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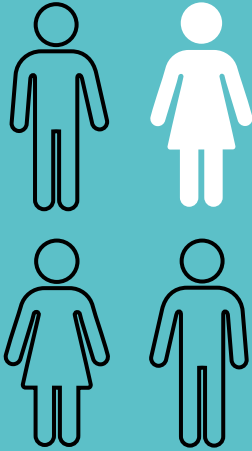
Brightwell

The future of ageing in an uncertain world

Top trends and tips
for service providers



What does later life look like today?



By 2040, almost **1 in 4** people will be aged 65 or over, compared with just under **1 in 5** today. And the number of people aged 85 and over is projected to reach **2.8 million**, up from **1.7 million** today.

100+

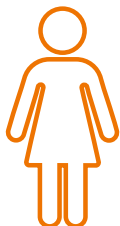
There are over **15,000** centenarians in England and Wales, a figure that has more than doubled in the last 20 years.



Life expectancy for a 65-year-old woman is 20.93 years; **healthy life expectancy** is 11.33 years



Life expectancy for a 65-year-old man is 18.37 years; **healthy life expectancy** is 10.25 years



The number of years a **woman** can expect to live in **good health** ranges from

Orkney Islands

75

Blackpool

55.3



The number of years a **man** can expect to live in **good health** ranges from

Rutland

71.5

Blackpool

53.7



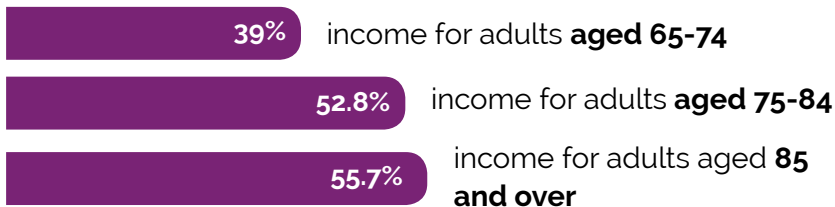
3 in 10 adults aged 65 to 74 are living with **one long-term health condition**, while **4 in 10** have **two or more long-term health conditions**



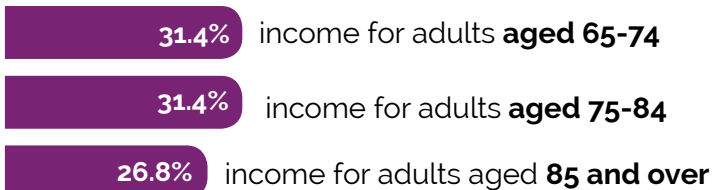
76% of men and **71% of women** aged 65-74 are either **overweight or obese**



The state pension accounts for



Non-state pension accounts for



The remaining income comes from investments, other benefits, and income from employment.



In 2023, there were **14 million active savers in DC schemes**, compared with 930,00 active savers in private DB schemes



1 in 6 people over the state pension age lived in relative poverty in 2022-23

Percentage of people aged 50-64 who are economically active



77.6%



69%

For people aged 65 and over, the numbers are



14.6%



8.9%



20.9%

of men aged 50-64
are self-employed



3.6%

of women aged 50-64
are self-employed

39.3%

of men aged 65 and over
are self-employed

28.9%

of women aged 65 and
over are self-employed



19.3% of men aged 50+ are working part-time, compared with **45.7%** of women aged 50+

For adults aged 60-69**57.2%**

of trips are by private transport.

**37.1%**

involve active travel

**5.7%**

involve public transport

For adults aged 70+**58.1%**

of trips are by private transport.

**34.8%**

involve active travel

**7.2%**

involve public transport

Top three reasons for travelling for adults**Aged 60-69**

- 1 Leisure**
284 trips per person per-year
- 2 Shopping**
245 trips per person per-year
- 3 Other including just going for a walk**
127 trips per person per-year

Aged 70+

- 1 Shopping**
275 trips per person per-year
- 2 Leisure**
237 trips per person per-year
- 3 Personal business**
123 trips per person per-year

1 in 4 people living in rural areas are aged 65 or over (25.4%),



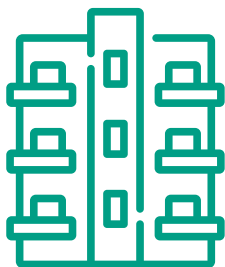
Just over **1 in 6 people** in urban areas are aged 65 or over' (17.1%)

How people 65 and over live



71% own their home outright

6.4% own their home with a mortgage or shared ownership



6.8% are in the private rented sector or living rent free

15.8% are in the social rented sector

40%

of those aged
75+ live alone



People aged 65 to 74 spend



An average
45 minutes
per day using a computer
or device



Just **under half an hour** per day
(29.3 minutes) on sports,
exercise and wellbeing

People aged 75 and over spend



An average of
44 minutes
per day using a
computer or device



Around
20 minutes
per day on sports,
exercise and wellbeing

What trends will shape our experience of longer lives in the next 20 years?

The world is changing rapidly and technological, economic and societal changes are reshaping our experience of longer lives.

How we maintain our health and care for each other



- We will move from reactive to more proactive healthcare, where greater focus is given to prevention.
- Generative AI in healthcare will support faster and cheaper diagnostic testing, and more personalised treatments.
- More of our health and care will be provided at home or in the community.
- We will be living longer, but more of us will be managing one or more long-term health conditions in later life.

How we manage our money



- Most retirees will rely on Defined Contribution (DC) rather than Defined Benefit (DB) savings to supplement their state pension income, and they will have more flexibility in how they access their savings.
- Developments in generative AI will democratise access to financial information and advice, but will also lead to increasingly sophisticated financial scams.
- Cash will become obsolete.
- Environmental and ethical concerns will drive our consumption and investment choices.

How we work and learn



- We will work for longer, but how, when and where we work will change.
- Generative AI will make some jobs obsolete, but will also create new opportunities.
- The boundaries between work and learning will become more fluid, as we continue to learn throughout our lives.
- Technology will reduce barriers to work and help reduce age discrimination in the workplace.

How we get around



- We will see an expansion in active travel and increasing innovation in last-mile travel (the distance that people need to travel from their bus, train or underground stop to their final destination).
- Autonomous vehicles will make it easier for people to travel between urban centres.
- We will be able to plan, book and pay for all our travel using a single online platform.
- We will spend less time travelling.

How we live



- More people will be renting into later life.
- We will all have access to the key amenities we need by travelling no more than 15 minutes on foot or by bike.
- More people will be living communally.
- Smart homes will enable us to live independently for longer.

Leisure and social connectedness



- We will be able to work, live, and play from our homes, but this risks isolating more of us at all ages.
- We will have more free time to pursue interests and activities we find engaging and fulfilling.
- In person activities and entertainment will be highly valued.
- Technology will support social connection and help decrease social isolation in later life.

What does this mean for pension funds and service providers?

In the face of these trends, pension funds and service providers will need to future-proof the design of their offer for older adults.

Design products and services with accessibility in mind



- Ageing brings about even more diversity in needs and abilities, which provides exciting opportunities to embrace innovation in both the design and delivery of products and services.
- Focusing on improving accessibility of physical as well as digital products and services benefits everyone, including older adults.
- A nationally recognised accessibility accreditation scheme would encourage providers to go above the minimum legal accessibility requirements and celebrate good accessible design practice.

Build a culture of trust



- As technology evolves and face-to-face interactions are increasingly replaced with online interactions, issues of trust in service providers become more complex.
- Greater transparency and clarity around what personal data is collected and how it is managed will help build trust in service providers.
- Providers will need to show their commitment to Environmental, Social and Governance excellence.

Innovate to support financial resilience



- Increased reliance on DC savings and the potential for greater long-term care needs means people will face more risk and complexity in later life.
- Financial products that provide both flexibility and security could support people in better managing their finances in later life.
- Improved financial education and exploring innovative ways of engaging people on personal finance matters will help boost financial confidence and resilience.

Support flexibility and personalised experiences



- Rapidly changing technology and work environments create ideal opportunities for flexible approaches to work and learning.
- Providing for flexible work will help people with long-term health conditions or disabilities to continue working, and support those who need to juggle work and care responsibilities to remain in work.
- Companies have a vital role to play in supporting learning and skills development, both as employers and as service providers, nurturing a dynamic and responsive workforce.

Balance online access with in-person services



- Technology democratises products and services, as they can be accessed anytime, anywhere, in ways that suit individual preferences.
- By offering a choice between online, in-person, or a combination of the two, providers maximise engagement of a diverse customer base with their products and services.
- In-person interactions and community assets - such as community centres, libraries or local shops - can be leveraged to provide meaningful social benefits in mutually advantageous partnerships.

Data Sources

1. Population data from the OECD Historical population data and Population projections data (2022 and 2040). Estimated number of centenarians from the Office for National Statistics (ONS), 2022.
2. Life expectancy figures from the ONS National Life Tables, England, period expectation of life, years 2020-2022. Healthy life expectancy data for England from the ONS, period 2020-22.
3. Data on healthy life expectancy by local authority from The Health Foundation, *Map of healthy life expectancy at birth*, 6 January 2022.
4. Figures for long-term health conditions from GP Patient Survey 2022: <https://www.england.nhs.uk/long-read/delivery-plan-for-recovering-urgent-and-emergency-care-services-january-2023/>.
5. Proportion of adults who are either overweight or obese from Health Survey for England, 2021.
6. Data on income sources from the Family Resources Survey, financial year 2022-23.
7. Number of active savers in DC pension schemes from the Pensions Policy Institute DC Future Book 2023, September 2023.
8. Statistic on relative pensioner poverty from Cribb, J., Henry, A. and Karjalainen, H., 'How have pensioner incomes and poverty changed in recent years?' Institute for Fiscal Studies Report R327, July 2024. Relative poverty refers to the proportion of individuals with household income below 60% of median income.
9. Data on economic activity, self-employment and part-time work from the Annual Population Survey for 2023.
10. Data on lifelong learning from Learning and Work Institute, 2023, Adult Participation in Learning Survey.
11. Data on travel from the National Travel Survey (England) for 2023. Active travel includes all travel on foot or by bike, including e-bikes. Personal business includes visits to services, for example hairdressers, dry-cleaners, solicitors, banks, etc; for medical consultations or treatment; or eating/drinking, unless the main purpose was entertainment/social.
12. Data on urban/rural living from the Statistical Digest of Rural England, Department for Environment, Food and Rural Affairs, April 2024.
13. Data on housing tenure from the 2021 Census from the ONS.
14. Data on proportion of adults living alone from the 2021 Census.
15. Data on activities from the Office for National Statistics Time Use Survey, September 2023.

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About ILC

ILC is the UK's leading authority on the impact of longevity on society. We combine evidence, solutions and networks to make change happen.

We help governments, policy makers, businesses and employers develop and implement solutions to ensure we all live happier, healthier and more fulfilling lives. We want a society where tomorrow is better than today and where future generations are better off.

ILC wants to help forge a new vision for the 100-year life, where everyone has the opportunity to learn throughout life, and where new technology helps us contribute more to society.



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