

Making ends meet: How discount schemes can support key workers in the cost of living crisis and improve recruitment and retention

July 2022

Contents

- 3 Foreword
- 5 Summary
- 6 The problem
- 10 Discount schemes as part of the solution
- 12 The impact on cost of living
- 15 The impact on recruitment and retention
- 20 The opportunity

discounts for teachers

discounts for carers

health service discounts



Foreword

The speed at which we have found ourselves facing a cost of living crisis is a concern for us all, not least for those most worried about how they will pay for food, bills, and other essentials. It is our duty to support those who will be most affected, including the hundreds of thousands of employees in our frontline services.

The contributions made by key workers in the health, social care and education sectors throughout the Covid-19 pandemic was truly astonishing. Many are only just beginning to rebuild their lives and returning to normality. This latest crisis will surely exacerbate the already challenging environment for recruitment and retention in these sectors.

We commissioned this report to explore the impact of discount schemes, such as those provided by us, on factors such as wellbeing, career satisfaction and engagement. I'm delighted that the results show our schemes are associated with a higher level of quality of life and that our members feel more loyal towards their role and sector due to their access to the schemes.

Our schemes are encompassing of both well-deserved luxuries, as well as the necessities, presenting an opportunity to reward frontline staff for the enormous contribution they have made and will continue to make throughout their careers. We hope that the data and human stories laid out in this report demonstrate the immense value of this – both to the workers themselves and the leaders and policymakers responsible for recruitment and retention more widely.

Storm Postlethwaite
Managing Director
Network Digital Marketing



Cavell Nurses' Trust supports the nursing and midwifery family through tough times and the impact of the recent rise in the cost of living is making a huge impact on this precious healthcare workforce. For example, Cavell Nurses' Trust has helped 140% more people in the first 4 months of 2022 than in the same period in 2021.

As a charity committed to supporting nurses, midwives and healthcare assistants, we're pleased that Network's discount schemes give these key workers opportunities to save on everything from day-to-day items, utilities, and well-deserved luxuries.

John Orchard,
CEO, Cavell Nurses' Trust

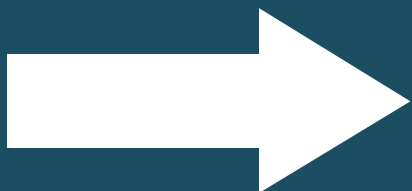
The problem



NHS England staff vacancies (Dec'21)
110,000

Healthcare, social care and education workers are under financial pressure and recruitment and retention is a major challenge...

National Education Union survey (Apr'22)
44% plan to leave in next 5 years



The solution?

Network's discount schemes offer money off across all types of spend, from groceries to mobile contracts, partnering with these brands:



We surveyed 2,032 workers in these sectors. Half had access to Network's discount scheme and half didn't.



The impact

...on cost of living

AVERAGE SAVING PER MONTH	
✓	£17.80 on gas/electric/utility bills
✓	£21.60 on groceries
✓	£22.10 on transport/travel
✓	£24.10 on car/home/life insurance
✓	£22.00 on entertainment
✓	£37.40 on holidays
✓	£15.50 mobiles/TV
✓	£28.20 in all other areas of shopping

Across all categories combined, members are saving an average of £188.50 a month
That's £2,262 a year — the equivalent of giving the average nurse a 7% annual pay rise

...on quality of life

91%
of Network discount scheme members say the scheme affords them a higher quality of life than would be possible otherwise



...on retention

Network members are **23%** more likely than non-members to be an "engaged employee"
(i.e. rate at least 8 of 11 aspects of job satisfaction at 7/10 or more)

...on recruitment

In a blind test, the promise of "access to a discount scheme worth c. £2,300 per year" makes respondents **50%** more likely to say they would take or definitely consider taking a nursing role:

Imagine you were starting out in your career, to what extent would you consider the following role?

	Probably/definitely would not consider role	Would take/definitely consider role
Sample A (525) A nurse with a starting salary of £25,655 and access to a discount scheme worth c.£2,300 per year	34%	30%
Sample B (513) A nurse with a starting salary of £25,655	43%	20%

The problems

Individuals working in healthcare, social care, and education have always made an extraordinary and invaluable contribution to the country, and never more so than during the Covid-19 pandemic.

Yet many workers in these key, frontline sectors struggle with financial hardships, a reality that is only worsening amidst the current cost of living crisis. These key workers also often suffer from low morale and a lack of recognition, as they are regularly willing to sacrifice their own wellbeing for the sake of others.

As a result, recruitment and retention are among the biggest challenges facing our frontline sectors, and solutions are urgently needed to secure the commitment of these workforces and protect the future of healthcare, social care, and education provision in the UK.

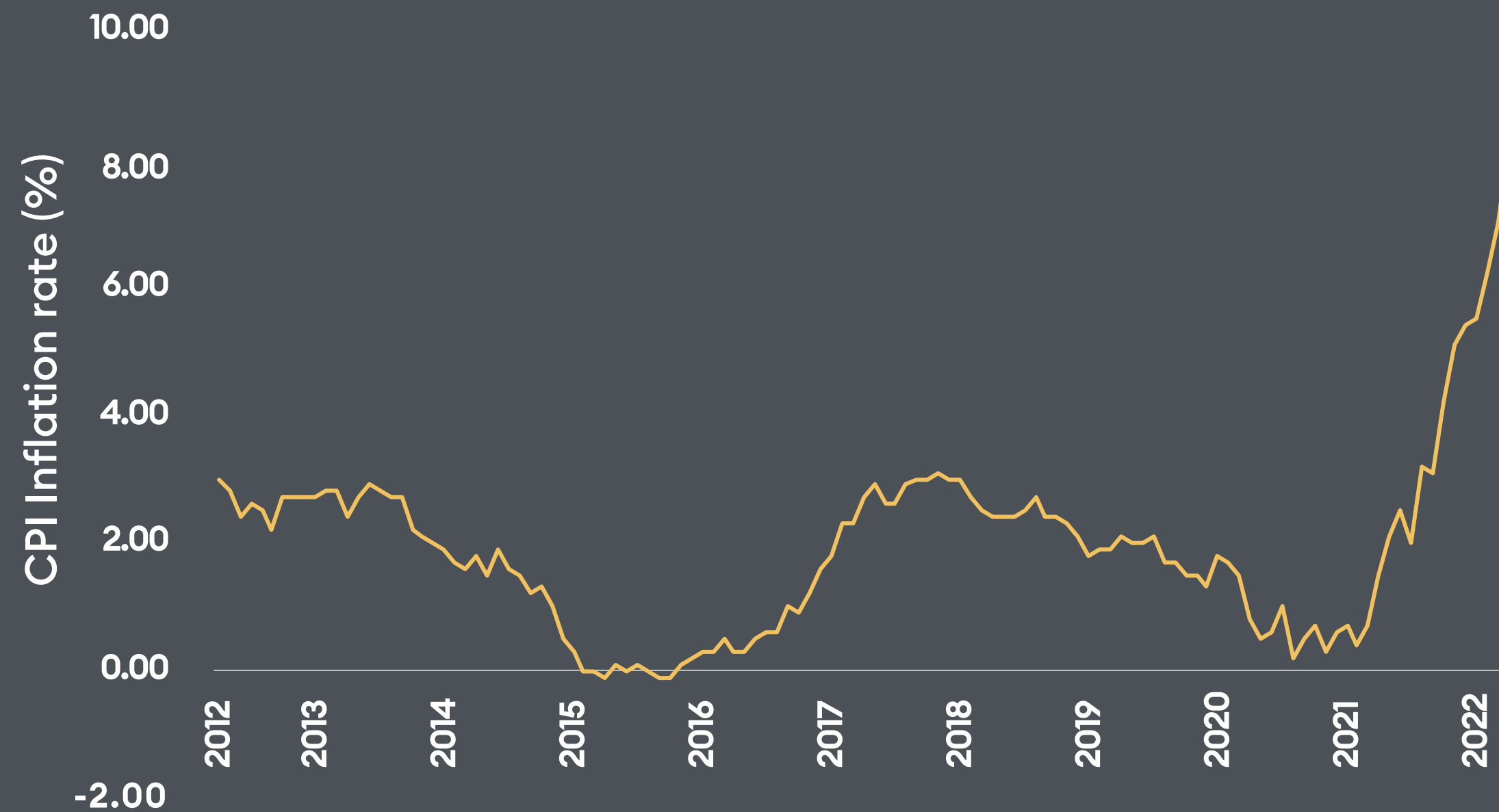
Sabina
Teacher



Problem one: the cost of living crisis

The UK is experiencing a severe cost of living crisis; inflation hit a 40-year-high of 9.1% in May 2022.¹ The increase in fuel prices has hit the public especially hard, with the energy price cap rising by nearly £700 in May 2022.

UK Consumer Price Inflation



No one is immune to the increase in prices, least of all those who are already experiencing financial challenges – including many essential frontline workers:

41%

of carers

37%

of teachers

&

33%

of healthcare workers

describe their financial situation as:

‘making ends meet but no more,’

‘falling a little behind, relying a bit on credit,’

or

‘a very difficult situation – heavily in debt.’²

Financial challenges facing frontline workers

'I'm a single parent to a teenager and survive on Universal Credit. I can just about cover all my bills at the moment, but if they go much higher, I will struggle to make ends meet.'

Sophie, healthcare worker



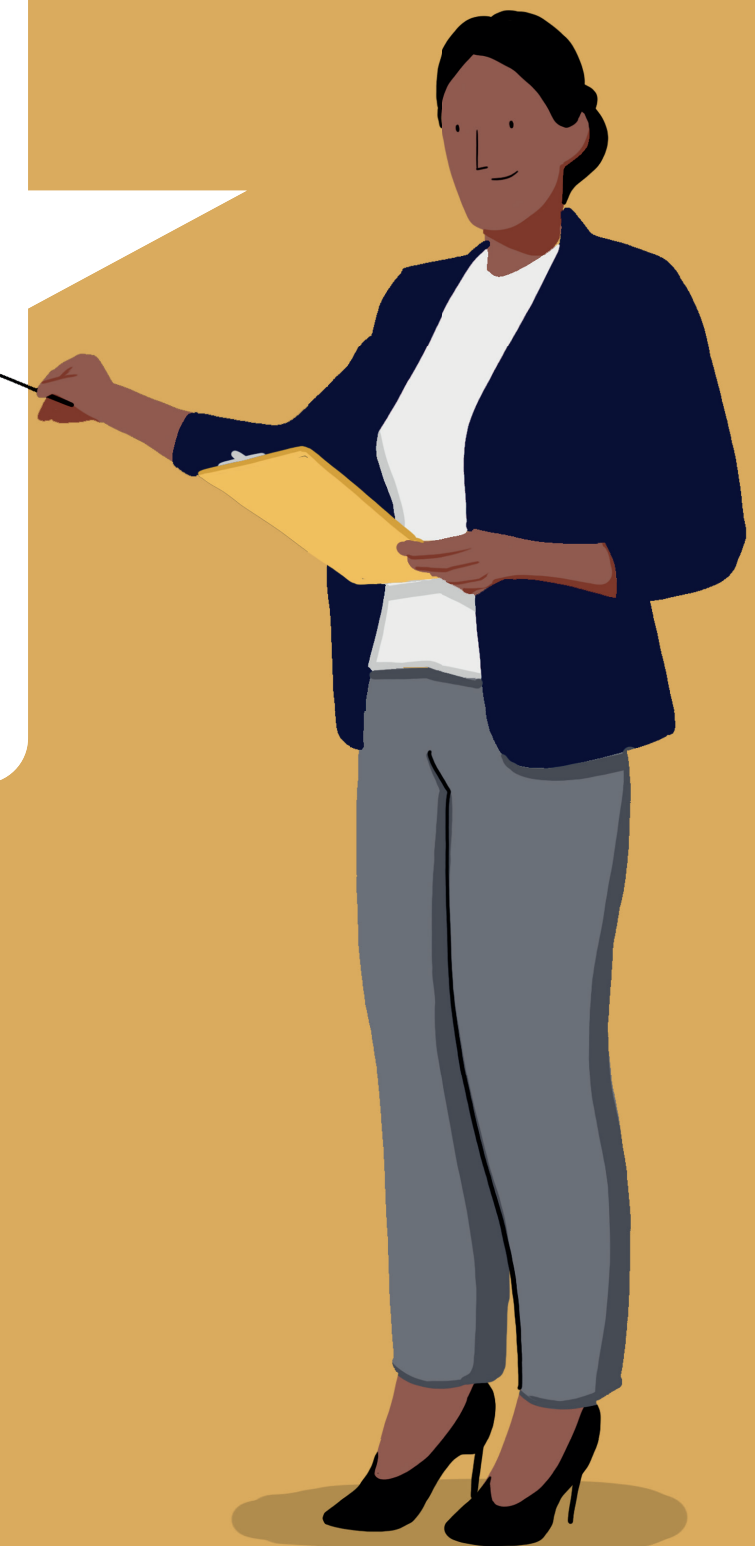
'I have cut out completely any treats this month to make sure I can pay bills at the end of the month... I am afraid to spend on anything which is not essential.'

Aaron, carer



'Cost of living is constantly on my mind and it is stressful. Finances are always difficult to manage and no matter how much I cut down, I always feel like I'm not making any headway.'

- Prisha, teacher



Problem two: Recruiting and retaining workers

Health

Over the past two years, health service workers have put in a remarkable effort to keep us all safe, all while facing an increased risk of infection and pressurised working conditions that have been exacerbated by staffing shortages. These shortages persist and pose a major threat to our healthcare system:

NHS England reported over 110,000 staff vacancies in December 2021,³ and projections by the Health Foundation estimate that this figure will exceed 370,000 by 2030.⁴

Care

Across the country, carers who look after the most vulnerable in our society also struggle with demanding workloads, but receive little thanks and low incomes, too often leading to burnout and high turnover as a result:

Skills for Care reports that adult social care sector vacancies averaged 105,000 in 2020-2021, with a staggering 34.4% turnover rate among care workers.⁵

Education

Teachers represent another group whose contribution throughout the pandemic has been overlooked and under-appreciated.

Adapting to the complexities of remote learning, ensuring students' safety and wellbeing, and addressing the ongoing behavioural and educational disparities aggravated by the pandemic have added immensely to the pressure teachers face. As a consequence, many educators are leaving the sector entirely:

A National Education Union survey found 44% of its members plan to leave education within the next five years, with workload and feeling undervalued being the most common reasons.⁶

This issue of retention is complicated by structural barriers to recruitment caused by the major disparity in the demographic size of the cohort of students currently starting secondary school compared to that of trainee teachers entering the workforce. While 4.3 million people were born in England and Wales from 2008 to 2013, only 3.7 million were born from 1997 to 2002, making recruiting enough teachers to meet the growing number of students all-the-more challenging.⁷

'I have often wondered what would happen if I said I cannot cope with this anymore! ... I am sure I won't last until retirement age with the current workload and stress I feel.'

Ewan, carer

'My workload is never-ending, and no matter how much time I have it never seems to be enough...I absolutely love teaching and working with young people, I am passionate about making a difference, but I am tired...I know I can't keep this up.'

Laura, teacher

Discount schemes as part of the solution

A number of independent providers offer discount schemes to key workers in the health, social care, and education workforces. These schemes aim to help workers plug the gap left by the increasing cost of living, whilst thanking and rewarding them for continuously going above and beyond.

Retailers up and down the country enthusiastically support such targeted discount schemes as they help them to show their appreciation for key workers. Doing good in this way is not only seen as the right thing to do, but it's also good for business. High street and online retailers offer key workers discounts on their products and services as a way of saying thanks for their selfless contributions to society.

For two decades, Network has been providing schemes such as Health Service Discounts, Discounts for Carers, and Discounts for Teachers. It is Network's aim to ensure that as many eligible healthcare workers, carers, and teachers as possible are aware of the available discount schemes and use them to make their money go further.

Network's schemes are free to join and free to use. Members can save money simply by purchasing whatever they need through easy-to-use online platforms or in-store. The discounts include over 1,200 leading brands, covering every major category of household expenditure from groceries to utilities and everything in between.

Network also operates a cashback card called 'Ode', giving members further substantial savings when they spend at over 70 of the country's biggest national retailers including major supermarkets.

Whilst many members become aware of discount schemes at work, either through word of mouth or related social networks, such schemes are not often officially endorsed or systematically communicated by employers. This means that many staff aren't benefitting to the same degree as their colleagues.

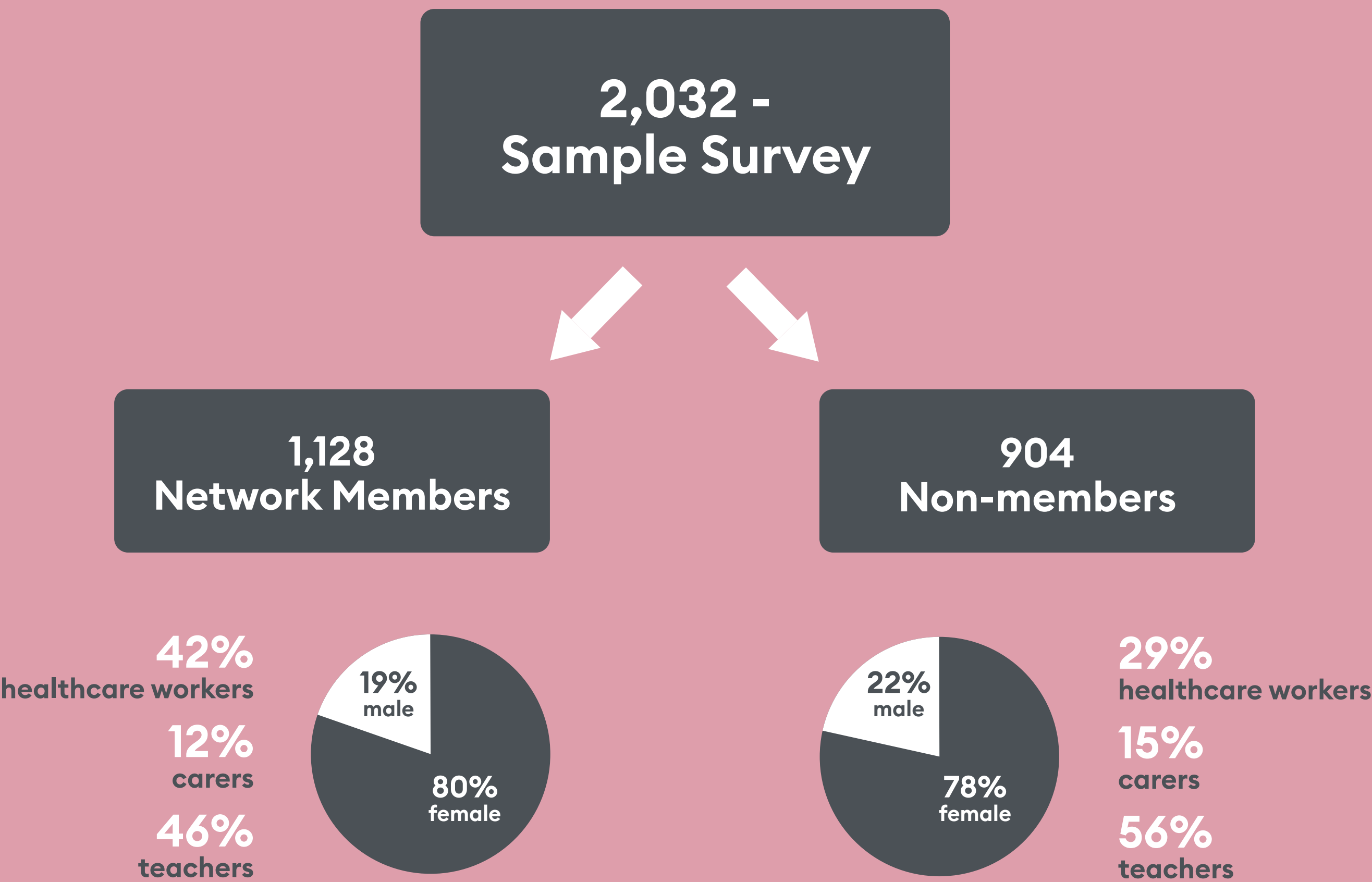
Examples of participating brands...



Primary research to understand the impact of discount schemes

To better understand the impact that discount schemes have on employees' quality of life and attitudes towards their job, Network surveyed 2,032 healthcare workers, carers, and teachers.

The responses of employees who are members to a Network discount scheme were compared to those who are not, and **the impact is substantial in every regard.**



The impact on cost of living

Across all categories combined, members are saving an average of **£188.50 a month.**

That's £2,262 a year - the equivalent of giving the average nurse a 7% annual pay rise

Members' Monthly Savings :
(average of those who spend in each area)

£22.10
on transport /
travel

£17.80
on gas / electric
/ utility bills

£37.40
on holidays

£21.60
on groceries

£15.50
on mobiles
/ tv

£28.20
in all other
areas of
shopping

£24.10
on car / home /
life insurance

£22.00
on
entertainment



Real life benefits



Rhian, a teacher, drove a car that was very old, but always shied away from purchasing breakdown cover because it was **too expensive**.

Through **Discounts for Teachers**, she was able to get 40% off AA breakdown cover, and two months later when her car broke down, AA came to her assistance and allowed her to get home safely:

'It was such a relief because without the deal through Discounts for Teachers, I would have either had to find somewhere to stay overnight as well as somehow afford the cost of a mechanic...The whole day would have become so stressful and I wouldn't have been able to afford food or rent for the month.'

The impact on quality of life

91%
of Network discount
scheme members say
the scheme affords
them a higher quality of
life than would
otherwise be possible.

'Discounts For Teachers really affects my wellbeing and arguably my quality of life, because it means I can afford to treat myself.'

Jacqui, teacher

'There is a feeling of excitement, pleasure, and happiness coupled to buying products and services on discount. It reduces the feeling of guilt...The impact this has on quality of life and wellbeing is enormous.'

Jackson, doctor

'It has allowed me to keep my finances within my monthly budget which really helps with [maintaining] my mental health.'

Kate, healthcare worker



The impact on recruitment and retention: engagement

The benefits of having a highly-engaged workforce are clear: Gallup's global employee engagement meta-analysis of over 2.7 million employees found that organisations with top quartile employee engagement are more successful in a number of ways compared to those in the bottom quartile, including having **31% lower turnover, 81% less absenteeism, and 16% more productivity.**⁸



Our survey measured employee engagement across a range of 11 aspects, which respondents were asked to rate on a scale from 0 to 10:

- Happiness going into work everyday
- Motivation to perform to their best ability
- Feeling valued by their employer
- Overall job satisfaction, as well as satisfaction with:
 - Pay
 - Other benefits (not salary)
 - Opportunities for development and progression
 - Fulfilling and engaging work
 - Work-life balance
 - Job security
 - Feeling part of a team

Network members are 23% more likely than non-members to be an ‘engaged employee,’* with members providing higher ratings across all measures except pay.

*An ‘engaged employee’ is defined here as one who rates at least eight of the aspects at 7 out of 10 or higher.

A more loyal workforce

As more engaged employees, Network members feel a heightened sense of loyalty towards their employers (and their sector) as a direct result of the discount scheme, despite it not currently being formally advertised in many workplaces. This loyalty also translates into greater advocacy of their workplace to others:

46% of members feel more loyal towards their role/sector due to their access to the discount scheme, a figure which further increases to **54%** among Ode card members.

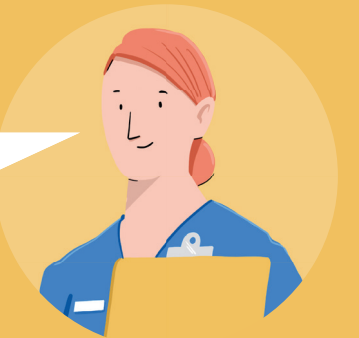
Members are also **37%** more likely than non-members to recommend their workplace to others.⁹

Many of the Network members we spoke to clearly connect their access to and gratitude for the discounts to their employer and sector:

‘I feel I ‘owe’ it to my job and manager to have had the opportunity to join the discount scheme. This opportunity motivates me to do my job.’ –*Janette, carer*



‘I feel that it’s one of the benefits I get from work, but also my sector.’ –*Kendall, healthcare worker*



‘In my 25 years of teaching, this is the single biggest perk I’ve known!’ –*Katie, teacher*

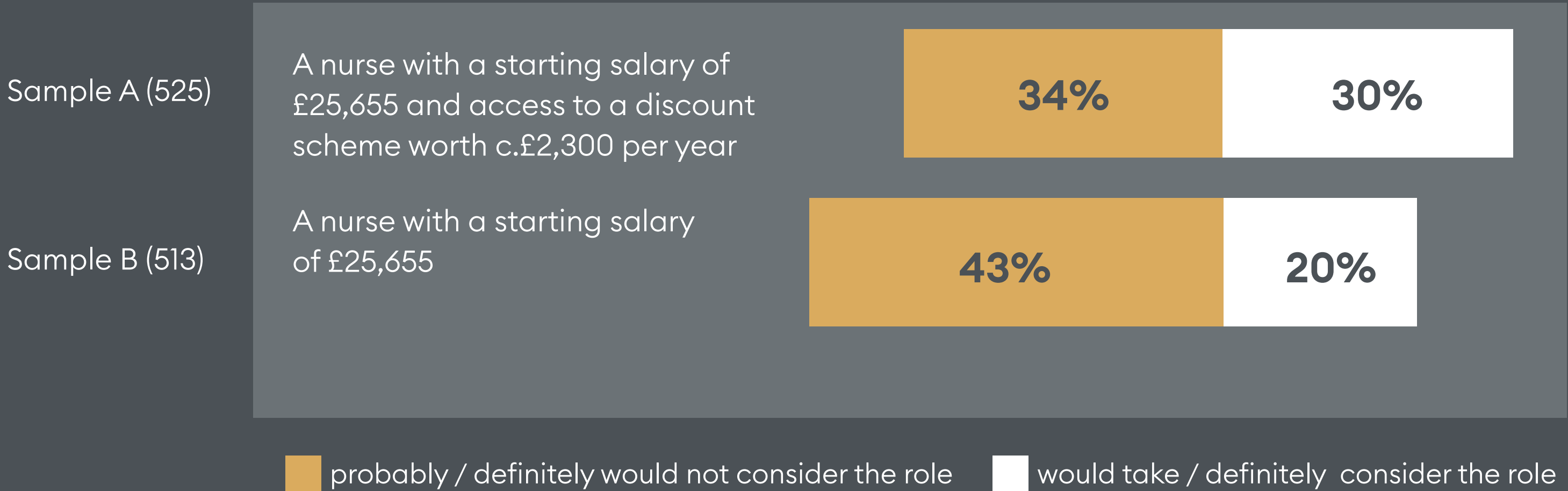


And a wider pool to recruit from

To fill the increasingly large number of staff vacancies in these sectors, compelling incentives are needed to drive recruitment. The significant discounts that schemes like Network provide to healthcare workers, carers, and teachers can be highlighted to attract new talent to these sectors—with a considerable impact on recruitment:

In a blind test, the promise of ‘access to a discount scheme worth c. £2,300 per year’ makes respondents 50% more likely to say they would take or definitely consider taking a nursing role:

Imagine you were starting out in your career, to what extent would you consider the following role?



A happier workforce

Health workers, carers, and teachers who are members of a Network discount scheme are also happier in their jobs than non-members, allowing them to better enjoy delivering the essential services they provide every day.

**Members are
10% happier
going into work
every day than
non-members.**



‘Not only does it make me feel good but I have used the discount scheme to help my own health and wellbeing by purchasing sporting equipment and a gym membership.’ – *Alex, healthcare worker*

‘The impact of the discounts gives me peace of mind, which is good for my wellbeing and quality of life and alleviates the worry of the cost of items which I do need to purchase.’ – *Suzy, carer*



‘Being a member of the discount scheme does influence my attitude towards my job; it makes me feel a lot happier about my job and it makes me feel supported and as if my job is important and I do matter to people.’ – *Maria, teacher*



A more motivated and valued workforce

One of the main drivers of staff turnover is employees feeling that their work is not adequately valued: analysis published in the MIT Sloan Management Review demonstrates that 'a failure to recognise employee performance' is among the top predictors of turnover."

Discount schemes offer a free way for employers (and by proxy, the Government and taxpayers) to let healthcare workers, carers, and teachers know that they are appreciated, and to ensure their sacrifices do not go unnoticed.

Network discount scheme members feel 7% more valued by their employers compared to their non-member counterparts.

'Receiving the discount makes me feel like someone appreciates the work that we are doing on a daily basis.' *—Charlotte, teacher*

'I feel very grateful that we are finally being noticed as valued members of society.' *—Greg, carer*



More confident that their work will be truly appreciated, **members are also 8% more *motivated* to perform their job to their best ability than non-members.**

'Discounts for Teachers is a huge motivator and makes me feel like my job is valued in society and what I do matters, is important and is enough.' *—Caroline, teacher*



'It gives me motivation and the energy to get up in the morning because I have less worry about finances.' *—George, healthcare worker*

The opportunity

As demonstrated by the data in this report, Network discount scheme membership is associated with:

- Tangible savings on key items that contribute to a higher quality of life overall;
- Increased likelihood to consider a frontline job, and;
- Higher engagement with work across the board, leading to greater happiness, motivation, loyalty, and advocacy.

Based on these findings, Network proposes two principal recommendations that the Government should implement to ensure key workers across our vital frontline services are recognised and rewarded for their contribution to our society, at no cost to the taxpayer.

Whilst the presence of discount schemes is not a substitute for official salary increases, these recommendations will help the Government to supplement their current workforce strategies and drive forward recruitment and retention in these critical sectors.

Overarching support for discount schemes

A number of providers offer discount schemes to key workers, which aim to help plug the gap left by an increasing cost of living, whilst rewarding them for continuously going above and beyond in their daily working lives.

1. The Government should provide high-level support to discount scheme providers to ensure widespread endorsement and promotion to the health, social care, and education workforces. Network would like to see the valuable role of these schemes recognised at the Ministerial level across relevant Departments.

2. The Government should encourage employers to coordinate with discount scheme providers to offer appropriate forms of verification, as many eligible keyworkers are currently unable to take advantage of discounts because they cannot prove that they work in qualifying professions. Network is able to issue unique codes to all keyworkers via their employer, which will help to ensure that schemes can be accessed by as many legitimate beneficiaries as possible.

We have also set out a series of additional recommendations that are more specific on how policymakers from individual sectors can encourage the further uptake of schemes.

Health

NHS recruitment and retention has been a longstanding concern, exacerbated by the Covid-19 pandemic. The Government has pledged to include dedicated funding from the Health and Social Care Levy to address workforce issues and the NHS has set out a Long-Term Plan that includes specific people plans across all areas of the healthcare workforce.

3. All NHS Trusts should be required to mention discount schemes in their communications with employees, including initial correspondence with staff following their appointment.

4. The Government should ensure it consults widely with the health sector to identify specific issues relating to recruitment and retention. This will enable future workforce strategies to meet the changing needs of staff, which can also help to inform the approach taken by discount scheme providers.

The opportunity

Social Care

In the last two years, the Government has been working to support the existing adult social care workforce during the pandemic, and drive recruitment into a sector that has 150,000 vacancies and half a million extra job opportunities expected by 2035.¹²

5. The Government's Made with Care recruitment campaign has a vacancy and advice platform for prospective carers, as well as resources for employers. Network recommends that the Government promotes the discount and reward schemes available to carers through this employee platform, as well as via the resources and guidance directed at employers.
6. The current Adult Social Care: Covid-19 Winter Plan 2021-2022 provides guidance for local authorities, NHS organisations, and social care providers on how to take care of well-being at work. While these recommendations currently largely revolve around providers who offer upskilling tools and mental health hubs, Network recommends that the Government builds in discount and reward schemes within the relevant 'Workforce well-being' section of future plans.
7. The Government should work with local authorities, through the Local Government Association, to encourage the promotion of schemes to the entire local authority carer workforce.

Education

Despite the recent boost in trainee teachers in 2020-21, there are still a number of factors that will increase pressure on recruitment across education in the years ahead. The increase in initial teacher trainees is not likely to have reversed the shortages built up over the years, particularly in certain secondary subjects, and the number of pupils per teacher is predicted to rise.

As 39,675 FTE qualified teachers left the state-funded sector in the 12 months to November 2019,¹³ the Government must also ensure that staff currently in education are effectively rewarded to improve retention.

8. While there are financial initiatives to encourage teacher recruitment through bursaries and scholarships, Network recommends the Government also promote the discount and reward schemes available to teachers through the Get into Teaching platform.
9. As part of the Government's Teacher Recruitment and Retention Strategy 2019 and its commitment to attract up to 1.1 million people over the age of 25 into teaching, the Government should ensure that initial teacher training (ITT) providers promote discount schemes through the Find Teacher Training service.¹⁴

The opportunity

10. The Government's Teacher Training Advisers initiative should also direct applicants to Network's and other providers' discount and reward schemes to highlight the schemes available as they support and advise potential recruits through the application process.

11. Following the Government's suggestion that teachers should receive additional benefits from employers, Network recommends that discount and reward schemes form part of the Government's initiative to develop attractive 'local offers' with schools, MATs, and local authorities, as committed to in the Teacher Recruitment and Retention Strategy 2019.¹⁵

12. The Government should use the recommendations from the Independent Review of Children's Social Care to implement a workforce strategy for social workers and residential children's home staff. Part of this strategy should include the promotion of discount and reward schemes through local authorities and employers.

Any further questions please contact

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¹ Office for National Statistics, Consumer price inflation, UK: 18 May 2022, <https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/May2022>

² This data and all subsequently uncited data is from Network’s survey of 2,032 healthcare workers, carers, and teachers conducted between 17 March 2022 and 13 April 2022.

³ NHS Digital, NHS Vacancy Statistics England April 2015 – December 2021 Experimental Statistics, 13 March 2022, <https://digital.nhs.uk/data-and-information/publications/statistical/nhs-vacancies-survey/april-2015---december-2021-experimental-statistics>

⁴ The Health Foundation, Going into COVID-19, the health and social care workforce faced concerning shortages, 20 May 2020, <https://www.health.org.uk/news-and-comment/charts-and-infographics/going-into-covid-19-the-health-and-social-care-workforce-faced-concerning-shortages>

⁵ Skills for Care, The state of the adult social care sector and workforce in England, October 2021, <https://www.skillsforcare.org.uk/Adult-Social-Care-Workforce-Data/Workforce-intelligence/publications/national-information/The-state-of-the-adult-social-care-sector-and-workforce-in-England.aspx>

⁶ Tes Magazine, Nearly half of state school teachers 'plan to quit within five years', 11 April 2022, <https://www.tes.com/magazine/news/general/nearly-half-state-school-teachers-plan-quit-within-five-years>

⁷ Office for National Statistics, Births in England and Wales: summary tables, 14 October 2021, <https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/livebirths/datasets/birthsummarytables>

⁸ Gallup, Gallup Q12 Meta-Analysis, October 2020, <https://www.gallup.com/workplace/321725/gallup-q12-meta-analysis-report.aspx?thank-you-report-form=1#ite-321731>.

⁹ Based on those who rate their likelihood to recommend their employer to friends and family at a 9 or 10 out of 10.

¹⁰ Questions were asked to two demographically matched samples of 525 and 513 respondents, on 4-5 May 2022.

¹¹ MIT Sloan Management Review, Toxic Culture Is Driving the Great Resignation, 11 January 2022, <https://sloanreview.mit.edu/article/toxic-culture-is-driving-the-great-resignation/>

¹² Department for Health and Social Care, Adult social care campaign to build bigger and better workforce

¹³ House of Commons Library, Teacher recruitment and retention in England, Page 13

¹⁴ Department for Education, Teacher Recruitment and Retention Strategy, Page 33

¹⁵ Department for Education, Teacher Recruitment and Retention Strategy, Page 16