

PARLIAMENTARY BRIEFING

Ensuring charitably funded hospices have sufficient funding to continue to operate

Wednesday 28 October 2020

House of Lords - Topical Oral Questions

1. About Hospice UK

- 1.1. Hospice UK is the national charity working for those experiencing dying, death and bereavement. We work for the benefit of people affected by death and dying, collaborating with our hospice members and other partners who work in end of life care. Our hospice members influence and guide our work to put people at the centre of all we do.

2. The country's hospice movement

- 2.1. There are over 200 hospices in the UK, the vast majority of which are independent charities, collectively caring for 225,000 people and their families each year.ⁱ The care that they provide, which covers a person's clinical, physical, emotional, spiritual and social needs, is free at the point of delivery and delivered in a variety of settings, but primarily (more than 80%) in people's own homes.
- 2.2. Our country's charitable hospices rely heavily on the support and generosity of the communities they serve. Together, hospices need to raise £2.8 million each and every day of the year to supplement the funding that they receive from the state. On average, the state meets just 32% of the costs of adult hospice care, and just 17% of the costs of children's hospice provision, although there is also huge local variation in the levels of funding received.ⁱⁱ
- 2.3. Retail is a significant income stream for charitable hospices. Having shops in local communities is also a way of furthering awareness of the hospice and the services they can provide.
- 2.4. The gross income of hospice shops across the UK in the 2017-18 year was £347 million. Combined together the profit of hospice retailers, which are reinvested in to frontline care, would make them the largest charity retailers in the UK, underlining the importance of shops to the sector.
- 2.5. Hospices have repeatedly indicated that they lack the resources to meet the rising needs of our population and increasing costs associated with the delivery of care. In 2019/20, more than 80% of charitable hospices in England indicated that they would be running a deficit budget as a result.ⁱⁱⁱ
- 2.6. Over the course of this Parliament, approximately 3 million people in the UK will die. An estimated 80% of people dying each year have palliative care needs, and yet each year a quarter of those individuals, almost 120,000 people, die with those needs unmet.^{iv}

- 2.7. The number of people dying each year is rising fast, driven in part by changing demographics. People are living with, and dying with, more complex needs than ever before.
- 2.8. Over the next 25 years the demand for hospice and end of life care is set to rise by 40%.^v

3. COVID-19 and hospice care

- 3.1. Hospices have played a vital role in supporting the NHS in its initial response to COVID-19, continuing to provide support to patients and their families and carers in the community alongside offering expert support to care home staff and residents as they have sought to control the virus.
- 3.2. During Q1 of 2020-21, hospices in England provided a total of 1.3 million inpatient and hospice at home contacts, and 9.3 million community contacts. Data from August to September suggests that this rate of activity has remained consistent beyond Q1.
- 3.3. NHS England estimates that hospices cared for over 170,000 people during Q1, including both COVID-19 and non-COVID-19 patients.
- 3.4. Two thirds (66%) of hospice leaders have reported an increase in referrals for community-based services since the start of the COVID-19 crisis, with nearly a quarter (24%) reporting an increase of up to a third.
- 3.5. The Government committed up to £200m in funding to hospices in England in Q1 of 2020/21, which prevented widespread hospice closures and enabled hospices to relieve pressures on the NHS in providing beds, specialist clinical care and staffing. In July, the Government agreed to extend this funding for a further month. However, the funding that was agreed by Ministers for July is yet to be received by the sector.
- 3.6. Now that this funding programme has drawn to a close, there is mounting concern that hospices will face closure, redundancies or significant cuts to services over the winter period due to a perfect storm of continuing pressure on fundraised income, increasing financial pressures, and increasing demand.

4. The long term impact of COVID-19 on hospice services

- 4.1. In a recent survey of hospices in England, 80% indicated that they are considering making redundancies in the coming months, as a result of the financial pressures they are facing. These redundancies, including frontline staff, would have a significant impact on the delivery of care for people at the end of life, and support for their families and carers.
- 4.2. In a survey of 118 hospice leaders, Hospice UK found that more than two fifths (44%) estimate they will have to reduce the volume of services they provide to people with palliative and end of life care needs compared to the previous financial year due to the impact of COVID-19.
- 4.3. Three quarters (74%) of those offering day services estimate that there will be a reduction in the volume of these services in 2020/21 compared to the previous year due to the impact of COVID-19.
- 4.4. Compared to last year, profits in hospice retail have dipped 15%.
- 4.5. As a result of shielding and social distancing measures, hospices are reporting that they have seen a substantial drop in the number of volunteers able to staff their shops and contribute to other volunteering efforts in fundraising. Prior to COVID-19, the average age of volunteers within hospice retail was over 70.

- 4.6. While hospices have seen an increase in donations to their charity shops since reopening, there are challenges around storing and quarantining donations in line with reopening guidance from the Charity Retail Association. Some hospice retailers have been able to utilise online shops to prop up profits, but this is not the case across the board as implementing the infrastructure required to develop an online shop is costly and time-consuming.

5. Suggested supplementary questions

- To ask Her Majesty's Government when the funding allocated by Ministers to hospices in England for July this year will be released to the hospice sector?
- To ask Her Majesty's Government what assessment it has made of the need for continued support to the hospice sector for the remainder of 2020/21, and whether it will commit to a transitional funding arrangement to secure the continuity of these services which reduce pressure on the NHS?
- To ask Her Majesty's Government what assessment they have made of the funding required to avoid redundancies among frontline roles in hospice care?
- To ask Her Majesty's Government whether it will commit to a new long-term funding model to ensure that hospice and end of life care services are sustainable in the long-term and fit for the growing needs of our population?
- To ask Her Majesty's Government if they plan to assess the quality of care and experience of people dying during the pandemic, both of COVID-19 or otherwise?
- To ask Her Majesty's Government what plans it has to ensure that people with palliative care needs can continue to access hospice services?
- To ask Her Majesty's Government what further support it intends to offer to hospice and other charitable retail outlets who have seen profits drop as a result of COVID-19?
- To ask Her Majesty's Government what plans it has to ensure that everyone who needs quality palliative and end of life care will continue to receive it through and beyond the pandemic?

6. For more information

- 6.1. If you need any further information, please email policy@hospiceuk.org

i Hospice UK (2017) Hospice care in the UK 2017. London: Hospice UK, 2017

ii Hospice UK (2019) Hospice Accounts 2018 London: Hospice UK and haysmacintyre, 2019

iii <https://www.hospiceuk.org/about-hospice-care/media-centre/press-releases/details/2019/10/06/eight-in-ten-charitable-hospices-planning-a-deficit-budget-this-financial-year-says-hospice-uk>

iv Hughes-Hallett T et al. Funding the right care and support for everyone – Creating a fair and transparent funding system: the final report of the Palliative Care Funding Review' An independent review for the Secretary of State for Health. London: Department of Health, 2011. We have drawn on the methodology set out in this paper to quantify levels of need/unmet need.

v S.N Etkind et al, 'How many people will need palliative care in 2040? Past trends, future projections and implications for services', BMC Medicine, 18 May 2017, vol 15 (102)