

Written evidence submitted by Anchor Hanover (SCF0062)

- 1.1. Anchor Hanover is England's largest not for profit provider of housing and care for older people. We manage 54,000 properties with over 60,000 residents, across 1,700 sites and are supported by more 10,000 colleagues. We provide retirement housing to rent and to buy, retirement villages and residential care homes, including specialist dementia care and operate in more than 90% of local councils in England.
- 1.2. Of the 114 care homes we operate in England, nine were rated Outstanding at their most recent CQC inspections.

2. Executive Summary

- 2.1. The UK's social care system is in crisis and in need of substantial funding and structural reform. The current system is placing a significant strain on public services as well as causing considerable anxiety and confusion amongst the public as to how they will fund care for themselves and their loved ones.
- 2.2. In our Written Evidence, Anchor Hanover aims to address the terms of reference which form the basis of the Health and Social Care Select Committee's inquiry into social care funding and workforce.

2.3. What impact is the current social care funding situation having on the NHS?

- With 18% of the UK population is already over 65 and forecast to be one in four people by 2040, the NHS will come under increasing strain.
- 40% of the NHS budget is already spent on the over 65s.
- Delayed discharge of patients due to a lack of social care costs the NHS £3bn a year.
- Physical inactivity amongst the older population will cost the health service £1.3bn a year by 2030.

- The cost of health conditions associated with poor housing standards, such as heart and cardiovascular disease and respiratory issues cost the NHS around £1.4bn a year.

2.4. What level of funding is required over the next five years to address this?

- Despite a 72% increase in unmet care needs, providers have experienced cuts of £7.7bn over the last decade and 1.4 million people are now unable to access all or some of the care they need.
- The Coronavirus has also placed significant costs on care providers and may do so for a very long time to come. Providers faced an increase in costs of around 10% in April 2020 alone.
- To restore social care funding to 2009/10 levels, the sector requires an additional £8bn a year according to the House of Lords Economic Affairs Committee.
- This funding is also required in order to address the growing issue of unpaid carers, many of whom give up work to care for loved ones.
- Care England has called on the government to provide £3.2bn to local authorities for independent care providers in light of the Coronavirus Pandemic.

2.5. Anchor Hanover research has also found:

- 25% of people mistakenly believe that all care is state funded.
- Only 14% of people are saving towards their future care needs.

2.6. We make a number of recommendations to address these issues:

- A cap on individual care costs.
- Better education for the public to help them understand their responsibilities and obligations for helping to fund their social care.

2.7. What is the extent of the current workforce shortage, how will they change over the next five years and how do they need to be addressed?

- The sector is facing a 1.1 million shortfall in care workers by 2037.
- Social care will need to recruit a million new workers by 2025 to meet the needs of an ageing society and the implied increase in disabilities and a more diverse workforce must be recruited to deliver more personalised care.
- The recognition of the value of care work during the Coronavirus pandemic, displayed by the weekly Clap for Carers, must be harnessed to drive recruitment.

- 23% of young people would consider a career in care if it were held in higher esteem with 67% believing care work is undervalued by society and 22% believing it is undervalued by the government.
- Anchor Hanover is calling on the government to launch an initiative to drive parity of esteem between the care sector and the NHS to help tackle barriers to recruitment.
- We are keen to work with government on this and responded to the DHSC call for recruiting 20,000 more care workers by putting our vacancies onto the DWP website.
- Anchor Hanover offers numerous training opportunities to help colleagues progress their careers including our myFUTURE programme and apprenticeship scheme.
- Our own recruitment drive, undertaken in response to the Coronavirus pandemic, included new campaigns that resulted in 6,792 expressions of interest as of 6th May having been launched at the end of March.

2.8. What further reforms are needed to the social care funding system in the long term?

- Anchor Hanover recommends that specialist housing for older people, including Sheltered and Extra Care, be at the centre of the government's plans for social care reform.
- Specialist housing saves the NHS an estimated £486m a year despite the current undersupply – around £300m of this saving is from earlier discharge from hospital alone.
- In Anchor Hanover services, the saving to the NHS is around £3,000 per resident per year where our activities avoid loneliness.
- For every resident in Anchor Hanover's Extra Care, local authorities save £6,700 per year.

3. What impact is the current social care funding situation having on the NHS?

- 3.1.** The current situation in social care has exposed the interdependency between the care system and the National Health Service. The UK's population of over 65s, already 18% of the population (around 11.8 million people)¹ is set to increase to the point where, by 2040, one in four people will fall within this age bracket.²
- 3.2.** The nation's health and social care systems are ill-equipped to respond to many of the challenges that will come with our ageing population. With 40% of the NHS budget already spent on the over 65s,³ this will only increase as the UK's population ages.

¹ Office for National Statistics, *Living longer: how our population is changing and why it matters*, 2018

² ARCO, *Too Little, Too Late? Housing for an ageing population*, 2020

³ Anchor Hanover, *Love living in later life*, 2019

- 3.3.** Many of the problems facing older people result from housing circumstances which are unsuitable and are contributing to many preventable diseases and health issues. Conditions affecting the nervous systems, respiratory issues, cardiovascular disease and cancer are all caused by or associated with inadequate housing and cost the NHS at least £1.4bn a year.⁴
- 3.4.** Inadequate and unmanageable housing also has a significant impact on older people's mental health. Those living in such properties are at increased risk of losing control of their home environment, housing insecurity and financial pressures such as fuel poverty.
- 3.5.** There is also an increased risk of isolation and loneliness amongst older people in poor housing. The implications for mental health as a result of these factors are stark and have consequences which affect the physical well-being of those in later life. At a cost of around £1.3bn to the NHS by 2030,⁵ physical inactivity is taking a significant toll on the physical and mental well-being of older people as well as placing a huge financial burden on public services.

4. What level of funding is required over the next five years to address this?

- 4.1.** The level of funding required for the social care sector over the next five years remains a highly contested issue. Fiscal consolidation since 2010 has led to significant resources being lost from social care. ADASS has highlighted how services providers have seen cuts of £7.7bn over the last decade.⁶
- 4.2.** Over the same period, there has been a 72% increase in the number of older people with unmet care needs – 1.4 million people are now unable to access some or all the care and support they need. This has seen a rapid increase in the number of people giving up work in order to care for loved ones. This has mainly affected women in their fifties.⁷
- 4.3.** The House of Lords Economic Affairs Committee has found that £8bn a year is needed for social care to be returned to 2009/10 levels of spending and to address the issues of unpaid carers and unmet needs.⁸
- 4.4.** Care England, the representative body for independent care providers, has highlighted the severe cost implications of the Coronavirus. According to the LGA and ADASS, costs to providers are likely to have increased by around 10% in April 2020 alone as a result of increases in dependency levels, staff absences and administration and PPE costs. Care England is calling on the government to provide an additional £3.2bn to local authorities for independent care providers as well as further financial support for local government and CCGs to tackle the increased costs of the pandemic.⁹

⁴ Anchor Hanover, *Love living in later life*, 2019

⁵ Anchor Hanover, *Love living in later life*, 2019

⁶ ADASS, *Sorting out social care, once and for all*, 2019

⁷ ADASS, *Sorting out social care, once and for all*, 2019

⁸ House of Lords Economic Affairs Committee, *Social Care Funding: Time to end a national scandal*, 2019

⁹ Care England, *Supporting the Second Frontline*, 2020

4.5. The current funding model has also led to fear amongst many people that their and their loved ones' savings will be insufficient to provide for their future needs and they will be forced to sell their assets in order to fund their care.

4.6. Anchor Hanover recommends a cap on individual care costs and that better education for the public on social care funding and their responsibilities form part of social care reform. Our research has found

that 25% of people mistakenly believe that all care is state funded and that only 14% are saving towards their future care costs.¹⁰

4.7. It is not just concern over the cost of care which is causing serious problems for the sector. A lack of clarity is causing confusion amongst the public about how care is paid for and the responsibilities borne by individuals.

5. What is the extent of the current workforce shortage, how will they change over the next five years and how do they need to be addressed?

5.1. The social care system is now suffering from a recruitment crisis. Social care will be facing a 1.1m shortfall of care workers by 2037 if the current situation continues with care work seen as an unattractive career path.¹¹

5.2. Research conducted by Anchor Hanover and the International Longevity Centre (ILC) shows that one million new care workers will be required by 2025 to meet the needs of an ageing population and the implied increase of people with disabilities. In addition to this, the workforce, 80% of which are woman and 18.2% non-British, will have to become increasingly diverse in order to deliver more personalised care to service users.¹²

5.3. Anchor Hanover and the ILC identified a number of challenges which present significant barriers to recruitment; many of which concern the image of care work in wider society.

5.4. Despite the challenges to recruitment, opportunities exist if a clear focus on promotion of the care sector as a crucial and rewarding career option is pursued. Anchor Hanover has longed called for a government initiative to promote parity of esteem between social care and the NHS.

5.5. The Coronavirus crisis has highlighted the vital services undertaken by those in care work. Through the dedication and skill of the care workforce, thousands of those who are vulnerable to the virus have been protected. Their commitment has not gone unnoticed by the public with the weekly Clap for Carers dedicated to NHS and care sector workers.

5.6. The majority of social care providers are independent but are providing a vital public benefit. The government must now build on the recognition care work has deservedly

¹⁰ Anchor Hanover, *Love living in later life*, 2019

¹¹ Anchor Hanover, *Love living in later life*, 2019

¹² Anchor Hanover/International Longevity Centre, *The Future Care Workforce*, 2014

acquired throughout the pandemic, helping to further highlight the crucial work undertaken in the sector to help tackle long-term issues such as recruitment.

- 5.7.** The CARE badge, launched in April 2020, is a welcome step forward in recognising the important role care work plays in society. The government must now press forward with a wide-ranging initiative to drive parity of esteem and highlight the best the care sector has to offer.
- 5.8.** We are keen to work with government on the issue and responded to the Department of Health & Social Care call for recruiting 20,000 more care workers by putting our vacancies onto the DWP website. We also embed/align with Skills for Care in our training offering and are working towards our training being accredited by them, which should help to provide workforce development funding to improve our offering further.
- 5.9.** Anchor Hanover has made great progress in addressing many of the areas which have been barriers to recruitment for the sector. Our research with the ILC identified a perceived lack of opportunities for career progression within the sector as a major barrier to people joining the care workforce.
- 5.10.** Anchor Hanover's apprenticeship scheme is highly recommended by the National Apprentice Service, being rated in the top 100 by Rate My Apprentice. With around 100 apprentices at any one time, around 75% of these go on to a full-time role with Anchor Hanover.
- 5.11.** We have developed a number of options which colleagues can pursue which helps them to develop their skills and progress their career. We offer numerous training opportunities for colleagues both as face-to-face courses and online with free training courses earning participants NVQs.
- 5.12.** Our myFUTURE leadership programme also helps colleagues into more senior roles such as Team Leaders and Deputy Managers. Around 80% of Deputy Managers will use this programme to progress to Home Managers. Anchor Hanover have just launched 10 new CPDs - Level 2 certificate courses which are recognised by the Health and Social Care sector. This further enhances the development we offer and aids attraction.
- 5.13.** Our research with the ILC also highlighted low pay as a major barrier to recruitment. Anchor Hanover pays at least 10p above the National Living Wage in all our care roles, regardless of age.
- 5.14.** Staff engagement is also vital component of our work as we look to connect with over 10,000 staff, building a sense of shared endeavour within a large organisation and ensuring that colleagues feel valued in their work. With the Coronavirus crisis, this has never been more important.
- 5.15.** Through the use of resources such as our Coronavirus Hub on our internal Intranet, Workplace by Facebook, Operational Bulletins, team brief calls

and our colleague magazine we have been able to communicate decisions made by our Executive and Management Boards and Coronavirus Steering Group to our colleagues.

- 5.16.** Communication has played a key role in helping our colleagues to support our 60,000 residents. Our annual and quarterly colleague surveys provide staff with the opportunity to provide feedback at a national and local level. The results of our latest quarterly survey, from May 2020, showed that Overall Engagement amongst colleagues in care was 90%, up from 80% in February, and wellbeing was 82%, up from 64% in February.
- 5.17.** The wellbeing of our colleagues is paramount and we have a number of long-running facilities in place which help to support colleagues. These include our Being Well microsite which provides colleagues with advice and assistance on physical and mental wellbeing and our hardship fund which provides assistance to colleagues who are experiencing tough financial circumstances as a result of the pandemic.
- 5.18.** Prior to the Coronavirus crisis, the potential for significant recruitment existed before a backdrop of negativity regarding care work. Anchor Hanover research has found that 23% of young people would consider a career in care if it were held in higher esteem by the public. Our research also found that 67% of people believe care work is undervalued by society and 22% believe that it is under-valued by the government.¹³
- 5.19.** Our own recruitment drive, undertaken in response to the Coronavirus crisis, included new campaigns that resulted in 6,792 expressions of interest by 6th May having been launched at the end of March; demonstrating the potential of a positive approach to care work.

6. What further reforms are needed to the social care funding system in the long term?

- 6.1.** Anchor Hanover welcomes the government's commitment to a cross-party consensus on social care reform and we are clear that prevention must be at the heart of the future of social care. High quality older people's housing must be at the centre of reforms to the social care system, including Sheltered and Extra Care housing. Research from Demos shows how, through prevention of falls, heading off crises that would otherwise end up in A&E, allowing safe discharge from hospital and preventing re-admissions, Sheltered housing alone saves the NHS £486m a year despite the current undersupply.¹⁴
- 6.2.** Of the estimated £486m in savings to the NHS, an estimated £300m¹⁵ of this is as a result of tackling delayed discharge from hospital. Research from Demos has found that, despite being more likely to be admitted to hospital, residents in housing with care were discharged much sooner than the general older population due to the support they receive in the home.¹⁶

¹³ Anchor Hanover, *Love living in later life*, 2019

¹⁴ Anchor Hanover, *Love living in later life*, 2019

¹⁵ Anchor Hanover, *Love living in later life*, 2019

¹⁶ Demos, *The Social Value of Sheltered Housing*, 2017

- 6.3.** Our services demonstrate the potential benefits to local and national services in tackling the pent-up demand for older people's housing. The savings to public services made by Anchor Hanover services alone help demonstrate the benefits of Supported and Extra Care housing. Our research conducted with Sonnet, has found that our Extra Care services save local authorities around £6,700 per resident per year.¹⁷
- 6.4.** Initiatives such as Anchor Hanover's 10 Today programme, which encourages older people to undertake 10 minutes of physical exercise, three times a week, are available to residents of retirement housing. These inclusive exercise programmes help older people to maintain their physical wellbeing and tackle loneliness through group exercise. Where Anchor Hanover activities have avoided loneliness, the saving to the NHS is around £3,000 per resident per year. More information on 10 Today can be found here: <https://www.anchorhanover.org.uk/media/campaigns-and-research/10-today>.¹⁸

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