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RESEARCH ARTICLE

From Working-Tax Credit to Universal Credit: Is the older workforce ready? Perspectives from employees and employers in Northern Ireland

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Abstract

Universal Credit (UC) entails an unprecedented expansion of welfare conditionality to those in work. Working-age adults (16-64) in the United Kingdom who are working part-time and on a low income will be subject to work related requirements until they earn the equivalent of 35 hours per week at national living wage. It is estimated that workers age 50 to 64 will comprise nearly a quarter of those claimants subject to in-work conditionality. To investigate the perception of UC and in-work conditionality for workers aged over 50 in Northern Ireland, a small-scale qualitative study was carried out with people in receipt of Working Tax Credit (WTC) who are set to be migrated to UC. The researchers also interviewed employers who have people over 50 in their workforce. The findings show that there was limited awareness of UC and little support for in-work conditionality.

Key words

Universal Credit, Northern Ireland, In-Work Conditionality, Older Workers

Introduction

Universal Credit (UC) is the main wage replacement benefit for working-age people who are both in and out of paid work. It replaces six previous means-tested benefits known as “legacy benefits” (WTC, Child Tax Credit, Income-based Jobseeker’s Allowance, Income Support, Income-related Employment and Support Allowance and Housing Benefit). UC has been operational in Northern Ireland since 2017 with plans to start migrating claimants who receive legacy benefits onto UC from 2021. When claimants enter paid work and increase their earnings, UC is withdrawn at a single taper rate. It has been designed to “encourage work” and act “like work,” and is described as ‘deliberately mirroring a contract of employment (Department for Work and Pensions (DWP), 2015: 5). The nexus between older workers, UC and the employment market is under researched. In this context, this article will provide an insight on the potential implications for those over-50 who will eventually be moved to UC as well as for employers who will be asked to accommodate more hours of work or higher pay.

The article begins by providing an overview of the in-work conditionality policy followed by a consideration of some of the theoretical implications related to the progressive activation of older workers. Following this, the authors provide an analysis of relevant findings (as they relate to the research) of the government's In-Work Progression Randomised Control Trial (RCT) (DWP, 2018; 2019). It is important to note that the government uses the term "In-Work Progression" to describe the introduction of conditionality for those who are in employment. This arguably denotes a link between the implementation of conditionality and progression in the workplace (Work and Pensions Committee, 2016; Child Poverty Action Group, 2016), which is currently not supported by evidence, as the concept remains largely untested. Therefore, the authors will use the term 'in-work conditionality,' which reflects the requirement that UC claimants, who are in work and who have signed a "Claimant Commitment" will be expected to satisfy specified duties or agreeable patterns of behaviour (Dwyer, 2010).

The second half of the paper describes the data collection and findings of a small qualitative research study which explored the experiences and views of two different groups: those aged over 50 in receipt of WTC who will eventually migrate onto UC and employers who have workers who are over 50 in their workforce. The study took place in Northern Ireland, where the researchers are based. It has been acknowledged that Northern Ireland has socio-economic circumstances which are distinct from other parts of the UK – some of this is due to the legacy of the conflict, such as the relatively high economic inactivity rate which means that welfare reforms designed to decrease reliance on benefits and tax credits are likely to have a bigger impact in Northern Ireland than elsewhere (Reed and Portes, 2019). Therefore, it is crucial that research is carried out to identify potential challenges that lie ahead in relation to the migration of older workers onto UC.

This research has become more important in the context of the economic recovery efforts following the Covid-19 pandemic. Early indications show that older workers are more vulnerable to long-term unemployment upon losing their job and those over 60 are more likely to leave work early due to ill-health and caring responsibilities. (TUC, 2021; ONS 2021). The Understanding Society: Covid-19 Study (2021) found over a quarter of furloughed workers are 50 years or over (1.3m) with 1 in 3 believing there is a 50% or more that they will lose their job when the scheme ends. The term 'older' will be used to refer to individuals aged 50 and over throughout the paper. This is aligned to government strategy and policy that often describes older workers as people aged over 50 (DWP, 2015; 2017). Nonetheless, it is important to recognise that there is potential for a marked variance in the older worker group, with those closer to 50 often facing challenges which are different to those workers who are nearer to and beyond pension age, for e.g. analysis of the Labour Force Survey shows that employment rates remain high for those in their early 50s and steadily decline from the mid-fifties onwards (TUC, 2021). The article finishes by drawing conclusions from the study's findings concerning the implications of in-work conditionality within UC for claimant workers aged over 50.

In-work conditionality and Universal Credit

All claimants are required to accept a “Claimant Commitment” in order to receive a UC payment (DWP, 2012; Department for Communities, 2019). Claimants must agree to the responsibilities set out in their individual commitment, which may require them to prepare for and look for work, or to increase their earnings for those individuals who are earning less than the Administrative Earnings Threshold (AET), which provides a benchmark for claimant income (DWP, 2012). Those who are earning above the AET but below the Conditionality Earnings Threshold (CET) are expected to increase their earnings “as quickly as possible” but are subject to a less intensive conditionality regime. The CET income level is calculated on an individual basis and when surpassed the claimant is not required to participate in further work related activity, known as a “light touch regime” (DWP, 2014).

The Coalition Government’s (Liberal-Democrat and Conservative) introduction of conditionality for those already in employment is unprecedented in the history of the welfare state (Work and Pensions Committee, 2016). The consequence of not meeting the responsibilities set out in a Claimant Commitment, includes the possibility that an individual’s UC payments may be reduced for a set period of time, or stopped altogether - this is known as a sanction. It is expected that most claimants will be subject to some form of work related requirement, including work preparation and increasing the number of hours they work to meet the AET (Dwyer and Wright, 2020). Dwyer and Wright (2020) argue that such an extension of conditionality to low-paid workers represents a deeply flawed ‘policy amalgam’ as it is underpinned by the same assumptions about ‘dependency’ (Wright, 2012) that have formed the basis for contemporary approaches to managing unemployment.

Those who are working part-time and under pension age are expected to seek ‘more or better paid work’ at full-time employment (35 hours per week) as a condition of their claim for UC, which will eventually replace the “in-work” benefit Working Tax Credit (WTC). WTC is an income replacement benefit which was introduced by Labour in April 2003 to “tackle in-work poverty and improve work incentives by making work pay” (House of Commons Hansard, 2003: 412). It was considered particularly beneficial for mothers and lone parents, because it offered help with the cost of childcare, which supported an increase in female labour market participation (Gregg et al, 2009; Azmat, 2014; Dwyer and Wright, 2020). Entitlement was awarded based on the hours of work the claimant does each week and on their individual income and circumstances. Since 2012, claimants had to work a minimum of 16 hours and couples with at least one dependent child, 24 hours (with one working a minimum of 16 hours per week) (Pennycook and Whittaker, 2012). Crucially, claimants who are in receipt of WTC are not subject to conditionality measures (Social Security Advisory Committee, 2017). Under UC, these thresholds are abolished and claimants are effectively entitled to in-work support for any hours. In order to counteract the incentivisation of maintaining work at low hours the government has committed to extending the reach of punitive conditionality and sanctions to all of those in low paid work, including both members of a couple. While the intensity of conditionality is individualised in principle, the earnings threshold governing what level of conditionality is applied are both individual and

joint. Partners are jointly responsible for the claim, including reporting changes (Griffiths et al, 2020). There is only one 'work allowance' (earnings disregard) for couples and research has shown that 'second earners' who are most likely to be women are disadvantaged and less incentivised to work (Pennycook and Whittaker, 2012; Griffiths et al, 2020).

The government aims to significantly upscale the scope of in-work conditionality as indicated by the initiation of a three year RCT (2015 – 2018) in job centres across England, Scotland and Wales which sought to test three different levels of work-focused intervention, with participants recruited from those claimants in the light touch regime category. Further to this, an allocation of a further £8m was committed the 2017 Autumn Statement (DWP, 2018: 3). The substantial budget allocation which is to be spent on further research (to 2021), coupled with the establishment of an "In-Work Progression Commission" suggests the concept of in-work conditionality will be rolled out in some form (DWP, 2020). One of the key aspects of this debate relates to how this change to the system encourages or discourages employment among people over 50. UC's role in supporting this age group to return to; or progress in work has received relatively little attention, despite the fact that UC has major implications of the increasing expectation that those who are over 50 and on a low-income should continue to work full-time until pension age. Cory (2013) estimates that in-work conditionality could affect 300,000 older workers, which does not account for the implications of the pandemic.

The unemployed have long been stigmatised and characterised as dependent in liberal welfare regimes (Esping-Andersen, 1990). The implementation of in-work conditionality indicates that the current political class is expanding the same level of stigma to those who do not work full-time, creating a model of social security which is exemplified by a "coerced-worker-claimant" (Dwyer and Wright, 2020). This is reflected to some extent in the outline of the design of the RCT (DWP, 2018) trial whereby individuals who work part-time are not treated differently from the unemployed in the DWPs activation approach. Participants were required to attend Jobcentre Plus for a Work Search Review and if they failed to meet their obligations they could face a sanction. The decision not to make a distinction from the unemployed denigrate the part-time worker's status from an 'active citizen' who is fulfilling their social citizenship obligations by participating in paid employment to an inefficient citizen who is unable to achieve independence from the state (Fitzpatrick et al, 2019). This is in stark contrast to the previous ideological approach underpinning the tax credit system which promoted a "willing worker of agency" based upon the notion that those engaged in the labour market respond positively to the provision of financial incentives (Dwyer and Wright, 2020).

At the time of writing, the government has not produced a tailored in-work conditionality strategy for those over 50, despite acknowledging that this claimant group faces various age-related barriers to employment (Cory, 2013; Phillipson et al, 2016, DWP, 2017). There is a question as to whether an age-related approach could be used by the DWP and by the Department for Communities in Northern Ireland to encourage older workers to re-enter the labour market, increase their hours and progress their career. This article will explore the

barriers that workers over 50 may experience if they are migrated to UC and subject to in-work conditionality rules.

Activation and older workers

Since the late 1990s, different UK governments have taken various approaches to prolong and encourage extended working lives. These include: the establishment of the Extending Working Life Department within the DWP; introducing legislative protection against age discrimination in the workplace and ending the mandatory retirement age. This means people cannot be forced out of the workforce because of their age, or face discrimination in employment practices, such as recruitment and selection, training and career progression, without recourse to the law (Taylor and Walker, 2003; Loretto and White, 2006). In 2014, the right to request flexible working for all employees was introduced, as a means of enabling employees to balance their personal and working lives and to benefit employers in terms of workforce recruitment, motivation and retention (House of Commons, 2018) – an initiative which is at odds with the push for low paid workers to achieve full-time employment. Perhaps the most controversial change has been the increase in the state pension age which accelerated women's pension aged between 60 - 65 from April 2016 and November 2018. From October 2020 the pension age has increased to 66 for both men and women (Pensions Act 2011). This disadvantaged a group of women born in the 1950s who almost immediately faced a longer than anticipated wait for their pension (Gray and Timmins, 2018). Such changes reflect the growing shift away from policies that previously promoted early retirement towards an emphasis on delaying retirement and the extension of working lives (Powell and Taylor, 2016; Wainwright et al, 2019).

The Office for National Statistics (2020) estimates that there are over nine million workers aged 50 to 64 years, accounting for almost a third of the national workforce in the UK. Northern Ireland has the second lowest employment rate for older workers in the UK, with just over one third of those aged over 50 in employment (Northern Ireland Statistics and Research Agency, 2017). However, with a growing number of people aged over 50 in employment, a key dimension is the changing relationship between ageing and work alongside tensions concerning extending working life. Such factors include, early retirement, greater part-time working and bridge employment and how these can successfully accommodate longer working lives (James and Pitt-Catsouphes, 2016; Phillipson, 2019). At the same time, the extension of working life particularly for those on a low income, need to be supported by the social security system with estimates that one in five families who will receive UC will include one or more people aged 50 or over (Cory, 2013).

In 2015, the Coalition Government in the UK published 'A new vision for older workers: retain, retrain, recruit' (DWP, 2015) on working in later life. It outlined several recommendations to support older workers to remain in the workforce and emphasised that 'this is not about forcing people to work on, but supporting those who want to maintain a fuller working life' (DWP, 2015: 9) recognising that not all individuals want to extend their working lives. More recently, 'Fuller Working Lives: A Partnership Approach' (DWP, 2017)

also highlighted the importance of maintaining an older workforce, and how employers can facilitate this by creating an age-friendly workplace, support for issues around health or caring responsibilities and encouraging an age-positive environment. The strategy introduced Older Claimant Champions in every Jobcentre Plus to increase awareness of the barriers faced by older claimants and how to address them. However, the scheme is described as an internal rather than claimant-facing, raising questions around its transparency and ability to create positive outcomes for older workers who are required to find and retain employment (House of Commons, 2018). No scheme akin to this has been introduced in Jobcentres in Northern Ireland.

While personal responsibilities (such as, to actively seek paid work) have always been part of the post-war welfare state, a new form of welfare conditionality that emphasised behavioural requirements was established under the Conservative Government (1979 – 1997) (Dwyer, 2016; 2018). The Labour Governments (1997 – 2020), the Coalition (2010 – 2015) and the current Conservative Governments since 2015 have built upon the approach of the Conservative Government of 1979 – 1997 by expanding and intensifying conditionality (Dwyer and Wright, 2014; Watts et al, 2014). The expansion of conditionality measures to those who are already in work aligns with the progressive retreat from Marshall’s post-war (1950) depiction of social citizenship, which sought to protect individuals from socio-economic forces of the market to the contemporary version which is driven predominantly by economic policy and the needs of capitalism. Those working part-time are characterised as needing “motivation” in order to maximise their labour, understand that they are responsible for their own circumstances and financial sustainability and should not seek to rely on the welfare state for support (Veitch, 2017; Fitzpatrick, 2019).

In-Work Progression Randomised Control Trial

The introduction of the Universal Credit (Work-Related Requirements In-Work Pilot Scheme) Amendment Regulations 2015 legislated for in-work conditionality to be trialled across Great Britain to help the government understand the most effective ways to help people on UC earn more (DWP, 2018; DWP, 2019). Light-touch in-work conditionality measures have been in place in areas where UC has been fully rolled-out (“full-service” areas), therefore claimants may already be feeling a level of pressure to “find more paid work or better paid work” which raises questions about the government’s “test and learn” approach, as in-work conditionality is already being implemented in some form in the absence of a completed evaluation process. The findings of Dwyer and Wright’s recent study shows that the “punitive character” emerged even for those participants in work, with five receiving sanctions, for reasons including late or missed non-negotiable appointments, or not meeting job search requirements (Dwyer and Wright, 2020). The trial did not include Jobcentres in Northern Ireland.

An impact evaluation was carried out by DWP using Real Time Information (RTI) on earnings from HMRC and DWP administrative data, alongside two waves of quantitative and qualitative research (carried out by Ipsos MORI) (DWP, 2018). Crucially, the RCT “did not

find any evidence of a statistically significant impact on self-reported earnings among participants 15 months after they started the trial” (DWP, 2018: 16). The report refers to “older claimants”, without indication of the age-grouping that this defining term is attached to, which would have been helpful in better understanding the effect of employment intervention on different age groups. Overall, the research found that claimants identified the lack of available full-time and permanent jobs, health issues and lack of skills or qualifications as barriers to in-work progression. The in-work progression scheme advances a new level of co-operation between employers and the government. The trial identified a need for better communication and the development of relationships between employers and Jobcentres. It also found employer awareness of in-work conditionality was very low. According to the DWP, UC aims to help ‘business to grow’ and ‘improve productivity’ (DWP, 2018). The policy of in-work conditionality has several implications for employers including how it will work within their organisation, progression opportunities, how they might respond to employee requests for more hours per week and their perspectives on second jobs. Employers are key to outcomes arising from active labour market policy (Sissons and Green, 2017; Van Berkel et al, 2017; European Commission, 2018). Yet, as Jones et al (2019) point out, detail on how this is to be achieved is lacking and there is little evidence to show that employers have been included within the policy’s design or development.

Methods

The views, opinions and expectations of in-work conditionality from people aged over 50 in Northern Ireland were obtained through semi-structured interviews. In total, 15 interviews were carried out with two groups:

1. People over 50 in receipt of WTC who will eventually migrate onto UC ($n=10$)
2. Employers whose workforce is aged over 50 and receive WTC ($n=5$)

Qualitative methodology was employed to capture, understand and gain an insight into participant’s views, experiences and expectations (Bryman et al, 2008; Bell, 2010). This approach is also useful in providing a thorough, contextual and multi-layered interpretation of a particular social problem (Mason, 2002). Semi-structured interview questions were used to support a conversational manner as it offers participants the opportunity to explore issues they feel are important (Silverman, 2016). As questions were more general in their frame of reference than typically found in a structured interview schedule, it was possible to change the wording of questions, clarify the meaning of the questions and add or omit questions according to each participant to prevent repetition (Becker et al, 2012).

Data collection

The participants were interviewed individually between December 2018 and December 2019. A topic guide was derived from prior analysis of literature on UC, in-work conditionality and employment for workers over 50. Using a semi-structured topic guide, participants were asked about their views, opinions and expectations of UC and the concept of in-work

conditionality. Table 1 provides details of participants who are in receipt of WTC and work less than thirty hours per week. Table 2 provides information about employers who took part in the research.

Table 1: Participant information: claimant workers in receipt of WTC

| Participant | Gender | Age | Job role |
|--------------------|---------------|------------|------------------------|
| Claimant worker 1 | Female | 55 | Deli counter assistant |
| Claimant worker 2 | Female | 55 | Housekeeper |
| Claimant worker 3 | Female | 61 | Office administrator |
| Claimant worker 4 | Female | 54 | Classroom assistant |
| Claimant worker 5 | Female | 55 | University lecturer |
| Claimant worker 6 | Female | 58 | Project officer |
| Claimant worker 7 | Female | 52 | Legal secretary |
| Claimant worker 8 | Female | 54 | Nursery assistant |
| Claimant worker 9 | Female | 56 | Support worker |
| Claimant worker 10 | Female | 59 | Care assistant |

Table 2: Employer information

| Participant | Gender | Job role | Number of employees |
|--------------------|---------------|------------------------|----------------------------|
| Employer 1 | Male | Retail manager | 30 |
| Employer 2 | Female | Nursery owner | 30 |
| Employer 3 | Female | Hospitality HR manager | 450 |
| Employer 4 | Male | Social care manager | 30 |
| Employer 5 | Male | Factory owner | 12 |

Ethical approval for the study was obtained by the Research Ethics Committee in Ulster University. The participants were sampled purposively in order to recruit people aged over 50 in receipt of WTC and employers whose workforce includes workers over 50. Participants were recruited to the study through several different methods including an advert on social media, emails to colleagues in the community and voluntary sector and through snowballing. All participants were provided with information about the study, including the purpose of the interview, how the findings would be used and the terms of consent.

Each interview was audio recorded, with consent, and transcribed verbatim. All data collected was coded thematically according to the emerging themes using the analysis software package of Nvivo. Several steps were taken to thematically analyse the data for common themes and patterns. To begin, all transcripts were analysed by the researchers and the initial coding process involved the identification of transcripts, applying labels “nodes” to indicate each emerging theme. This process helped identify several themes for each group of

participants. Data collection was stopped at the point at which no new themes were identified in the data, and where further coding was no longer possible.

Study limitations

The findings should be considered in light of the limitations of the study. As a small qualitative sample, this research is not generalisable to the older workforce in Northern Ireland. However, it does offer an important insight to the views of some people aged over 50 in receipt of WTC and can form a useful base for further quantitative and qualitative work in this area. A total of 15 people participated in the research, these were predominantly women despite attempts to achieve greater gender diversity, and therefore the findings do not thoroughly recognise the diversity of expectations of both men and women on this subject matter. It should be noted that the majority of part-time workers in Northern Ireland are women (Northern Ireland Statistics and Research Agency, 2017). Due to time and funding constraints, the sample size for employers was also limited in terms of the range of sectors represented. It would be important in future studies to capture more employers perspectives and views.

Findings

The key themes that emerged during the research were analysed under three sub-sections. The first examines participants' understanding and knowledge of UC. The second explores participants' attitudes to in-work conditionality. The third sub-section describes potential implications for claimants and employers for an older workforce perspective.

Understanding and knowledge of Universal Credit:

UC was introduced in Northern Ireland in September 2017 for new benefit claimants and is now fully rolled out which means that no new claims can be made for legacy benefits. At the time of each interview with workers over 50, all participants were in receipt of WTC and had not migrated onto UC. One participant in the study was unaware that UC had been introduced in Northern Ireland, while other participants said they had "heard of it." However, most participants had very little knowledge or understanding about UC. Most participants expressed negative comments about UC, associating it with long waiting time for payment and financial hardship, for example:

Heard it [UC] through news and paper and media... but I think it's very hard to get, and a lot of people are waiting for a long time on their money which leaves them really out of pocket and really struggling. (**Claimant worker 1**)

I've heard of it and to be honest know very little about it... all I hear is complaints about it. (**Claimant worker 3**)

I heard it's coming in, burying my head in the sand a bit about it. It is kind of supposed to be a benefit that's supposed to be generic and get rid of all other benefits but that people are probably going to be hit very hard. (**Claimant worker 5**)

Despite the possibility of Participant 6 migrating onto UC, she shared her dislike of the system, recalling a conversation with her daughter who was going to apply for UC:

My daughter came back, she was at college and came back, I wouldn't let her go on Universal Credit, I just thought it was too terrible a system to get caught up in. I just said to her you're not going on that Universal Credit where you have to go for interviews and account for every single minute of your life and they don't treat you as a person... The whole thing is just so demeaning, I just said no you're not going near it! **(Claimant worker 6)**

Employers who participated in the research also demonstrated a mixed understanding of UC, for example:

I don't know a lot about it [UC], I'm not on any credits or universal credits so I don't know much about it. **(Employer 1)**

It's difficult for us in terms of what we see ahead. One of the things with UC is anybody of a working age who doesn't have a very young child or is not a carer for someone, the whole push is going to make them work thirty hours or more. So really that's putting people who have started that graduation to part-time forcing them to pick that back up again and work full-time. **(Employer 2)**

Yes I have heard of Universal Credit in the sense of employees coming with various forms or needing documentation or maybe needing a letter confirming that they are in work and what their hours would be, that type of thing. **(Employer 3)**

There's been a lot in the media, so I suppose what I have heard has been... the horror stories of people trying to navigate their way into the system and those that have been migrated out. **(Employer 4)**

Overall, both groups of participants voiced concerns about UC, with most referring to negative aspects of the system that have been well documented such as the long wait for a first payment, pressure to increase working hours and increased financial hardship for some claimants.

Attitude to in-work conditionality:

The researchers provided each participant with an in-depth meaning of in-work conditionality using guidance published by the DWP (2018), and answered any questions participants had on this. The same guidance outlines that if employers cannot provide employees the opportunity to increase their earnings then they may need to look for work elsewhere. Some employers explained they would not be in the position to offer additional hours and raised concerns with this aspect of in-work conditionality and the potential impact on their business:

That would have huge, huge implications for us from a workforce planning perspective because ... if my employee over the age of 50 was faced with that choice I daresay they would be you know between a rock and a hard place, they'd

have a very difficult decision to make there because there's no way due to the nature of the work as I said that they could maintain that for any length of time. Do they then consider not being in employment at all, is that the alternative? **(Employer 3)**

I suppose for our business it would be detrimental because we're going to lose that knowledge and that skillset. We don't have any flexibility within any of our budgets to extend hours, you know we're kind of at a capacity... I suppose with Brexit and some of the other challenges that are coming in even the long-term sustainability of that's questionable, so we wouldn't be in a position to offer extra hours to employees. It's quite worrying for us as an organisation, for our workforce, and also for the continuity of the services that we provide. **(Employer 4)**

My fear you know [is] losing them to someone else, it's not something that you want because you've invested time and energy and resources into that person...so we don't want to lose that person. Also what we fear and what we don't want to see happening is that we stop being their primary employer, so they have maybe 20 hours with me then they have to go and get another part-time job somewhere else. **(Employer 2)**

The same guidance and explanation of in-work conditionality was provided to participants in receipt of WTC aged over 50, who will eventually move onto UC. This perhaps represents the most significant shift for participants who are currently not subject to any such conditionality. Most participants were surprised to learn about this policy under UC and were concerned about the requirement of increasing their earnings:

I have chosen to work these hours. They suit my family life. **(Claimant worker 1)**

I would challenge that myself. I don't think they should be making people work 35 hours a week. **(Claimant worker 5)**

The majority of participants expressed concerns about in-work conditionality, and what this would mean for them. Some explained that their employer could not provide additional hours, and in this instance, they would have to look for either a second job or a different job with more weekly hours in order to increase their earnings. The RCT trial highlighted similar attitudes from older participants, who were content with their current role and lifestyle and were comfortable receiving in-work benefits, particularly those who were drawing close to retirement age (DWP, 2018: 64).

Impact for older workers / workforce

Under UC, those subject to in-work conditionality will be expected to meet a new 'higher' conditionality earnings threshold equivalent to a thirty-five hour week at the National Minimum Wage through a combination of additional employment, higher hourly wages or increased hours. Poor health was identified as a barrier to increase hours of work for some participants, for example:

I couldn't [work more hours per week]. I know I physically couldn't do no more than what I'm doing. There's time I'm crawling up the stairs I've arthritis, I'm taking painkillers quite often but I don't let on in work I've a great false face in work I'm great I can do this, but there's days I'm going oh my God how am I going to get through the next couple of hours... I'm 55 now and I'm tired. **(Claimant worker 2)**

I think as you get on in years you slow up you are tired... I just found working full time was hard going and probably the fact I would be quite bad with arthritis and whatever, it obviously in turn then causes a bit of osteoarthritis, there's days and weeks that you're just not feeling in powerful form. **(Claimant worker 3)**

I have arthritis and I have two bad knees and then unfortunately I got an injury then to my shoulder so I felt then that it was impacting the pain at night... just wear and tear, getting older. **(Claimant worker 10)**

There was also a strong consensus amongst both groups of participants that older workers are more likely to decrease their hours of work, for example:

I have just recently, in fact just taken partial retirement so I have actually reduced my hours. **(Claimant worker 3)**

Yeah well I mean I was able to I suppose when I worked full time you're just running like a headless chicken all the time, I just knew I wanted to work less hours so you know... so no I definitely would not be looking for full time. **(Claimant worker 6)**

I think they [Government] will have an awful lot of unhappy people, they will have a workforce that are disgruntled. I think in terms of our over 50's that wasn't something that they had expected to be forced into a position to do this... that's really going to cause a significant shift. So really you know that's putting people who have started that graduation to part time forcing them to pick that back up again and work full time. **(Employer 2)**

In the RCT report, age was identified as a barrier for older workers who were less interested in progressing at work as they reach retirement (DWP, 2018: 59). This was also reflected in the qualitative research carried out with employers for the purposes of the RCT. One employer case study focused on the logistics department of a large retail company. In order to progress to senior positions, permanent staff were required to complete a training programme. The employer explained that "there's some people in their 60's who don't understand why they have to do the training, they feel their school days are over... they don't want to progress in the company." Furthermore, the employer explained that they were provided with the opportunity to participate in training as younger workers but "they've always just declined" which was reflective of a perception that older workers who had been doing the job for a long time felt capable and felt that they did not need the training (DWP, 2018: 94). This particular issue was not highlighted by any of the employers that we spoke too, however Employer 2 did express that his workforce had built up a particular skill set

over my years and that he would find it hard to replace their expertise if they were asked to look for more work or better paid work elsewhere as a condition of receiving UC.

Discussion

The interviews identified several factors which impact upon the older workforce's ability to increase their working hours and/or pay. The majority of participants had limited knowledge of UC, despite the impending migration of claimants on legacy benefits, including WTC, onto UC. Those claimants who did show an awareness identified negative connotations and assumptions about the new system. These were linked to a long wait for a first payment, sanctions and financial hardship. These issues are high profile and have received substantial attention since the commencement of UC (Dwyer and Wright, 2014; Hartfree, 2014; Millar and Bennett, 2017). While some participants had limited knowledge of the difference between what they were currently claiming and UC, others tended to see UC as a like-for-like replacement. This is unsurprising given the limited knowledge they have of UC and this may be more broadly linked to the complexities inherent in the social security system (Harris, 2013). As detailed above, some participants in receipt of WTC may not have had prior engagement with Jobcentre Plus and will be encountering new rules of conditionality for the first time. Research carried out by DWP (2017) found claimants who had moved from legacy benefits to UC were initially surprised by the different aspects such as the Claimant Commitment and intensified conditionality regime, meaning that new aspects of UC which differ from legacy benefits were not always clear to them. This demonstrates the need for the dissemination of more public information about the significant differences between the two systems. This research and also the RCT shows a lack of awareness of the requirements of UC.

It is recommended that DWP develop an awareness building campaign to ensure that claimants know what to expect when they are eventually migrated from legacy benefits to UC. This should include clear and transparent guidance for those part-time workers who will be expected to graduate to full-time employment. Furthermore, greater engagement from relevant departments with employers would help support a better understanding of the implications of the policy for their organisation and for employees. To date, any approach to promote such awareness has been absent in Northern Ireland and this research highlights the urgency for engagement to prepare claimants and employers ahead of this significant change.

The main aim of in-work conditionality is the discouragement of those in work from relying on the welfare state, by imposing activation measures on low-income workers to urge them to take on more hours or to find better paid work (including temporary, flexible and part-time work) in order to move up the pay ladder, and ultimately off UC. There has been an evident pause in the extension of in-work conditionality, following the publication of the RCT report in 2018, as DWP struggle to complete the roll out of UC, which has been pushed back to 2024 as claimants are not naturally migrating onto UC at the frequency expected by DWP (House of Commons Hansard, 2020). This process is likely to have been further frustrated by the Covid-19 pandemic, which has had enormous labour market repercussions. There has

been speculation that the slow uptake is due to the perception that UC is not fit for purpose (Wright, 2012; Dwyer and Wright, 2014; Millar and Bennett, 2017). This research found limited support for this policy of in-work conditionality amongst both groups of participants. The findings mirror those from an online poll carried out by the Institute of Policy Research (Abbas, 2017) which explored the views and attitudes to in-work conditionality and found there was opposition to in-work conditionality as those who were in work felt that they had earned their entitlement by already being employed.

The approach underpinning in-work conditionality to ‘work first, then work more’ (Jones et al, 2019: 16) was raised by participants who outlined their desire to reduce their hours of work rather than increase them. Reasons varied amongst participants, for example, caring responsibilities, declining health or nearing retirement. Corey (2013) stresses that if older workers who are seeking to retire are subject to conditionality this may potentially push them out of the labour market altogether. Interestingly, the RCT (DWP, 2018: 59) identified ‘age’ as a barrier for older participants who ‘were less interested in progression as they approached retirement’. Similar sentiments were also made by employers who participated in this research, who explained they tend to find older workers are more likely to request reduced hours or phased retirement. The choice of older workers to work part-time as they near retirement age goes against the grain of the policy aim of in work conditionality. It highlights a potential sticking point for Work Coaches who are responsible for ensuring that older workers comply with the activation measures, which includes the ability to sanction. The application of a sanction on an older worker who has chosen their part-time hours due to caring responsibilities, health conditions or another reason arguably represents the precipice of the “creeping conditionality” that has been engulfing the social security system over the last two-decades (Dwyer, 2004, Dwyer and Wright, 2020).

In treating those who are working part-time in the same way as those who are unemployed, the government are acting as “agents in the reproduction of narratives around benefit claimants” (Patrick, 2014: 168). The expansion of conditionality measures to those who are in low-income employment reinforces the notion that there is a “social division of social control”, whereby social control strategies inherent in social policies in the UK have more negative consequences for disadvantaged groups. In the case of in-work conditionality, this research found that such negative consequences may be even more acute for women. Rotik and Perry research for DWP (2011: 20) that found “working women mainly felt that they cannot work more due to other commitments.” The government valorisation of full-time employment overlooks the continued reality that the weight of unpaid caring responsibilities fall invariably on women. Rather, women’s caring duties continue to be predominantly assumed and treated as an issue for private management by individuals and families (Lister, 1997; McKie et al, 2001). This persistent disregard of the value of unpaid care is reflected in the language used in the RCT report (2018: 78) which suggests that childcare commitments or the desire to work a particular number of hours per week represents a personal “barrier” to employee progression, rather than structural problems with childcare and other care provision. Although not explicitly stated by policymakers, the design of the WTC system recognised to some extent the need for flexibility to facilitate more women with caring

responsibilities with the opportunity to enter the workplace, particularly lone parents (Haux 2012; Hick and Lanau, 2019). There was a strong sense amongst the participants that the implementation of in-work conditionality would remove their ability to choose their hours of work by placing conditions on them to work more hours than they could. The findings suggest this approach to in-work conditionality appears to be at odds with the broader policy agenda focused on increasing flexible working options and providing older workers with greater flexibility – rather they will face coercion to work for longer hours until they reach pension age (Powell and Taylor, 2016; Wainwright et al, 2019).

Conclusion

The research supports the findings of other qualitative/quantitative studies, and of claimant knowledge more generally, that there was limited understanding and awareness of UC amongst both groups of participants and very little support for the concept of in-work conditionality. Many participants had chosen to work less than thirty hours per week often for reasons of declining health and caring responsibilities, and felt that in-work conditionality would remove this employment flexibility by forcing them to increase their working hours. Employers were also concerned that they might not always be in the position to offer additional hours to their employees, and therefore some employees may seek full-time employment elsewhere. This was a concern for employers, who felt they could lose valuable staff and were unsure how this could affect their organisations daily business.

The stretching of conditionality to apply to low income workers further distorts the value of citizenship in protecting the citizen from the risks of financial insecurity and the right to social security entitlement which is distinct from the ideological motivations to reform the social security system. All workers, including older workers are already labour market commodities, exchanging valuable labour that may not have its value recognised in financial terms, but that complies with the responsibilities of citizenship that reciprocal approaches demand. The fact that low income workers will be expected to work full-time despite the government's broader push towards flexible working practices extends the ideological view of the undeserving poor to those who are working part-time. The responsibility to contribute economically through employment has already recognised by those who are working part-time and their labour is viewed by them as part of the citizenship contract - to add to those responsibilities under threat of removing existing security speaks to the last remnants of the egalitarian vision of citizenship being replaced (Fitzpatrick, 2019). Overall, the research shows that the concept of in-work conditionality in Northern Ireland is not well understood or supported. As the impending migration from WTC to UC draws closer, it is crucial that meaningful engagement takes place with people migrating onto UC and also with employers. The concept of in-work conditionality has not considered the growing number of older workers, who may not be able or want to work full-time hours. This may create a situation, whereby older workers feel coerced to work full-time hours, regardless of individual circumstances to maintain a sustainable income or could choose to leave the workforce altogether. The increased pension age will also extend the period of time where older workers are expected to participate in the labour force. Therefore, it is crucial that the government

explores developing and implementing a tailored strategy which recognises the distinct challenges for older workers in Northern Ireland and beyond.

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