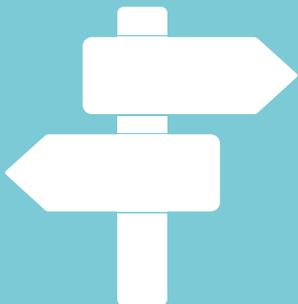




The PENSIONS Advisory Service



Developing the mid-life MOT

September 2018

Contents

3	Forewords
6	Executive summary
7	Introduction
9	Current support for people in mid-life
12	Developing the mid-life MOT concept in practice
24	Summary of case study findings
27	Content framework for a mid-life MOT
29	Appendix A: Mid-life MOT principles from a collaborative workshop hosted by the Centre for Ageing Better



Forewords



'As more of us live longer, we need to take action earlier in life to enable us to stay healthier, work for longer, and save more if we are to enjoy our later lives. And yet people in mid-life face many issues that compete for their time and attention. Many are juggling work and caring responsibilities with little time to look after their own health and wellbeing. Their adult children may still be living at home and they feel financially squeezed with debt and mortgages to pay. These time and resource pressures make it hard to plan ahead and take action. For those most at risk of missing out on a good later life today's immediate challenges make it even harder to plan ahead.'

People in mid-life could benefit from better access to information and advice to plan and prepare for their later lives. It is encouraging to see the enthusiasm from a range of organisations to try out different approaches to delivering mid-life MOTs. We look forward to continuing to work collaboratively with government, employers and providers to ensure everyone who needs support can benefit and to test out these promising approaches to find out what works.'

Anna Dixon, CEO of Centre for Ageing Better



'There are two levers we can pull to prepare for our longer lives in retirement: we can save more, or we can work longer. Aviva has helped 9 million more people to begin saving for their retirement via automatic enrolment. We now want to put our energy behind the opportunities and challenges of working longer too.'

Those aged 45 to 60 represent nearly one-in-three of our UK workforce, and is our fastest growing population. The mid-life MOT allows us to invest in this population's continued development, and helps us retain their critical skills and experience. It represents a win for our employees and a win for Aviva. It can also represent a win for UK plc. We are

delighted to join this report's "coalition of the willing" to demonstrate the power of a mid-life MOT. We hope others will follow where we lead.'

Lindsey Rix, Managing Director of Savings and Retirement, Aviva UK



'We've always believed that the John Cridland inspired idea of a mid-life MOT is a great way to encourage people to take stock at a key point in life. At Legal & General we think that a review that covers health & wellbeing, careers (in the widest sense) as well as financial wellbeing and retirement savings provides a rounded review and allows people to prioritise the areas that are most important to them. We believe that such an MOT should become an everyday feature of life for people as they reach their middle years; everyone is going to need a plan for their later life and the sooner people start to have these conversations and take decisions, the better.'

Our view is that a healthy, happy later life is dependent upon a mixture of five things and we are committed to helping people think about each of these: improving their financial resilience, their health and wellbeing, the safety and security of their housing, how they access advice about big decisions and, finally, how they can maintain a strong sense of purpose through contributing to their communities. The work described in this report underlines that an MOT can be very helpful in starting that process and taking stock in some key areas. Our purpose at Legal & General is not just about shareholder profit; it is about improving the lives of our customers and building a better society for the long term. If we can engage people to make mid-life MOTs a part of their everyday life then this would be a big step forward, ensuring that people have the tools, insights and decisions to enjoy a better quality of life.'

Chris Knight, CEO of Legal & General Retail Retirement



'We are lucky that we are living longer. An ageing society brings about a new responsibility for each individual to plan to have sufficient income in retirement. People need help; help to know when to do it and help to know what to do. It needs to become a new social norm for people to start looking at their retirement in their mid-40s to mid-50s. They need to think about their how long they want to work, how long they expect to work, how long they will be able to work. Their job, their health and their wealth need to be thought about in tandem.'

How long does it take to create a new social norm? In 1993, recycling was a fairly marginal activity in the UK where less than half of households regularly recycled. By 2009 it had become a more normalised activity where over 80% of households normally recycle. It took 16 years to make an impact on recycling and there is still more to be done. We need to start now in starting to help people in their mid-40s to mid-50s plan for their retirement. Their needs to be an intervention where all people in this age bracket are invited to have a review of their position in order that we create the new social norm for retirement planning.'

Michelle Cracknell, CEO of the Pensions Advisory Service



'We all ask ourselves 'why am I doing this?' from time to time, but it gets to a point when this question should not just be another unresolved rhetorical outburst. This point is often somewhere mid-life for many of us and we deserve constructive answers. Siri responds to it with 'good question' and 'Google Assistant' says 'I can only speak for myself – people usually come to me for answers or amusement.'

What would be much more helpful is a resource that can help you understand why you are doing what you are doing, and checking to see how it fits with your life aspirations; a single place where you can check in on your health, your finances and your career and learning opportunities, in an integrated way, so that you can see how actions in one of these areas can impact another in pursuit of your life aspirations. We don't really have the opportunity to do this at the moment, unless we are lucky enough to have an extremely versatile personal coach!

So, here's the good news. A group of organisations keen to fix this has recently started asking people 'what do you want and need to help you?' and the results are exciting. We explore them more in this report and illustrate a variety of working models. As there are probably tens of millions of people in the UK asking themselves the above question right now, the models will need to be diverse and scalable. Constructive answers – here we come!

Yvonne Sonsino, Partner & Innovation Leader at Mercer



Executive summary

Following the recommendation for a mid-life MOT outlined in the Cridland Review of State Pension age, four organisations – Aviva, Legal & General (L&G), the Pensions Advisory Service (TPAS) and Mercer – have developed and tested how the concept could be delivered in practice. All parties recognise a need to help people adapt to a longer working life – for the individual's benefit, the employer's benefit, and for the UK economy. This report, compiled by the Centre for Ageing Better, summarises the actions taken, and the lessons learnt.

What was done?

The four pilots were independently launched in 2018 to test the design and value of a mid-life MOT covering three areas of focus – **work, wealth and wellbeing**.

- Aviva and L&G ran a series of face-to-face workshops with their employees
- TPAS ran a one-to-one pilot for self-employed workers in the UK
- Mercer developed and tested the design of an online tool to support workers in mid-life

What was learnt?

All parties are positive about their findings and the demand they found from participants. A holistic focus on the three elements of work, wealth and wellbeing was well received. There a range of lessons for anyone providing a mid-life MOT to consider:

- **Know your target audience** – consider the purpose and intended outcomes
- **'Age' is not a fixed concept** – consider what age you are targeting the service to
- **There is no 'one size fits all' for delivery** – whether by telephone consultations, face-to-face, groups sessions or online tools – consider what format is most applicable and effective for the intended participant group.
- **Keep the content focused** – MOTs can't cover everything, prioritisation in content is important to maintain focus, clarity of purpose and participant engagement.
- **The mid-life MOT is a process not a one-off event**. Practical outputs, signposting and follow ups are required to engage and benefit participants.

What next?

Each of the pilot organisations see potential in the mid-life MOT and are enthusiastic in continuing to work with Government and like-minded stakeholders to explore how more people can benefit from support in mid-life to plan and prepare for the future.

Introduction

Overview

This report outlines the response by industry and providers to the recommendation to introduce a 'mid-life MOT' in John Cridland's independent review of state pension age. It outlines the current support available to people in mid-life and some of the reasons why organisations have decided to take forward their own mid-life MOT pilots. It includes four case studies of approaches that have been undertaken by four different organisations as well as summary findings and implications for next steps.

Mid-life is an important stage in planning and preparing for a good later life

With a rising state pension age and many people living for longer, there is a greater need to plan and prepare for the future than ever before. While some people in mid-life are looking forward with confidence to a good retirement, many others are not.

Many people are not saving enough, with an estimated 12 million people heading towards an insufficient retirement income.¹ Mid-life is also the start of a steady increase in the prevalence of long-term health conditions.²

The evidence shows that many people do not plan for their later life. As much as 57% of people haven't thought about their hopes or ambitions for life after 60 much or at all.³ Most usually say it's because they don't tend to plan their life out in advance or that it seems too far off.

This suggests that people in mid-life may need more support to plan and prepare for their later lives but at present this support isn't available or taken up.

What is a 'mid-life MOT'?

'As we live and work longer, many people now have more options and can make more choices. Yet there is relatively little help available in making those choices.' – John Cridland Independent Review of State Pension Age, 2017

John Cridland published his independent review on the State Pension in March 2017, highlighting that a mid-life MOT could be a useful trigger to encourage people to take stock and make realistic choices about work, health and retirement. The review recommended that: 'people should be able to access a mid-life MOT and that this should be facilitated by employers and by the Government using online support and through the National Careers Service.'

1 Fuller Working Lives: a framework for action, 2014

2 Health warning for employers: Supporting older workers with health conditions (Ageing Better, 2017)

3 Aspirations for later life, Natcen 2011



As we live and work longer, many people now have more options and can make more choices. Yet there is relatively little help available in making those choices.”

John Cridland Independent Review of State Pension Age, 2017

At present financial advice is available to better-off savers, and some employers offer pre-retirement courses in the years approaching retirement. However, current support is patchy; it misses out some important aspects of planning for later life and often comes too late to make much of a difference. The idea of a mid-life check-up – or MOT – could provide people with timely, holistic information, advice and guidance to prepare for later life. It would cover areas such as health, career, finance, and managing major life changes.

About this report

This report was compiled by Patrick Thomson at the Centre for Ageing Better, with contributions from Alistair McQueen (Aviva), John Power (Legal & General), Michelle Cracknell (TPAS), Melinda Riley (TPAS), Craig Rimmer (TPAS), Yvonne Sonsino (Mercer), and Louise Starks (Starks Consulting). We would like to thank the contributors from the mid-life MOT steering group hosted by the Pensions Advisory Service:

- Association of British Insurers
- Association of Independent Professionals and the Self-Employed (IPSE)
- Aviva
- Calouste Gulbenkian Foundation
- The Centre for Ageing Better
- Department for Work and Pensions
- Learning and Work Institute
- Legal & General
- Mercer
- The Pensions Advisory Service
- Starks Consulting
- Tavistock Relationships
- UnionLearn

Current support for people in mid-life

Public funded services for people in mid-life

There are already a range of public services that have been designed to support people to make decisions and change behaviours in mid-life, aiming to improve outcomes in later life. These are different from the mid-life MOT initiatives in this report as they have benefited from public funding or support from large scale delivery bodies. They also focus predominantly on a single aspect of careers, health or financial capability. These include:

- **Mid-life career reviews** – Between 2013 and 2015, nearly 3,000 people aged 45-64 took part in a Government-supported pilot. Reviews were delivered by 17 partners including the National Careers Service Prime Contractors, voluntary organisations, learning providers, Unionlearn, Workplace Learning Advocates and Community Learning Champions. They covered employment, training, financial planning and health issues, particularly focussed on people out of work, facing redundancy, or wanting to adapt to a new way of working.
- **NHS Health Check** – one of the largest public health prevention programmes in the world with over 6 million people in England having a check since 2013. It is a national risk assessment and management programme for those aged 40 to 74 living in England. It is aimed at preventing heart disease, stroke, diabetes and kidney disease and raising awareness of dementia, and includes an alcohol risk assessment. Since 2013 the NHS Health Check programme has been a statutory duty of Local Authorities.
- **The Pensions Advisory Service** – the Government public guidance service that has existed since 1983 and been a public body since 2006 helps people with any question or issue that they have with any type of private pension scheme. It is a very comprehensive service that provides free expert pensions guidance delivered by pension specialists. It offers one to one guidance through telephone, web chat and online enquiries. It also provides support through outreach work and its website. With a very small budget, it has managed to grow the number of customers it helps to over 200,000 per annum.
- **Pension Wise** – a Government-backed service providing free, impartial guidance on drawing benefits from a defined contribution scheme to those who are aged 50 and over. It provides information and guidance on the options available to people when accessing their pension money, which expanded following the introduction of new pension freedoms in April 2015. The service offers face-to-face appointments, delivered through Citizens Advice, and telephone appointments, delivered through The Pensions Advisory Service (TPAS). It also offers online information via the Pension Wise website.
- **The National Careers Service** – a nationally branded careers and skills advice service for anyone aged 13 and over. Providing access to up to date, impartial information and

professional guidance on careers, skills and the labour market; through an online service and telephone helpline. Adults aged 19 and over, (or 18 and over if out of work and on benefits), have access to one-to-one support from a qualified, expert adviser, face to face in the community. The economic evaluation of the NCS (DfE, 2017) showed 19% of customers were aged 45 to 54.

Current market for employer support for workers in mid-life

Supporting workers in mid-life is a key part of being an age-friendly employer. Research and guidance show that employers can do this by:

- Ensuring that development, training and progression is available equally to all ages
- Providing career guidance at mid-life and beyond, including retirement plans
- Helping people to take stock, manage transitions and plan holistically for the future⁴

Development of the mid-life MOT concept should be considered in the context of existing employer support to employees in their mid-life through to retirement. Upcoming research⁵ conducted for Ageing Better by the Institute of Employment studies shows that employers give a range of reasons for providing this type of support including; increased uptake of learning and development opportunities; better employee engagement; higher staff retention; reduced staff absence rates and ill-health; and increased productivity.

The same research suggests that it is currently more common for employers to be delivering support for employees in relation to their finances and health and wellbeing, than careers and working lives. While the effectiveness of interventions is not widely or robustly evaluated, employers currently deliver these interventions in a range of ways:

- **Changes to employment policy and practice** were the context for interventions. Employers discussed their importance in relation to flexible working, and the role of the line management system in supporting effective and consistent practice.
- Employers sought to **raise awareness and provide information** to employees. This extended to skills development to support employees navigate transitions in some workplaces.
- **Strengthening capability to support others**, for example training employees to be career coaches or mental health first-aiders.
- Some employers encouraged **networks and peer support**, uniting colleagues with a common interest or concern to discuss their experiences, provide support to each other, and feedback any organisational issues. Networks could be face-to-face or virtual.
- Employers **contracted with a range of service providers**. These included providers of health and wellbeing services, and training providers.

⁴ 'Becoming an age-friendly employer' (Centre for Ageing Better, 2018)

⁵ 'Employer's views and practices in providing employee support in mid-life to retirement' (IES, 2018)

Considerations for self-employed people

There has been a significant growth of self-employment in the UK labour market over recent years, increasing from 3.3 million in 2001 to 4.8 million in 2017 (ONS, 2018). While all age groups have seen an increase in individuals entering self-employment, there has been a particular rise among older workers.

This matters in the context of the mid-life MOT as self-employed people do not have access to workplace pension schemes or employer support regarding their work, health and money. This creates challenges such as:

- Gaps in income for self-employed people who are unable to work due to ill health or do not have insurance to cover themselves.
- Being less likely to undertake training due to the inability to take time off work (particularly in precarious sectors).
- A heavy reliance on personal savings or capital when starting up or when income is limited compounded by a lack of knowledge and engagement in pension and retirement planning.
- Low rates of retirement saving, and inability to access pension changes such as automatic enrolment

Income for self-employed people can fluctuate depending upon seasonal changes, client relationships and competition in market. This can make it difficult to be able to pay regular pension contributions and ultimately, and they do not get the perceived benefit from receiving an employer contribution. Unlike employees, there is no employer to take responsibility or 'nudge' individuals into pension saving. According to the Deane Review, one in five self-employed people have no financial plans for retirement other than relying on the state pension.

The diversity of experience of self-employed people means that drivers, behaviour and habits among the group vary, making it challenging for policy makers to develop solutions and products that meet the needs of this population. Any mid-life MOT offer would need to consider the particular circumstances and needs of this group.

Developing the mid-life MOT concept in practice

Overview of activity

Following the Cridland recommendation for a mid-life MOT in March 2017, a number of organisations have undertaken development work to test activities under the MOT model.

In November 2017 the Centre for Ageing Better hosted a design workshop attended by the Minister for Pensions as well as policy makers, practitioners, researchers, employers and service providers to draw on lessons learned and to pool ideas to begin to develop the mid-life MOT concept. Through group work using stimulus material of representative personas of people in mid-life, Ageing Better co-ordinated feedback on what overall principles and other issues should be considered in the future development of a mid-life MOT proposition. Principles developed in this workshop are in Appendix A.

Following this, the Pensions Advisory Service led a stakeholder steering group that brought together many of these key stakeholders to reflect and update on concepts that different organisations are testing in practice. The Pensions Advisory Service also ran two workshops to build a proposed content for the mid-life review.

Communicating the 'MOT'

Throughout the development work by organisations involved in this report there have been questions over the best way to describe the intervention in question. This report uses 'mid-life MOT' as it was the term used in the Cridland review. However, feedback from participants and other stakeholders suggests that this may not be the right term for everyone, as it could imply a mechanistic, pass/fail test. Organisations have suggested mid-life review or other terms. If the concept is developed further, market research of the best communications or branding should be undertaken.

Scope

At present there is no one single definition of what a mid-life MOT includes. It is a concept that has been developed in parallel and in collaboration between multiple different organisations. Pilot organisations recognised the need to tailor their offer to their audiences, for example the Pensions Advisory Service pilot which was aimed exclusively to self-employed people.

The case study examples highlighted in this report were largely focused on the cohort already employed in mid-life or self-employed people actively looking to engage with information and advice. This does not represent everyone in mid-life, in particular the roughly one in three people aged 50 to State Pension Age who are economically inactive.

The Cridland review suggested that not everyone will either want or need help. The Department for Work and Pensions (DWP) needs to consider whether a universal offer needs to be made available to all, or if a more targeted offer is needed to support those likely to miss out from an employer or private sector offer.

Motivations for organisations delivering current mid-life MOT initiatives

The four case study organisations in this report cited a range of business, social and corporate drivers for developing their own mid-life MOT model. They saw a societal value in individuals being more confident and prepared for longer working lives. They also saw clear incentives on employers and other organisations to deliver mid-life MOTs in order to recruit and retain older workers.

The participating organisations cited the following reasons for undertaking mid-life MOT initiatives:

- **The need to respond to Brexit:** If Brexit results in a reduction of immigration to 'the tens of thousands' this will put greater pressure on the need to optimise the UK's use of resident labour, especially among older workers.
- **The need to respond to the pension freedoms:** Since the 2015 UK pension freedoms, many more people have significant pension decisions to make in mid-life. Employers cite the need to demonstrate a commitment to older workers by providing options around flexible working or other support.
- **The need to support working carers:** Carers UK estimates that there will be a 40% increase in the number of carers needed by 2037, totalling 9 million carers (Carers UK, 2015). The ability to offer more support and information for older working carers is seen as important.
- **The need to support older workers** by using the mid-life MOT to further the Fuller Working Lives agenda and improve public finances and economic activity.
- **The need to boost productivity:** An investment in the skills of the UK's growing population of older workers could contribute towards economic productivity.
- **The need to retain skilled employees** in the context of upcoming skills and labour force shortages and the early labour market exit of many older workers.

Case study examples are provided from:

- Aviva
- Legal & General
- The Pensions Advisory Service
- Mercer

The content in these case studies largely draw on each organisations' own experiences, with participant feedback where it was available. An independent consultant has supported and advised the organisations to develop their thinking in relation to how to gather information, but these have not been formally evaluated.



Case study one: Aviva

Participants	100 Aviva employers with different roles and all aged between 45-60 were invited to take part and 94 participated in seminars delivered in Norwich.
Delivery method	Aviva delivered three group seminars delivered through a mix of in-house expertise and through support from National Careers Service. Participants could access further one-to-one support if requested.
Content	Each seminar focussed on the three 'W's of wealth, work and wellbeing and lasted 1.5 hours.
Participant view	'I really enjoyed it, I took a lot away from it and it was a very good use of my time.'

Who is Aviva?

Aviva is a leading provider of savings and retirement products. Aviva employs over 16,000 people in the UK, of whom 5,000 are in the 45-to-60 age cohort. This age bracket represents Aviva's fastest growing population of employees, and its biggest population of UK customers, more than 6 million in total.

What did Aviva do?

Three motivations led Aviva to pilot its mid-life MOT.

1. Aviva recognises that working longer and saving more will be the two levers its employees, and customers, will pull to fund a longer later life. Aviva is already helping people to save more, via pensions and other savings products. Aviva wants to help people work longer too.
2. Aviva recognises that the over-50s are the company's fastest growing employee population. Aviva wants to invest in its changing workforce.
3. Aviva's UK Chief Executive, Andy Briggs, is the Government's business champion for older workers. He wants to lead by example.

In summer 2018 Aviva invited employees in the 45-to-60 age cohort to a series of seminars that considered the wealth, work and wellbeing needs of people in mid-life. The aim of the pilot was to understand employees' motivations around engaging with their financial situation, their career and their wellbeing. Seminars gave Aviva an opportunity to promote services they currently provide and invited participants to seek one-to-one support, via a financial adviser for their wealth needs; a National Careers Association professional for their work needs; and an in-house 'health hero' for their wellbeing needs.

What did Aviva learn?

Aviva participants were asked to provide feedback before, during and after the mid-life MOT. The following ten lessons have been learnt:

1. **Demand:** 94 of the 100 invitees took advantage of the MOT. There is a demand for this support.
2. **Investment needed:** 3-in-10 employees are concerned that age is a barrier to opportunity in their careers.
3. **Scores up:** Participants' levels of confidence in the future, awareness of support, and appreciation of Aviva as an employer for all ages increased after the MOT.
4. **Wealth wins:** Of the three elements – wealth, work and wellbeing – the wealth element had the strongest demand in advance and received the strongest scores afterwards.
5. **Peer-to-peer:** In addition to the formal guidance, significant value was placed on the participant's ability to share experiences with 'people like me' during the sessions.
6. **From age 45:** A majority felt that the MOT should be introduced from age 45, as an option for employees - not mandatory as this could reduce the MOT to a tick-box exercise.
7. **Defined Benefit pension wealth:** Many in this age cohort have significant defined benefit pension wealth, sheltering them from the need to work longer. Many are not feeling a 'need' to work longer.
8. **Retention:** Given this cohort's defined benefit pension wealth, the pressure today is arguably greater on Aviva to retain key skills than it is on employees to keep working. This will change.
9. **Flexible working:** There is a strong appetite for greater flexible working opportunities, to transition towards full retirement.
10. **Future:** The need for a mid-life MOT will grow as today's defined-benefit pension cohort retires, and is replaced by a defined-contribution pension population.

What next?

Aviva, and its employees, are convinced of the value of a mid-life MOT. The business is now planning how the 100-person pilot can be scaled to benefit the 5,000 (and growing) employees in the 45-to-60 age cohort.

Case study two: Legal & General

Participants	Legal & General invited employees aged 45-55 to participate in their mid-life MOT pilot. They expected between 10-15 to be interested and 61 volunteered and 53 received support. Delivery was split across two pilot sites in London and Brighton.
Delivery method	Four separate workshops were delivered across two geographical areas. Each workshop was delivered face-to-face and in groups and pairs.
Content	Each workshop constituted four seminars on financial wellness, pension savings, health and wellbeing and careers and skills.
Participant view	'I liked the holistic approach – looking at all aspects of getting older rather than focussing on pensions OR careers OR health.'

Who is Legal & General

Legal & General (L&G) Group plc, commonly known as Legal & General, is a British multinational financial services company headquartered in London, United Kingdom. Its products and services include life insurance, general insurance, pensions and investment management.

What were Legal & General aiming to do?

Legal & General sought to support their employees in achieving happiness and financial security in later life, by trialling a series of sessions that provided information and advice on important factors, which together help people to take stock on the next phase of their life and move towards retirement with confidence. They wanted to understand what a mid-life MOT should offer, what type of support employees valued and how they felt they had benefited from sessions focussing on later life and delivered in the workplace.

What did Legal & General do?

L&G ran four pilot workshops, two in Brighton and two in London for people aged between 45 and 55 years of age. They hoped a dozen or more volunteers would be interested enough to help pilot the mid-life MOT but in fact take-up was encouraging with over 60 people volunteering and 53 people able to participate in the pilot workshops.

Each workshop covered four key areas:

- **Financial wellness** – discussing issues such as debt, saving, and financial management in small groups to help employees understand what plans or decisions need to be taken to have financial confidence now, and in retirement.

- **Pensions savings** – testing a new tool to help people visualise their desired retirement, to assess the likely income required to support such a lifestyle and to compare that to their current projected retirement income. The tool allows people to assess whether they are on track for the retirement of their dreams and, if not, what impact changing pension contributions and/or retirement age might have.
- **Health and wellbeing** – employees were given access to a one-to-one biometric assessment with a peripatetic clinician, which tested blood pressure, cholesterol and BMI, as well as providing the opportunity to discuss any lifestyle concerns confidentially. They were also given access to a health & lifestyle risk assessment app where this information could be added, to encourage regular review of their health and lifestyle and to action plan based on their assessment.
- **Career, skills and work-life assessment** – a 75-minute seminar run by Prospects Group to give an overview of how careers are changing, what options are open to people and how to action plan to make the most from their work-life balance in the next phase of their life.

What did Legal & General learn?

L&G conducted a baseline survey to understand employees' information/advice needs and views before the workshops. They conducted a detailed post-workshop review and held focus groups with a subset of attendees 2 months after the workshops to delve deeper into some of the feedback.

Among a number of interesting insights, Legal & General discovered that most of their employees felt well informed about their current pension value, with nearly 90% rating themselves between 6-10 on a scale of 1-10 (where 1 is low). However, using the same measure, fewer people (60%) were confident in understanding how much money they would need in retirement.

Employees were also asked what was uppermost in their minds when considering the next phase of their life – health and wellbeing were most important (averaging 9/10) with the ability to have control over finances scoring just below 9/10; career thinking and work/life balance scored 7/10 on average.

The sessions were very well received by most participants with over 90% agreeing the pilot was useful and 80% agreeing it helped them visualise what they would like their later life to be like.

The most positive session was the health session: 'I found the biometric session very good and really believe it would be extremely useful in the wider world...'

The session on pensions was also well received and most people wanted more information that directly related to their specific pension situation. Legal & General will look to consider how such digital tools can be blended with further support and guidance on pension planning specifically and finances more generally.

The financial wellness session was conducted in pairs which did not allow people to review their personal circumstances in enough detail. As well as this, the overwhelming feedback was that this session was less relevant to this age group, possibly reflecting their financial

services background (many commented on how useful the session would be for their children!).

The careers workshop was the element with the widest range of feedback, reflecting the fact that L&G didn't take individual circumstances into account or offer this as an optional element. Many people really enjoyed the group conversations the workshop generated with some people taking specific steps as a direct result; many others would have preferred a more tailored and/or confidential session on a one-to-one basis.

In all areas, employees wanted more tailored approaches that provided advice on what to do next, which proved difficult in all but the biometric assessment, which was a confidential one-to-one session. This is something that Legal & General will consider as they develop their next iteration of MOT.

Case study three: The Pensions Advisory Service

Participants	The Pensions Advisory Service (TPAS) focussed on providing a one-to-one consultation to 20 self-employed people to help them prepare for retirement.
Delivery method	TPAS provided one-to-one telephone or online consultations for 21 participants who had volunteered for support. This was followed up by a summary document providing additional information and signposting to various organisation/websites.
Content	The one-to-one consultations were focussed on pensions and money, pensions and work, pensions and family and pensions and health. Discussions lasted between 45 minutes and 1 hour.
Participant view	'Having an impartial discussion with an expert advisor helped me to identify where I needed to focus my financial planning, everyone should have one!'

Who is The Pensions Advisory Service?

The Pensions Advisory Service (TPAS) offers free and impartial pension advice to those who have a workplace or private pension. TPAS chose to take the opportunity of developing their engagement with the self-employed category of workers following the Government's review of automatic enrolment⁶ which showed that a large proportion of the self-employed experience significant gaps in pension coverage and other savings for retirement.

What were TPAS aiming to do?

The aims of the pilot were to:

- better understand how to access/recruit and communicate with the self-employed population around retirement and pension planning;
- gain a better understanding of individual's needs in retirement planning across different professions
- help Government and industry understand how to reach and support this population more effectively.

What did TPAS do?

When thinking about the mid-life MOT and potential opportunities to support self-employed people, TPAS considered the different needs and demographic make-up of different subsets within the self-employed population, particularly between 'privileged' or 'precarious'

⁶ The Department for Work and Pensions (Automatic Enrolment Review 2017: Maintaining the Momentum

self-employed groups. Self-employed people have different starting points in terms of understanding and awareness of pension issues and will have different experiences of formal or informal networks (including friends and family) for personal and financial support. All these factors were considered when preparing the content of the mid-life MOT and how best to reach different self-employed groups.

TPAS promoted awareness of the pilot through a partner with the Association of Independent Professionals and the Self-Employed (IPSE), the TPAS website and using LinkedIn.

'I saw the advert on LinkedIn and decided it was something I needed.' – Self-employed participant

TPAS completed 21 telephone consultations, delivered by in-house advisors, all of whom have expertise and knowledge of the key pension issues that face self-employed people. To gain an understanding of customers' support needs, TPAS used a pre-appointment survey to gather information about retirement plans and individual's confidence and knowledge around retirement planning. A post-appointment survey gathered customer satisfaction levels with the appointment and post-appointment report, and to see whether confidence and/or knowledge around retirement plans could have been improved. TPAS were also interested whether the appointment enabled customers to make plans or seek further support on their retirement planning and a summary report was forwarded which gave additional information and signposting.

What did TPAS learn?

Thirteen of the consultees found out about the service through the TPAS website/helpline, suggesting TPAS has a good level of connectedness with their audience. Five were recruited through IPSE and three were told through a friend. Most participants were not confident about their retirement planning with 14/21 recording themselves as either a '1' or a '2' on a scale of five (where one is not confident). The remainder (six) recorded themselves as a '3' (one did not answer). Participants were asked why they volunteered for their TPAS review: 9/21 had no pension or retirement plan in place, 9/21 stated they had no plans in place, 14 stated they wanted to improve their pension position and seven wanted to check they were on the right path.

One of the key reasons people wanted to participate was to get free and impartial guidance: 'I don't trust financial advisers' advice.' The majority of participants (16/21) came to talk through their personal and financial position and to get a clearer idea of what their pensions options are (18/21).

A post-intervention survey (completed by eight participants) and interviews showed that people welcomed the service and the extent of information they received from TPAS advisers.

'I now know where to start, how I get to the end is still a bit unclear.'

'The advisor told me things I didn't know and gave me action to take'

'Between the telephone interview and the follow up pack I now feel I have a solid

foundation of pension knowledge to make well informed decisions.'

Most people (7/8) stated they are going to do something as a result of their consultation with TPAS.

'It has enabled me to make concrete decisions.'

Nearly all (7/8) participants stated they were going to save into a pension and were going to check their state pension.

What next

TPAS is very positive about the results from the pilot and will continue to provide this service, working through their existing partners to promote access to free and impartial pensions guidance.

TPAS have already agreed to provide this service, alongside the National Careers Service, to Clarity, a long-established social enterprise that employs workers with disabilities and is exploring opportunities with DWP of reaching more SMEs.

Case study four: Mercer



Participants	Worked with seven businesses to develop and trial the design of an interactive digital platform to guide people through a series of pathways relating to their skills, ambitions, health and finances.
Delivery method	The 'design concept' for an online digital platform trialled with 39 participants as part of the Aviva mid-life MOT pilot; a platform that provides tailored assessments and delivers recommendations for individuals to consider.
Content	The platform takes individuals through three pathways related to self (skills, careers, job), health and wealth (finances).
Participant view	'I didn't know that there could be a new way of looking at these things altogether. It's so important to have the opportunity to check in like this'

Who is Mercer?

Mercer employs over 22,000 people across 44 countries. They are a wholly owned subsidiary of Marsh & McLennan Companies (NYSE: MMC), the leading global professional services firm in the areas of risk, strategy and people. Mercer deliver advice and technology-driven solutions that help organisations meet the health, wealth and career needs of a changing workforce. Amongst the key themes Mercer are helping their clients with are the twin threats of societal ageing and workplace automation in transforming today's workplace.

What did Mercer do?

As part of Mercer's product and service innovation programme, they began researching the implications of longevity and demographic change on employees and employers. They spoke informally to many clients and formally interviewed seven across a range of industry sectors. Using insights gained from the research, Mercer designed and developed the concept for an online platform to aid individuals' pathway planning. The resulting concept, called 'Mercer MyPath', integrates elements across three key important factors: health, wealth and self, to guide individuals through a mid-career review of their life, in effect, a 'mid-Life MOT'. The platform can provide a tailored set of recommendations based on a series of questions asked of individuals relating to skills, work, health and finances. It can also be used as a non-tailored tool where individuals which to access information on the three areas. The design of the platform has been validated by the same group of employers and tested with 39 employees, across five focus groups.

What did Mercer learn from the trial?

The MyPath concept resonates strongly with people who want help in planning for their later life stages around health, better financial decision making and forecasting, as well as career planning / skills assessment. After participating in the pilot (n=39), two

thirds of participants stated they preferred the guided pathway that provided tailored recommendations that they could act on. Some of the key findings from the information gathered showed:

- There was a noticeable desire to explore career opportunities that created additional flexibility and work life balance.
- One half responded that they wanted to work in a different job or career or have already considered alternative career options and most (97%) stated they were willing to learn new skills, and the majority showed a preference for on the job training.
- Retirement was not necessarily synonymous with not working and 70% stated they would consider working for additional income when in receipt of pension income.
- Healthcare expenditure was a concern in later life and employers are a trusted source for guidance on healthcare.
- Top priorities included 'doing something completely different in later life', 'maintaining the same lifestyle' and 'staying healthy in later life'.

In terms of accessing MyPath, nearly 80% expected the employer to fully fund access to a platform like MyPath or would only use it if it were free, but the remainder were prepared to part pay to have access.

What next?

Mercer are currently preparing the business case for internal approvals to build out a working version of MyPath and have already applied for the trademark. Many products and services offered through MyPath already exist within the Mercer business, albeit in different departments and geographies with different distribution channels, target users and user experiences; part of the development is effective integration and enhancing user experiences. Ideally, Mercer wish to enter the build stage with at least one or two clients who are prepared to co-create the solution, and thus have a source of real users for continuous UX testing and refinement of the design. Mercer are also actively pursuing relationships with a number of start-ups through the Mercer Incubation programme that will bring new services to the platform.

Summary of case study findings

Benefits of a mid-life MOT

All organisations' participating in the pilot agreed on the benefits of engaging with people in mid-life (whether their own employees or self-employed people) on issues that would help prepare them for retirement. It is worth considering that the participants who took part in these cases will not necessarily be representative of the general population as they are drawn from a select set of employers. It is also too early to discern whether these interventions have brought about long-term behaviour change. With these caveats, organisations piloting the mid-life MOT believed that employee's views of their company improved, and staff appreciated the investment and time taken to provide the support.

'We have learned it can boost appreciation of Aviva as an employer and boost their likelihood to keeping working.' – Aviva

For TPAS, the motivation to pilot their MOT was to provide free and impartial advice to the self-employed, which is a significant area of growth. The self-employed have been identified as a cohort for whom TPAS could add value and could provide crucial insight for future policy developments. According to the Office for National Statistics, the number of self-employed increased from 3.3 million people (12% of the labour force) in 2001 to 4.8 million (15% of the labour force) in 2017.

Demand for a mid-life MOT

Insights from the pilots suggest the need for a mid-life MOT, particularly around the area of financial and pension planning.

'I have no idea about how much I will need to save for retirement and whether I am anywhere near on track...' – Participant

'I have found it very difficult to understand my pension and have been attempting to consolidate my various pensions, but it is a very grim task.' – Participant

More generally, participants in the pilots showed mixed levels of confidence across the various elements finance, health and wellbeing, work and careers.

Across the pilots, demand for support was, in most cases greater than envisaged; organisations did not have to persuade people to participate; in some cases, sessions had to be extended to accommodate demand. This led to considerations about organisations' future capacity to roll out the mid-life MOT to all workers.

Delivery Methods

The style of delivery varied with one-to-ones, online and group seminars to reach out to as wide an audience as possible. Certainly, efficiency in delivering the mid-life MOT was a consideration for the larger employers and scalability will be a key consideration if DWP are considering a universal offer.

Mid-life MOTs need a clear purpose that is understood by all stakeholders and participants. This is to avoid misunderstandings e.g. 'Why has my employer invited me to a review of my career?'

Stakeholders agreed that group sessions worked well providing the content could be tailored for groups and meaningful discussions between participants could be facilitated. Feedback from some participants showed the group sessions needed to be well tailored to their circumstances to be meaningful.

'Although it was good to have a general discussion and it was very thought-provoking I felt time was needed for individual sessions.' – Participant

The Mercer MyPath design concept developed and tested during this pilot period provides this facility and could provide a valuable addition to employers' offerings. Participants reflected that the design was engaging and provided a clear structure that guides employees to identify their priorities on self, health and wealth moving forward.

It seems important that any mid-life MOT is the start of an engagement process and that participants are signposted and/or encouraged to take up additional support. TPAS provided an additional information booklet covering all areas included in the interview which was a useful resource for the self-employed to refer to.

Promising approaches

Each pilot generated lessons to inform their own organisation of promising approaches and how improvements could be made. There was considerable agreement from across the pilots of the value of the mid-life MOT with participants in broad agreement that the sessions were of value, were thought provoking and had encouraged participants to engage in their retirement planning.

'The whole day was fantastic and an eye opener for my own future aspirations and goals.' – Participant

'The general idea of helping people navigate through health, wealth and career in the over 45's is excellent.' – Participant

Seminars on health and wellbeing were popular with participants. Aviva dovetailed the seminar on health and wellbeing with information on their company's health cover and both Aviva and Legal & General promoted use of a bio-metric test to give access to information on individual's blood pressure, body fat index and hydration levels. Very positive feedback was received about the inclusion of a health focus in the mid-life MOT.

'...the highlight for me was the medical health session.' – Participant



The general idea of helping people navigate through health, wealth and career in the over 45's is excellent."

Findings generated from the sessions on work, careers and skills showed that these sessions needed to be tailored for the workplace and participants perhaps found it more difficult to see the value of group sessions on this subject.

'This section requires an element of tailoring [and to be] bespoke to the audience. I'm a senior manager, I know how to write a CV and behave in an interview.' – Participant

There was particular acknowledgment of the value of add-ons, where participants could trial certain pension 'tools' to review their own circumstances and where people could access further information to support their review.

Participants valued the mid-life MOT intervention, and saw the combination of sessions (finances, pensions, health and careers) as particularly useful.

'I liked the holistic approach - looking at all aspects of getting older rather than focussing on pensions OR careers OR health.' – Participant

Content framework for a mid-life MOT

Following the pilot activity, the four case study organisations consulted with stakeholders in the TPAS steering group on what the core content of a mid-life MOT could include. Attendees agreed that from their experiences the mid-life MOT should have a core framework of content that should be tailored by individual providers (whether public sector, private organisations, employer, or other). The suggested framework is outlined below.

	Core element	Examples of topics
Wealth	Income	<ul style="list-style-type: none"> - Current income – sources - Expected/possible changes to income - Other sources of income
	Expenditure	<ul style="list-style-type: none"> - Current expenditure - Expenditure/possible changes to expenditure - Future care expenditure
	Assets	<ul style="list-style-type: none"> - Savings - Investments - Rainy day funds - Debt – plans to reduce/pay off
	Retirement	<ul style="list-style-type: none"> - Building up your income in retirement (State pension / other pensions including lost pensions / other retirement savings)
	Goals	<ul style="list-style-type: none"> - Setting Short/Medium/Long term goals - Income goals in work / over time / in retirement - Budgeting/setting plans to meet goals
	Help	<ul style="list-style-type: none"> - Advice, information and guidance sources
Work	Current work	<ul style="list-style-type: none"> - Current position - Career path, options and goals - Work/life balance - Opportunities and support to make changes
	Skills & qualifications	<ul style="list-style-type: none"> - Current skills - Plans / training - Hobbies & interests
	Retirement plans	<ul style="list-style-type: none"> - Exit strategy/plans - Work until State Pension Age? Age X? Until retirement can be afforded?
	Community	<ul style="list-style-type: none"> - Volunteering opportunities - Local community-based networks
	Help	<ul style="list-style-type: none"> - National career service - Local authority services

Health	General	<ul style="list-style-type: none"> - Overall health – past, current and future - Impact on work/life - Life expectancy and family history - Family health / caring responsibilities
	Fitness	<ul style="list-style-type: none"> - Current level of exercise - Future opportunities
	Critical illnesses	<ul style="list-style-type: none"> - Own and family history (cancer, stroke, kidney disease, heart disease, diabetes, dementia, lung disease)
	Help	<ul style="list-style-type: none"> - NHS Health check

Implications for organisations developing a mid-life MOT

The mid-life MOT concept is still in the early stages and the case study organisations are still developing their offer for future iterations. Their findings so far have drawn on some common themes and they would advise that any organisation considering developing their own MOT should consider the following:

Know your target audience – consider the purpose and intended outcomes of your initiative. This has implications for what age to target the intervention at as well as the way of communicating it. Consider the motivations and circumstances of the people taking up the offer. For example, the participants in the Aviva and Legal & General offer all had common circumstances in terms of working in the same industry, for the same employer with a limited number of pension schemes. They had more in common with each other than the more diverse experiences of the offer for self-employed cohort delivered by TPAS. This is important in knowing what contextualising information participants will want or need.

'Age' is not a fixed concept – consider what age you are targeting the service to and who is eligible. Different organisations had different criteria. Although it was generally aimed around 45-55, for many factors (such as health or pension saving) an earlier intervention was more effective, and for some 50 was considered too late.

No 'one size fits all' for delivery – consider what format is most applicable and effective for the intended participant group. Case studies used a range of formats including, telephone consultations, face-to-face, groups sessions and online tools. Often an initial session was followed up by an additional interaction, or participants could be signposted to information in their own time. The Mercer example focused very much on an online format that could be undertaken in the participant's own time. The organisations found that participants did not think of different aspects of planning and preparing for the future in isolation, so a holistic delivery approach was valuable.

Keep the content focused – each of the case studies generally focused on three elements of:

- health and wellbeing
- careers and work
- finances and pensions

Other aspects such as family or caring were also touched on in some pilots more than others. The case study organisations found that mid-Life MOTs are not able to cover all possible aspects of planning for later life and some prioritisation in content is important to maintain focus, clarity of purpose and participant engagement.

A process not a one-off event – All case study organisations found that to maintain interest in the mid-life MOT some practical outputs were required for participants. Participants need to be signposted to existing assets either internally by the MOT provider or externally (e.g. to Pension Wise, State Pension Forecast, National Careers Service, NHS Health Check or otherwise). For employers undertaking this for their own staff, consider how topics raised in it (e.g. wanting to work flexibly or undertake skills development) can be matched and enabled by internal policies and processes. Aviva are considering plans to make their offer available every year to its own staff between a certain age range. They are planning for people to do it more than once and are planning for an uptake of 33% each year.

Appendix A: Mid-life MOT principles from a collaborative workshop hosted by the Centre for Ageing Better

Overall Principles for a mid-life MOT

Universal

- **Needs to be available in some form to everyone**, particularly those that need it the most. No one should fall through the gaps (e.g. unemployed or self-employed). People may access or hear about it in different ways, but all should be able to benefit from it.
- **Needs to be an offer that is available to those least likely to engage**: Important to note that those who need it the most are the ones least likely to engage. Therefore, needs to have multiple referral pathways and multiple types of providers.

Personalised

- **Needs to be bespoke**: Different people will need different things to get the best personal outcome. Personalise the offer, aims and delivery to them.
- **Needs to allow for varying degrees of engagement**: Acknowledging that many people find it hard to think about their future life, any offer needs to be realistic in terms of how receptive different groups might be. Similarly, people's constraints and context will vary, affecting the extent of action they can take at a given point. This may or may not affect the level of intensity of any support given. Design the service with a variety of levels of depth of engagement.
- **Could be offered not just at a specific age, but also at certain trigger points**: There may be different triggers for different people based on their needs and life circumstances. This is in terms of both their motivations/need, as well as the services (referral points) that they encounter. Some examples include: GPs who may be able to provide health element but can refer for career and financial advice; mortgage providers who signpost when someone remortgages or has 10 years left on their term; small employers who may not be able to offer a full MOT but can signpost on to another service; death of a family member as a touch point.

A whole-life approach

- **Needs to be holistic:** Themes of money, health (physical and mental), work etc. are key but then need to cross-reference between the different themes, avoiding silos.
 - **Needs to be grounded in an individuals' own values and plans regarding the future:** Discussions could be helpfully framed around people's overall aspirations and hopes for later life, to help inform the decisions and trade-offs they may need to make. A broad open question could be a good starting point: what's important to you in the future?
 - **Needs to be a positive and productive offer:** The way mid-life support is presented or offered should avoid scaremongering and will need to be sensitive to how the individual may perceive the intervention. You shouldn't be shocked in to having to have an MOT, it should be useful and productive. It is about doing something good enough, such as reducing the risk of a certain situation, providing clarity or peace of mind, or helping people make the best of a current situation. It might also be about giving confidence to take further action, think proactively, or signposting to further resources.
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Please note that photos used in this report are not necessarily of those whose stories are presented
This report is available at www.ageing-better.org.uk | For more info email info@ageing-better.org.uk



The Centre for Ageing Better received £50 million from the Big Lottery Fund in January 2015 in the form of an endowment to enable it to identify what works in the ageing sector by bridging the gap between research, evidence and practice.