

SCOTTISH SENIORS



Campaigning for a better deal for older people since 1992

Newsletter of the Scottish Pensioners' Forum Issue 46/February 2018

U.K BOTTOM OF PILE ON STATE PENSION PROVISION

Startling new figures recently published in a study undertaken by the Organisation for Economic Cooperation and Development (OECD) show that Britain's pensioners are now receiving the lowest state pension in the developed world with the basic payout being set at around £122.30 per week- less than a third (29%) of the U.K's average earnings.

In comparison to the Netherlands, who came in first on the table with a state pension provision just slightly higher than average earnings and with Spain at 81.8% and France at 74.5% respectively, the U.K falls well below the 62.9% average as set out in the table below.

PAYOUT AS PERCENTAGE OF AVERAGE WAGE			
Netherlands	100.6%	Germany	50.5%
Portugal	94.9%	USA	49.1%
Italy	93.2%	Norway	48.8%
Austria	91.8%	Switzerland	44.9%
Spain	81.8%	New Zealand	43.2%
Denmark	80.2%	Australia	42.6%
France	74.5%	Ireland	42.3%
Belgium	66.1%	Chile	40.1%
Finland	65%	Japan	40%
Czech Republic	60%	Poland	38.6%
Sweden	54.9%	Mexico	29.6%
Canada	53.4%	UK	29%

OECD average=62.9 Source: OECD

The report, which based its findings on the 'net replacement ratio' system which takes into consideration disposable income pre and post retirement and after taxation, also highlighted the fact that the U.K's low state pension was the main cause of "high levels of pensioner poverty" in the U.K and although the adoption of the single tier pension scheme introduced in 2016 would help assuage that in some way this would be in the longer term with "current retirees [not seeing] a difference."

"The U.K is one of the world's leading economies, but our support for the oldest in society is not fit for purpose."

Baroness Altman

However, the Actuary's Department, the government's economic forecasters, have projected that those currently under the age of 30 will be aged 70 before drawing their state pension with the situation set to get even worse and stated 'future payments may have to be cut to avoid vast increases in national insurance contributions.'

Major reforms to the U.K state pension system were introduced in 2016 as part of an exercise to ensure their long term sustainability and affordability for future generations however figures show that beyond the 2030's this new system will see pensions for many people being even lower than the system it replaced with those people on lower and part time earnings, predominantly women, losing out significantly under the scheme.



The OECD said 'Poverty among older people is high in the United Kingdom. Among those aged 75 and over, 18.5% have incomes below the poverty line, most of them women. The main reason is the low level of the state pension'

The SPF's position has always been to campaign for a better state pension for older people, above the official U.K poverty level of approximately £180 per week, and it is glaringly obvious from these figures, as they stand, that state pension payments still fall well below that. We must continue to take a stand and demand change in order to safeguard a better future for the working people of today.

"Among those aged 75 and over, 18.5% have incomes below the poverty line"

Organisation for Economic Cooperation and Development (OECD)

CONCESSIONARY TRAVEL CONSULTATION RESPONSE

The Scottish Government Consultation on Free Bus Travel for Older and Disabled People and Modern Apprentices closed on 17th November 2017. As highlighted in previous newsletters, the SPF launched a campaign which we took around the country and for which we received support from our affiliates and MSP's, in particular Unite Glasgow Retired Members' Branch, who had also launched a similar campaign.

Up until the closure of the consultation, the SPF continued to meet with Transport Scotland to put forward the views of our members on how to preserve the scheme at the present age of 60 and above. As well as this, the SPF were scheduled to meet with Transport Minister, Humza Yousaf, on a number of occasions to discuss the scheme however these had to be cancelled by his office due to other commitments. The response to the consultation has not yet been published and we hope to have the opportunity to meet with the minister prior to this.



Members of the SPF at Holyrood, Edinburgh

Our full response to the consultation is as follows:-

SPF: Consultation on Free Bus Travel for Older and Disabled People and Modern Apprentices

Introduction

The SPF recognises that the Scottish Government is not proposing to remove their entitlement from any present holders of the National Concession Card. We aim to secure this benefit for future generations of older people.

The SPF asserts that proposals to raise the age of entitlement are based on financial considerations without regard to the social consequences.

The Scheme's key objectives include the following statements:

- Allowing older (and disabled) people improved access to services, facilities and social networks; and so promoting social inclusion;
- Improving health by promoting a more active lifestyle;
- Promoting modal shift from private car to public transport;
- Providing opportunity for improvements to public transport.



Members of the SPF at the campaign launch at STUC Centre, Glasgow

The Consultation Paper recognises that the Scheme is greatly valued by its users, who also see it as having contributed to their mental, physical and social well-being. The SPF contends that the needs addressed by the Scheme are just as real today as they were at the Scheme's inception and that its achievements will be compromised by any raising of the age of entitlement.

Average **life expectancy** in Scotland is lower than the rest of the UK. Within Scotland areas of historic deprivation have significantly higher death rates from age 60+. Raising the age of entitlement means that sections of our communities will never benefit from free bus travel.

CAMPAIGNING FOR A BETTER DEAL FOR OLDER PEOPLE SINCE 1992



(Cont'd)The number of UK **driving licences** in issue shows a marked decline as motorists age. This trend precedes State Pension Age. Driving conditions on our roads, and especially in our towns and cities, are becoming more daunting, making it more difficult for older people to access local services or employment.

Unemployment and involuntary inactivity rates for 50-year olds+ tend to increase with age. The raising of State Pension Age is forecast to accelerate this trend. Spikes in loneliness have been observed for the 50-64 age group because of unplanned exits from work. Raising the age of entitlement will adversely affect their overall well-being because of the impact on them both socially and financially.

Loneliness and isolation are estimated to cost the public purse £6,000 per person per decade. Every £1 spent tackling this will save £3.

The number of 55-64 year olds living alone increased by 50% between 1998 and 2013. 63% of widowed, and 51% of divorced people are aged over 52. High levels of loneliness and social isolation amongst 60-69 year olds have been found in US studies. Encouraging people to get out and about helps combat loneliness and isolation. They lead healthier, independent, lives as a result, with consequential reduced dependence on medical and social care services.

The Consultation fails to recognise the **value of care** provided by older, pre-retirement age people, looking after both the young (grandchildren) and the old and infirm (partners and parents). Many have given up paid employment to undertake this under-recognised role. This latter point has also been emphasised by the WASPI campaign. Raising the age of entitlement will disadvantage voluntary carers.

The bus pass acts as a **gateway** for older citizens to access not only essential services, but also recreational and cultural facilities. This increases their general well-being and improves their chances of enjoying a healthier lifestyle.



Members of the SPF championing our petition in Fife

Five more areas of Scotland were identified as **Pollution Zones** last year, making 38 in all. No area is immune. We need to encourage greater use of public transport rather than less. Raising the age of entitlement will not achieve this. Use of bus services by Concession Card holders helps maintain their viability, without which many more would be under threat or an increasing charge on local authority budgets.



Drumming up support on the streets of Glasgow

SPF recognises the **financial imperative** behind the present Consultation. We also recognise that means-testing of any such benefit is both undesirable and probably not cost effective. With a progressive taxation system, it is right that those who can afford more, pay more. Older citizens remaining in paid employment are likely to contribute more in taxation than the unwaged.

SPF also believes that the **basis of reimbursement** for bus service operators should be carefully re-examined.

Our members note that the Scottish Government is also currently consulting on the **delivery framework for local bus services** and feel there is a case for some form of re-regulation of services, and the development of innovative transport solutions which will provide wider access to public transport through Scotland, especially in rural areas where present provision is often minimal or non-existent. Greater integration of transport modes also has the potential to cut out wasteful duplication of services and overall make public transport usage a more attractive proposition.

CAMPAIGNING FOR A BETTER DEAL FOR OLDER PEOPLE SINCE 1992

A CONNECTED SCOTLAND; CONSULTATION ON LONELINESS AND ISOLATION

In January 2018, the Scottish Government launched a new national strategy in order to tackle loneliness and isolation in Scotland. The draft plan, one of the first in the world, looks at the causes of social isolation and loneliness and considers what measures can be put in place to better support those susceptible to it within their own communities. The Scottish Government has also devised a toolkit which can be used by communities to highlight the issues in their own areas and can be found on our website at <http://www.scottishpensioners.org.uk/files/toolkit.pdf>



Launching the campaign at the Hidden Gardens in Glasgow, Minister for Social Security, Jeane Freeman said "Social isolation and loneliness can affect anyone – at all ages and stages of life. We know there is also a link between loneliness and poor physical and mental health and that this can impact on everyday life."

The consultation closes on **27th April 2018** and can be accessed at https://consult.gov.scot/equality-unit/connected-scotland/?_ga=2.19322033.8692905.1519381443-294563350.1471344798

****As highlighted in previous editions of our newsletter, the SPF are currently engaging in a programme of work on these issues and more on this will be available in our next publication**.**

OLDER PEOPLE'S ACTION GROUP

In our last newsletter, we indicated that after numerous meetings between ourselves, SSA and Minister for Social Security, Jeane Freeman, on the reinstatement of the former Older People's Consultative Forum the first meeting of the newly formed **Older People's Action Group** took place in November 2017. This newly formed group will once again give older people and their representatives a direct link to government on issues affecting them in their everyday lives. More information will be made available after further meetings to adopt a potential framework for joint action in order to maximise older people's contribution to policy making in Scotland.



As previously highlighted on

SPF/SSA PARLIAMENTARY RECEPTION

our website, the SPF was formerly in talks with the Scottish Government to host a parliamentary reception to mark the contribution of older people within society, in line with UN International Day of Older Persons in October. It has since been proposed that this should now be a joint event with our colleagues at the SSA to help highlight the work we have carried out together, over the past several months, in making older people's voices heard. A proposed date of 22nd May 2018 has been set however more information will be made available after further talks with the Scottish Government.

SPF 27TH ANNUAL CONFERENCE

The 27th Annual Conference of the Scottish Pensioners Forum will take place on **Tuesday 5th June 2018 at the City Chambers, Glasgow.**

The event is open to all SPF members and affiliated organisations and Minister for Social Security, Jeane Freeman is confirmed as one of our guest speakers. We hope that you can come along and celebrate another successful year for the SPF.



Join the Scottish Pensioners' Forum

Campaigning for a better deal for older people since 1992

www.scottishpensioners.org.uk

333 Woodlands Road, Glasgow G3 6NG

Telephone 0141 337 8113

Also on Facebook and Twitter @ScotPensForum