age have been identified previously and fall into four categories (ODPM, 2004; Phillipson and Scharf, 2004):

- *Age-related characteristics* such as the drop in income associated with retirement, declining health and mobility in later life and the loss of relatives and friends.
- *Cumulative disadvantages* such as the impact of inequalities in educational opportunities and attainment.
- *Community characteristics* which mean that older people within certain communities may be more vulnerable than younger people. This applies to areas with a high population turnover and economic deprivation wherein older people may be fearful for their personal safety and therefore limit their outdoor activities. There is also strong evidence, from the ESRC Growing Older Programme, of a greater attachment to localities among older than younger people, even when these areas are deprived (Kellaher, *et al*, 2004; Nazroo, *et al*, 2004; Scharf *et al*, 2004; Holland, *et al*, 2005).
- *Age-based discrimination* which, directly or indirectly, prevents older people from gaining access to a wide range of activities, services and products.

This is a helpful typology though its elements should not be regarded as rigidly self-contained but as interacting dynamically. For example the fact that people have to retire at a fixed age barrier is age discriminatory (Walker, 1980; McEwan, 1990). In fact, rather than being labelled 'age-related characteristics', this first category should be 'later life events and transitions' to emphasise that it is these rather than age *per se* that creates vulnerability to exclusion. It is important to recognise, furthermore, that cumulative disadvantages frequently stem from discrimination. Moreover some policy responses, such as those that are based on age discriminatory criteria or which are viewed by potential recipients as stigmatising, may themselves be secondary drivers or reinforcers of social exclusion.

With regard to discrimination it is well known that this has a deep and pernicious impact on older people (McEwan, 1990; Help the Aged, 2004) though, as the most commonly experienced form of prejudice, especially for those aged 55 and over (Age Concern, 2004), it is not given the prominence it deserves. Any strategy to combat social exclusion must be geared to the *dual* nature of the impact of discrimination on older people: on the one hand there are the effects of current discrimination based on a person's age while, on the other, there are the cumulative influences of discrimination based potentially on a wide range of

characteristics that may have occurred at much earlier points in a person's life or may have been persistent over the whole of their earlier life course. Examples of such life course discriminations and their cumulative impact include:

- *gender*: older women are more likely than men to be poor in old age (on average their retirement income is 57 per cent of men's) and they are less likely to have access to a car;
- *disability*: disabled people experience discrimination in the labour market and, in old age, in the benefits system;
- *black and minority ethnic groups*: have lower incomes on average than their older white majority counterparts and are more likely to live in deprived areas;
- *sexuality*: gay, lesbian and bi-sexual and trans-gender older people lack tenancy rights and inheritance of property rights because of the absence of legal recognition of same sex partnerships and many experience prejudice in health, housing and social services (Age Reference Group on Equality and Human Rights, 2005).

For some older people the intersection of several of these different forms of prejudice, coupled with ageism, are likely to create an overwhelming source of exclusion and further analysis of the ELSA data should shed light on these different prejudices.

Policy Challenges

While the main report points to a major policy challenge in the form of a significant minority of older people suffering from multiple social exclusion, with a more substantial group experiencing exclusion on one or two dimensions, there are very solid foundations on which to build a response. Notable successes have been recorded in tackling social exclusion, particularly with regard to later life transitions and age-based discrimination, though less so on the cumulative disadvantages and community characteristics fronts (ODPM, 2004).

Examples include:

- *Later life events and transitions*: a substantial reduction in the proportion of older people living in poverty (less than 60 per cent of the median after housing costs) and improved support for those with high level social care needs.
- *Cumulative disadvantages*: some measures have tried to address persistent poverty such as Health Action Zones and increased awareness of services is a greater of NHS Direct and Care Direct (Phillipson and Scharf, 2004).
- *Community characteristics*: a range of measures have tackled exclusion among older people in deprived areas including Neighbourhood Wardens, the Reducing Burglary Initiative and the New Deal for Communities,

- *Age-based discrimination*: several measures have addressed this problem such as Age Positive and Better Government for Older People (BGOP). Important initiatives in the wings, notably the implementation of the European Employment Directive on age in October 2006 and the Commission for Equality and Human Rights, will undoubtedly have a further major impact.

Solid foundations have been laid, however, there are still large areas for improvement:

- *Later life events and transitions*: while the decline in the numbers below the 60 per cent of the median threshold has been greatest among the oldest pensioners (75+) it has not yet caught up with the rate for the younger pensioners (22 per cent versus 18 per cent) (IFS, 2005). Also the fall in the proportion of people living on incomes below 60 per cent of the median before housing costs has declined much less since 1996/97 than the after housing costs figure (5 per cent vs. 30 per cent). Furthermore a substantial group of pensioners (more than 1 million) are bunched between 60 and 70 per cent of the median (IFS, 2005). Low income is a significant factor in social exclusion as shown by the ELSA data, although it does not have as strong an association with multiple exclusion as some other factors such as poor health and age. Of course it is associated with several other key indicators of exclusion such as rented housing, poor health and lack of private transport.
- *Cumulative disadvantages*: there is a continuing hard core of older people who have experienced social exclusion earlier in their lives and are now trapped in a web of multiple exclusion and deprivation. This report has documented the personal characteristics of those currently caught in this predicament.
- *Community characteristics*: according to Phillipson and Scharf (2004, p.7) 'there is no clear evidence that the needs of older people are being given systematic attention in urban regeneration schemes'. Progress has been made over the last five years in involving older people in area-based regeneration but they are still largely absent from inner city and town centre renewal schemes (Riseborough and Jenkins, 2005). The importance of rented accommodation as an indicator of multiple exclusion suggests a potential for targeted action to tackle exclusion in old age (see below).
- *Age-based discrimination*: as yet the measures aimed at combating discrimination are not systematic and the dual nature of the burden of prejudices – cumulative as well as current – is not reflected sufficiently in policy.

In the construction of a strategy to tackle multiple social exclusion among older people there are five key lessons from research and previous policy experience. First, as the ELSA data illustrate, even with the most complex intersections of exclusion the older population concerned is a diverse one. This diversity is a reflection of the heterogeneity of older people and it demands a multi-dimensional policy response. Second, social exclusion is a moving target and its dynamic nature means that it is essential to constantly track its new manifestations (ODPM, 2004). Third, because of the twin sets of discrimination that drive exclusion, it is necessary to develop a two-pronged strategy. On the one hand there is an

urgent need to combat poverty and multiple exclusion in old age and this need is no less urgent than that behind the commitment to eliminate child poverty by 2020. On the other hand a life course perspective is required so that the accumulation of disadvantages can be prevented. Fourth, the ecological fallacy, demonstrated in countless area-based programmes, suggests that any strategy should combine a mixture of both targeted action in deprived localities and national policies aimed at the older population as a whole. The analyses of multiple exclusion from the ELSA data reinforces this assessment. Fifth, any strategy aimed at older people must engage with them and be responsive to their priorities. There are plenty of good practices to build on, including BGOP and in area regeneration programmes, but it must be acknowledged that such engagement is more costly and time consuming than paternalism.

Policy Prescriptions

Reflecting the remaining challenges outlined above and the lessons from research and practice a strategy to combat social exclusion in old age should consist of two main elements: on the one hand targeted action to tackle poverty and social exclusion among *current* cohorts of older people and, on the other, a long term programme of preventative action to ensure that *future* cohorts do not experience social exclusion in old age. What form might this twin-pronged strategy take and what are the main policy levers?

1. Combating Poverty and Social Exclusion in Old Age

Despite the significant progress made by Government in reducing poverty and deprivation among older people there is a persistent minority living in extreme poverty and experiencing multiple exclusion. A new initiative is required to re-invigorate the drive to reduce poverty in old age. Ideally the goal would be set to eliminate poverty in old age by the year 2020 and, thereby, put combating pensioner poverty on the same footing as the battle against child poverty. The only way that current pensioners can be lifted out of poverty is by further Government action (we will come later to future pensioners). Arguably there is a very urgent need for action because many of the poorest pensioners will not live to see the fruits of medium or long-term policy goals. A combination of national and local policies is required if multiple exclusion is to be overcome fully.

First of all pensioner poverty could be targeted explicitly by, for example:

- setting a final date for the elimination of pensioner poverty,
- raising the over 80s pension addition to channel resources directly to the age group in greatest need, and
- reviewing the adequacy of basic pension and pension credit levels for couples.

Such universal solutions are necessarily more expensive than selective ones (though not in administrative terms) and, therefore, entail the commitment of substantial amounts of

‘marginal pounds’. This applies particularly to the option of adjusting the levels of benefits such as pension credit. There is, however, a major element of targeting in the use of a demogrant (such as the group aged 80 and over). This policy direction would also have to confront the evidence that very elderly people have a low propensity to spend additional income. Alongside this is the recent finding that 28 per cent of those aged 65 and over spend as little as £3.50 a day on food. Evidence such as this suggests that any attempt to raise incomes must be accompanied by public health campaigns aimed specifically at the over 80s.

Second, at the local implementation level, it would also be necessary to embark on a major initiative designed to tackle poverty and social exclusion in old age. Again the model provided by policies against child poverty is instructive. For example, Sure Start has proved successful in giving 400,000 poor children a better start in life and now a similar approach is called for in tackling pensioner poverty and social exclusion. Drawing on the experience of Sure Start local programmes and the many successful initiatives by DWP, a small number of pilot projects could be geared towards joining up and integrating older people’s and community care services, mental health services, housing, education, DWP, independent sector providers and representatives of older people. Such pilots should focus on reducing poverty and vulnerability and promoting social inclusion. Key targets for action include poverty, poor health and well-being (including poor mental health), lack of activity and poverty of social relations. The primary priority should be those suffering from multiple exclusion where the biggest gains can be made. The idea would be to integrate services so as to create cycles of improvement (rather than decline) through participation, community integration, educational opportunities, improved physical and mental health, enhancing intergenerational solidarity and ensuring that older people are valued in local communities. As well as guaranteeing that older people’s concerns are mainstreamed in all services there would need to be a crisis intervention service to provide a quick response to maintain community participation following potentially disabling or morale destroying later life events such as falls and bereavement. The analyses of ELSA data reinforce this need by highlighting the important association between poor mental and physical health and social exclusion.

These ideas, set out in the first draft of this document, have found expression in the recent report from the Social Exclusion Unit, *A Sure Start to Later Life – Ending Inequalities for Older People* (ODPM, 2006). Using the model of Sure Start for children and families it aims to locate a single, accessible gateway to a wide range of services in local communities: ‘A Sure Start to later life will use the Sure Start principles of service delivery to delivery locally owned, responsive, non-stigmatised and economically effective services that support dignity for individuals’ (ODPM, 2006, p.25). The guiding principles are the same as the children’s model but, of course, the services are different:

- Working with older people: to involve them in the design, development and delivery of services.
- Services for everyone: individually tailored to meet diverse needs, progressive and preventative.

- Flexible and pro-active: services that reflect diversity in old age, the different needs and aspirations of older people, different environments and changing requirements.
- Accessible: ensuring ease of access in terms of location, opening times and transport.
- Promote well-being and independence: services that are preventative in approach and comprehensive.
- Respectful and transparent: services that are respectful of their users and avoid duplication whenever possible.

This model and its basic principles will be tested in a pilot programme called 'Link-Age Plus' and through other programmes such as the Partnership for Older People Projects and Local Area Agreements.

The solid foundations for this new initiative lay in existing work by the Social Exclusion Unit and various DWP and DH programmes. The improvement of delivery to disadvantaged and excluded people is acknowledged to entail individually tailored packages of help and support; trusting and collaborative personal relationships; continuity; flexibility; an appropriate range of benefits and services; user involvement; delegation; one-stop shops, co-location of services and gateways; the delivery of services where people want them; increasing awareness of eligibility; simplifying application procedures; the de-stigmatisation of services; joined-up provision; and a staged approach comprising interim outcomes and measures, flexible timescales and incentives (ODPM, 2004, pp.106–110). It is also acknowledged that such flexible and personalised delivery entails support, training and financial resources.

These general lessons also require some tailoring to fit the specific circumstances of excluded older people. For example older people place a particularly high premium on independence and will fiercely defend their autonomy and identity even when they are in clear need of a benefit or service (Baldock and Hadlow, 2002).

I can't apply for help. That would be admitting failure.

I don't want help (from social workers etc)... I want to be independent. (Baldock and Hadlow, 2002)

I do not like to take money and so we did not go for it... I said that I do not want charity. (ODPM, 2004, p.104)

Special training and experience in working with older people is needed if such barriers are to be broken down. In particular services have to be geared to older people's specific needs and delivered in open and participative ways.

2. Preventing Disadvantage and Social Exclusion

If the intention of policy makers is to prevent social exclusion among future cohorts then, alongside the urgent fire-fighting to combat current poverty and social exclusion a new long-term perspective is required to prevent the accumulation of disadvantage over the life course.

In this light the challenge to policy makers and service providers would be to reorientate the welfare state from its mainly safety net/remedial functions towards some preventative ones. In other words, to focus on the promotion of social inclusion across the life course as well as tackling social exclusion in old age. Clearly both policy orientations will be required for the foreseeable future and therefore it is a shift in emphasis that is being envisaged not a major reconstruction job. Again there are solid foundations to build upon especially in the current DWP strategy for older people (DWP, 2005) and the ODPM report *A Sure Start to Later Life* (ODPM, 2006). This could easily be reinforced and joined up with other Government policies under the banner of 'active ageing'.

Without going into the background and geneology of the concept of active ageing it is essential to understand that there is, as yet, no consensus about its meaning in theory or practice (Walker, 2002). There is a minimalist version commonly used in policy discourses which concentrates on extending working lives or activities in old age but the comprehensive version proposed here is completely different. It has five main features: it is preventative rather than reactive; it focuses on the whole of life course and not only older people; it includes all activities that contribute to well-being and not just employment; it encompasses all generations as stakeholders in their own ageing; and it embodies a social contract that entails both rights and obligations. This comprehensive notion of active ageing is expressed well by the World Health Organisation:

Active ageing is the process of optimising opportunities for health, participation and security in order to enhance quality of life as people age

The policy potential of active ageing is massive and spans all of the key areas of Government social and economic policy. In particular it would galvanise responses to several of the major challenges confronting Government as a result of socio-demographic change: the ageing of the workforce, the problem of non-employment between the ages of 50 and state pension age (SPA), the projected increases in the cost of long-term care and the rising demand among older people for greater participation.

An Active Ageing Strategy

What might an active ageing strategy look like and what are the key policy levers? DWP is the lead Department for older people (which should be ageing and older people) and it has a number of policy levers in its hands as well as coordinating the overall approach. The elements of a new coordinated strategy to policies towards older people are set out in *Opportunity Age* (DWP, 2005) and are in tune closely with the active ageing strategy proposed here. It emphasises the opportunities created by demographic change, the importance of evidence-based policy and the need for piloting new approaches, the need to balance the interests of different generations and the importance of ensuring that older people's rights are coupled with their contributions to society as citizens and elders (DWP, 2005, p.xiv). There are four key components to the strategy policy proposed in *Opportunity Age*.

First employment, including the 80 per cent overall employment rate (including a million more older workers), the introduction of age equality in employment law in October 2006, an improved Age Positive campaign to help to change employers' attitudes, new pension rules designed to provide incentives to stay in work, better information and guidance, extended learning opportunities, new rights for carers, reform of incapacity benefit to help people back into work and support for unemployed people to reskill and find jobs.

Second active ageing in the community, including new incentives for local authorities to involve older people in decision making, new crime reduction programmes, legislation planned for 2007 to require new houses to be built to Lifetime Home Standards, an ODPM/DCLG Public Service Agreement target to raise the proportion of older people living in decent accommodation, a requirement for all local authorities to develop five year transport plans which identify the accessibility issues affecting an ageing population and their priorities for addressing them, from 2006 free off peak local area bus travel in England and an extension of free bus services in Scotland, greater access to learning, including the removal of the age cap for higher education fee loans from 2006, and a range of measures to ensure that older people can take part in leisure activities such as the modernisation of local amenities, measures to encourage volunteering, and the promotion of healthy living among older people.

Third public services for older people that emphasise independence and control. The main policy proposals in this area are supporting older people to remain in their own homes as long as possible, piloting individualised budgets, investigating the impact of shifting resources from high-level to lower-level care support, creating the Pension Service to tackle pensioner poverty, maintaining pensions and other benefits when in hospital, a Link-Age project pilot to deliver one-stop services and a fully integrated service pilot, raising the quality of residential care, tackling rural exclusion and the specific disadvantages that black and ethnic minority elders can experience.

Fourth ensuring that the necessary systems and organisations are in place to deliver this integrated strategy. This includes central government coordination with DWP in the lead, a clearer focus on strategic outcomes, an Observatory on Ageing within DWP, performance assessment by the Audit Commission (including the engagement of older people in decisions), local leadership on ageing issues, and a simple and transparent set of outcomes and indicators to assess progress towards improved quality of life as people age.

Building on this wide ranging policy catalogue the priorities in an integrated active ageing strategy aimed at preventing disadvantage and social inclusion should be:

DWP Policy Fields

- *Combating age barriers in employment.* Age discrimination is deeply entrenched in the UK labour market and a cultural change is needed to ensure that older workers gain equal access in recruitment and training opportunities. Non-employment in the period 50 to SPA

is a precursor of exclusion in later life. A major initiative is called for on this persistent problem.

- *Encouraging active age management.* Employers need to be encouraged and supported with examples of good practice to manage the ageing of their workforces. Employees also need encouragement to manage their own ageing. There is a range of tried and tested age management policies and techniques such as age-mixed teams, job re-design, health promotion and age awareness (Reday-Mulvey, 2005; Walker, 2005).
- *Adopting the concept of work ability.* Developed in Finland this instrument enables employers and workers themselves to keep track of changes in individual skills and aptitudes as well as to predict the future impact on work ability of particular work processes (Ilmarinen, 1999). It could be used in the civil service and recommended to other employers as a preventative tool.
- *Improving the quality and safety of jobs.* Building on the joint initiative between DWP, Department of Health and the Health and Safety Executive a major campaign should be launched to tackle poor employment conditions to prevent them from causing exclusion. In the EU as a whole those in poor quality employment are four times more likely than those in good quality jobs to leave the labour market prematurely (Reday-Mulvey, 2005). Thus action on job quality is a precondition for raising the employment rate of older workers. To put it another way if mid-life and older men and women are to be willing partners in longer working then the attractiveness of the jobs available for this age group must improve (Ginn and Arber, 2005). This will rest on a recognition by employers of the need to adopt a preventative approach and, where necessary, to adapt working conditions to changing capacity and health.
- *Facilitating flexible retirement and flexible pensions.* Important progress has been made on this front and it is essential to review the impact of incentives to work beyond SPA (bearing in mind that people must still be in employment at SPA to work beyond it).
- *Mental health.* Across all employment-related activities there should be special provision/targets with regard to people with mental health problems. Currently only one in four adults with mental illness is in employment and two out of every five Invalidity Benefit claimants have a mental health problem.

The Ageing Agenda Across Government

- *Lifelong learning and continuous training.* Formal learning and training remain age-biased with older workers the least likely to receive formal training in employment. Local Learning and Skills Councils should be required to address the needs of older workers and older learners. Organisations like NIACE could be engaged in developing a strategy for older learners.
- *An educational campaign on age dissemination.* The implementation of the EU Employment Directive in October 2006 provides a perfect opportunity to focus on age discrimination and its effects on *all* older people and not only older workers. The new

Commission for Equality and Human Rights (CEHR), the Discrimination Law Review and the Equalities Review must ensure that discrimination against older people and the cumulative impact of discrimination over the life course on people in old age are prevented. The CEHR will have powers to promote equality and challenge discrimination and it will be most effective if it is linked with local inclusion strategies.

- *Combating poverty and social disadvantage.* Preventative action, targeted on localities and groups, is necessary to complement the remedial Secure Age programme proposed above. Programmes such as Sure Start and those aimed at getting people into work will help to prevent poverty in old age.
- *Encouraging enabling internal and external environments.* The potential of ICTs to reduce the impact of disability and enable participation has yet to be realised, nor has the economic potential of such products. A new initiative is needed to link science, product manufacturers and users to ensure that the right products are created. In terms of the external environment the development of cleaner, safer, greener communities would aid inclusion (ODPM, 2004). Also neighbourhood renewal should emphasise participation across the generations and not just new housing. Again there are good practices to learn from but, at the same time, major barriers to the involvement of older people in regeneration such as age discrimination (Riseborough and Jenkins, 2005).
- *Promoting well-being in later life.* In the Government's overall well-being strategy there should be a specific focus on later life: safe walking, diet, social roles and so on (Bowling et al, 2002). Such measures should not exclude the very elderly because, in health promotion/improvement, it is never too late. Indeed a programme of muscle strengthening exercises should be mandatory in all residential and nursing homes.
- *Preventative public health interventions.* Given that the range of functional capacity in later life is very wide the focus of public health measures should be on reducing damage and maintaining functional capacity for as long as possible. If functioning falls below the disability threshold then compensatory supports will be required. Obvious examples of the need for prevention are work accidents and falls in old age. Over the life course, however, the well-known risk factors for the non-communicable diseases that cause most disability in old age (the 'geriatric giants' including stroke, diabetes, cardio-vascular diseases) include low socio-economic status, obesity, smoking and lack of physical exercise. These must be the targets of health and related services. More broadly the hosting of the Olympics in London should provide a great opportunity for a 'sport for all ages' campaign by the Department of Culture, Media and Sport.
- *Promoting active civic life.* Research indicates the clear benefits of local participation regardless of its democratic importance (Bowling et al, 2002).

These are the key points of policy leverage for an integrated active ageing strategy that stretches across the whole life course and a wide range of Government departments. If they can be joined up successfully into a coherent and mutually reinforcing virtuous circle then the potential impact is enormous: on people's well-being and how they age, on the projected cost of the welfare state, on tax revenues and on economic production.

Conclusion

This short report has concentrated on the likely trend over the next five to 15 years in the key risk factors associated currently with multiple social exclusion among older people and the policies that might be put in place to both combat it and to prevent it from blighting future generations. Important messages from the analysis of ELSA data are that social exclusion is a complex, multi-faceted and dynamic target that requires a sophisticated combination of local and national policy measures and initiatives to tackle it. Rather than suggesting any big surprises lurking on the horizon the trend analysis indicates that there will be an expansion in several of the socio-demographic risk factors associated with multiple exclusion in old age and, potentially, greater labour market insecurity. Echoing the discussion at the Futures Workshop this report emphasises the need for both remedial measures to tackle current exclusion and preventative ones to minimise its future incidence. This need is recognised by Government (DWP, 2005; ODPM/DCLG, 2006) and the dual approach can be expected to feature increasingly in UK social policy.

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