

## Living the future life – launch write up

The Pensions Policy Institute (PPI) held a policy seminar on 18<sup>th</sup> July 2018 to launch the first of two reports in the Future Life series: *Living the future life: the implications of a longer life*, sponsored by State Street Global Advisors, LV=, and The People's Pension. The report explores the challenges of increasing longevity in terms of work, finance, health, family and leisure.

50 people attended the seminar, representing a broad range of interests within Government, the investment industry, the pensions industry and the third sector.

**Alistair Byrne, Head of European DC investment strategy, SSGA**, welcomed attendees and gave an overview of the relevance of the research and why SSGA have sponsored it.

**Iona Bain, Young Money journalist, author, commentator & blogger**, explained the format of the seminar and acted as chair.

**Priya Khambhaita, Senior Policy Researcher, PPI** presented the five components to living a productive and fulfilling life to 100 and beyond, as identified in the report, including:

- Resilience
- Agility
- Health
- Financial capability
- Flexibility

Following the presentation of the research, the seminar took the form of a formal debate, followed by Q&A and audience discussion.

The motion for debate: *This House believes that retirement is an outdated concept and should be retired.*

The debate was chaired by Joe O'Toole, Executive Programme Director, Debate Mate. Each team consisted of a Debate Mate staff member, an industry expert and a Debate Mate student.

The pro team consisted of:

- Cindy, Debate Mate
- Alistair Byrne, SSGA
- Alena, Debate Mate student

They put forward the argument that retirement is an outdated concept, upon the basis that work can be beneficial in terms of both physical and mental health. Maintaining an expected age at which people will retire links older age

with the need to rest and notions of older people being less capable which may encourage ageism in the workplace and diminish the freedom of older people who do want to continue working as they are more likely to be pressured out of the workplace. Furthermore, the 'norm' of retirement may discourage older people from pursuing new interests and reskilling in order to continue to participate in the workplace. They also argued that longer working lives could boost GDP and consumption, as well as reducing government spending on the state pension. There was discussion around the argument that the state pension is unaffordable, however it was raised that the UK state pension is lower than most other developed countries and so more affordable.

The opposition team consisted of:

- Ade, Debate Mate
- Andy Tarrant, B&CE
- Gabriella, Debate Mate student

The team for the opposition argued that maintaining an expectation of retirement at older ages is important as it allows people to take the rest that they need or want. While some people may choose to work to older ages, there are many who are vulnerable as they may be unable to continue to work but due to low levels of personal savings they are heavily reliant upon the state pension to support them during retirement. Many individuals will not have the health, wealth or flexibility to reskill at older ages, and there are those who may still be capable of working but wish to retire to enjoy their later life and pursue unpaid endeavours such as travelling or volunteering.

The pro team persuaded a large number in the audience to change their opinions, largely on the basis that retirement should no longer be viewed as a 'cliff-edge' at which you are expected to give up all employment, but rather that it should be a diverse experience that suits the varying needs and wants of individuals.

The discussion that followed covered a number of areas, including:

- The importance of the state pension as a safety net for vulnerable older people who may not otherwise be able to retire, particularly as it is a non-means tested benefit and some older people feel embarrassed about claiming means-tested benefits (as demonstrated by low levels of take-up for Pension Credit).
- The broader implications of longer working lives, including whether there would be adequate demand in the economy for additional workers, how this would work on an intergenerational level, as well as the way in which longer working would impact upon informal care and volunteering currently carried out by retirees.
- The fact that there may be an imbalance between those who need or want to continue working and those who are able to do so, either in terms of health or employability.

- The need to redefine retirement as a more gradual and varied transition as people will increasingly experience more diverse retirement experiences.
- The need for greater levels of engagement and education as people are able to access their retirement savings more flexibly.