

## Written evidence submitted by The Health Foundation (RTR0124)

### About the Health Foundation

The Health Foundation is an independent charity committed to bringing about better health and health care for people in the UK. Our aim is a healthier population, supported by high quality health care that can be equitably accessed. We learn what works to make people's lives healthier and improve the health care system. From giving grants to carrying out research and policy analysis, we shine a light on how to make successful change happen.

The Health Foundation's **REAL Centre** (Research and Economic Analysis for the Long term) provides independent analysis and research to support better long-term decision making in health and social care. The Centre supports the Health Foundation's aim to create a more sustainable health and care system that better meets people's needs now and in the future.

### Key points:

- The NHS and social care need long-term, national plans to recruit, train and retain staff, and support sustainable workforce growth. Both sectors have challenges with high vacancy rates and staff turnover, low pay, lack of career structure, and burnout among staff. Co-ordinated action is needed from central government to address these, recognising the interdependency between health and social care.
- Migrant workers have long been vital to the UK's health and care workforce. Ethical international recruitment of NHS and social care professionals will continue to be important to ensure enough staff – enabled by supportive national immigration policy and regional coordination to account for different local need. But an accommodating immigration system alone will not solve workforce problems in health and social care.
- A range of factors drive staff to leave the NHS and social care, including dissatisfaction with pay, lack of career progression and training opportunities, poor work-life balance, low morale, competition from other employers (particularly in social care), and work-related stress and burnout. As well as offering better quality jobs, improving pay can be a powerful lever to attract people to work in health and social care and retain them.
- There are high levels of vacancies across the NHS and social care. The NHS had nearly 100,000 vacancies in September 2021 and social care averaged 105,000 vacancies in England in 2020/21.
- Nursing shortages are particularly acute. Registered nurse FTE vacancies account for nearly 40% of NHS vacancies. In December 2021, the vacancy rate for registered nurses in social care in England was 17.4% (versus 9.4% in the total workforce).
- General practice is under major strain. Our analysis finds that even with action to boost GP trainee numbers, the number of GPs in the NHS will fall short of demand and the government target of 6,000 additional GPs by 2024/25. More deprived areas also have fewer GPs than affluent areas, accounting for population need. Government should consider stronger central coordination of GP distribution.
- The Health and Care Bill offers an opportunity to put in place a system to support better workforce planning. The Health Foundation is supporting Baroness Cumberlege's

amendment to the Bill to ensure that England has robust, independent projections of the health and social care staff it needs, to help make shortages a thing of the past.

***What is the correct balance between domestic and international recruitment of health and social care workers in the short, medium and long term?***

***What can the Government do to make it easier for staff to be recruited from countries from which it is ethically acceptable to recruit, with trusted training programmes?***

Migrant workers have long been vital to the UK's health and care workforce. Over the past decade, the health and social care system has relied heavily on international staff – migration accounted for almost half of total workforce growth between 2009/10 and 2018/19.

The longer-term picture of migration is uncertain and likely to continue to be affected by Brexit, UK immigration policy, economic conditions, and uncertainty over travel restrictions. This is in the context of a growing shortage of health care workers globally: a shortfall of 18 million health workers is projected by 2030, primarily in low and lower-middle income countries. COVID-19 caused significant decreases in population movement globally, impacting the UK health and care workforce. For example, there was a sharp reduction in new registrations from nurses from outside the EEA between March and April 2020 (from 1,348 to 35), although the latest data from the Nursing and Midwifery Council (NMC) suggests that nurse recruitment from outside the EEA recovered strongly later in 2020 and 2021. The General Medical Council (GMC) has documented that over a third (34.5%) of registered doctors in the UK received their primary medical qualification in another country.

The post-Brexit immigration system includes an NHS visa, but makes it harder for health and social care providers to recruit staff from the EU. There has been a fall in numbers of people coming from outside the UK to work in care (likely due to both Brexit and the pandemic) – 1.8% of new starters in January-April 2021 had arrived in the UK in the past year, compared to 5.2% in the same period in 2019. The Health Foundation welcomes the recent addition of care workers and home carers to the Shortage Occupation List. And including these roles in the Health and Care visa will help reduce 'pull' from the health sector. Given how poorly paid social care work is, government could consider further exemptions from salary thresholds to mitigate the impact of immigration policy, until it acts to improve wages in social care.

The impact of any future reductions in international recruitment into health and care would be uneven, as proportions of non-British staff vary by role and region in social care and the NHS. According to Skills for Care, non-British nationals undertake 16% of all social care jobs in England, 37% of social care jobs in London, and 36% of social care nursing jobs. Ethical international recruitment of NHS and social care professionals will continue to be important to ensure enough staff – enabled by supportive national immigration policy and regional coordination to account for different local need for international recruits.

Nursing is the key area of workforce shortages in the NHS in England – registered nurses account for one in four full-time equivalent (FTE) jobs in the NHS hospital and community health services but one in two vacancies. To meet the government's target to increase NHS nurses by 50,000 by 2024/25 alone, the Health Foundation estimates that the NHS will need around 5,000 international recruits every year. Data from the Nursing and Midwifery Council (NMC) suggest that international nurse recruitment comfortably exceeded this number in 2020 and 2021, driven by an increase in the number of nurse registrants from outside the European Economic Area (EEA) – but the 50,000 target

will be insufficient to meet increased demand. In the longer term, undergraduate university degree courses represent the most crucial supply channel for new nurse recruitment to the NHS. There must be a more sustainable, long-term approach to recruitment of nurses and other staff in the NHS and social care. This should start with robust, independently verified projections of future workforce demand and supply.

An accommodating immigration system alone will not solve workforce challenges in the NHS and social care. The health and social care system also needs a long-term, national strategy to recruit, train and retain staff in the UK, and support sustainable workforce growth.

Links to relevant Health Foundation work:

- [Building the NHS nursing workforce in England: Workforce pressure points](#) (Dec 2020)
- [Closing the gap: Key areas for action on the health and care workforce](#) (Mar 2019)

***What are the principal factors driving staff to leave the health and social care sectors and what could be done to address them?***

In 2019, our report with the King's Fund and the Nuffield Trust, [Closing the Gap](#), emphasised that a wide range of factors can drive staff to leave the NHS, including pay, career progression, job prospects, training opportunities, work-life balance, motivation, morale, flexibility at work, organisational culture and leadership. The report concluded that while pay is not the most important driver of leaver rates, it can be a powerful lever to attract people to work in health and social care and retain them there. It stated that staff decisions to leave are often a complex combination of the factors listed above.

[Closing the Gap](#) identified a lack of training and career-oriented preparation as being potentially important drivers of newly qualified staff leaver rates. It also emphasised that in the long term, achieving sufficient staffing levels was crucial to reduce the number of staff leaving due to high workloads that result in disillusionment regarding their ability to provide effective care.

More recent work on our [nurse supply modelling](#) project summarised the evidence on economic factors that affect nurse supply. This research concluded that apart from some estimates of the wage elasticity of nurse labour supply (the extent to which nurse labour supply changes in response to changes in nurses' earnings), the empirical literature in this area is relatively sparse. For the UK, the average of the available wage elasticity estimates was around 0.3. This points to nurse labour supply in the UK being relatively inelastic (less responsive to changes in earnings), with a 1% pay rise in the hospital and community sector possibly being followed by nurses' labour market participation increasing by around 0.3% in the short term. Some more recent studies highlight wage rates in alternative occupations and opportunities for career progression within the nursing profession as important drivers of nurse retention.

[Recent REAL Centre research](#) on nurses' earnings in the UK underlines the relevance of pay as a powerful driver of recruitment and retention. This research highlights the need for a re-examination of the NHS Agenda for Change framework, particularly in the context of pay progression, pay equity, targeted pay supplements, pension contributions and emerging divergence in NHS pay processes across the four UK countries.

The research also found little empirical evidence of the relative importance of non-wage drivers of nurse labour supply, although a recent [systematic review](#) provides strong qualitative evidence that these factors have a major impact on nurse retention. Job dissatisfaction is consistently reported as impacting on nurse turnover. Nurse workload, management style, empowerment and autonomy of

nurse jobs, promotion opportunities and work schedules contribute to turnover, job satisfaction and long-term retention.

In 2020, we commissioned the School of Health and Related Research (ScHARR) at the University of Sheffield to undertake a rapid evidence review (unpublished but available upon request) on the factors that motivate people to join or leave the adult social care sector. This review concluded that key variables influencing decisions to leave were: the poor public image of care work; low pay in relation to the demands of the job; work-related stress exacerbated by poor employment practices; and competition from other employers, particularly the NHS. Further, 'comfort factors' relating to the accommodation and premises in which people work, the availability of training and the amount of management support were found to exert a powerful effect in terms of retention.

The Health Foundation is also funding the University of Kent's ongoing research into **retention and sustainability in social care**. Their interim analysis suggests that **most turnover happens in the first four years of starting a job in social care**. Staff retention was positively linked to pay, age and tenure, and negatively linked to employment on casual contracts. Other job-related factors associated with turnover and intention to leave were role inflexibility, time pressures, job-related stress, burnout, and experiences of discrimination. These findings suggest that there is no silver bullet to solving problems with retention in social care. Improving pay and reward is essential but the sector must also offer better quality jobs and working conditions. Retention policies may need to target the needs of younger employees in particular. And supporting care providers to increase employment with guaranteed hours may improve staff retention rates.

To better understand how policy might support recruitment and retention in social care in alternative scenarios, the REAL Centre have recently commissioned research on a model of social care demand and workforce supply. This project, expected to run until October 2023, will aim to develop a modelling framework for producing reliable projections of future demand, workforce supply and output in social care in England. Following completion, we will use this model to explore the impacts of future policy changes or variations in the factors which influence the demand for care and care workforce supply.

Links to relevant Health Foundation work:

- **Closing the gap: Key areas for action on the health and care workforce** (Mar 2019)
- Derbyshire K, Cave S, Woodham E, Wildblood R, Shembavnekar N. Nurse supply model: a review of economic factors affecting nurse supply (Dec 2021)
- **Nurses' pay over the long term: what next?** (Nov 2021)

***Are there specific roles, and/or geographical locations, where recruitment and retention are a particular problem and what could be done to address this?***

In previous research, we have highlighted several examples of recruitment and retention problems varying considerably across regions and work areas in the NHS and social care:

- **Nursing:** In *Workforce pressure points*, we highlighted that overall trends in nurse supply numbers in the NHS hospital and community sector in England over the last decade masked significant variation across service areas. The latest **data from NHS Digital** show that over the 10 years to September 2021, only adult nursing and children's nursing saw increases in FTE nurse numbers, while there are fewer community, mental health and learning disability nurses than there were in September 2011.

Vacancy rates are one measure of staff shortages as they highlight posts that the NHS is funding but cannot fill. Across all staff groups, the NHS had nearly 100,000 vacancies in September 2021. Registered nurse FTE vacancies accounted for close to 40,000 (40%) of these. There is considerable variation by service area, with over a quarter of nursing vacancies (28%) in mental health. This is particularly concerning as COVID-19 is likely to have led to further demand for mental health services. Further, there is substantial variation in the registered nurse vacancy rate across regions. In September 2021, for example, while the overall registered nurse vacancy rate for England was 10.5%, the rate for London was 13.1% whereas that for the South West was 7.8%.

- **GPs:** Our analysis of GP supply in *Closing the Gap* found that even with a major focus on boosting trainee numbers, the number of GPs in the NHS would fall substantially short of demand and of the NHS Long Term Plan target of a net increase of 5,000 GPs. If staffing trends continued, the NHS in England would face a shortfall of 7,000 FTE GPs in 2023/24 and the shortfall would increase to 11,500 FTE GPs by 2028/29.

**Health Foundation research** shows that, adjusting for need, more deprived areas have fewer GPs per head of the population than affluent areas. We have analysed the impact of previous policies to encourage more equitable distribution of general practice staff (to be published in our forthcoming briefing on addressing the inverse care law in general practice). This analysis suggests that government should consider stronger central coordination and oversight of GP distribution in England, as part of a new comprehensive workforce strategy for general practice. Evaluation of attempts to incentivise GPs to practise in 'hard to recruit' areas in England is limited. **International evidence** is mixed but suggests that financial incentives may help recruit primary care doctors into underserved areas under certain conditions, and that those who complete their training in these areas are more likely to practise there.

- **Social care:** **Skills for Care data** on recruitment and retention trends in adult social care in England show that there is considerable variation across job roles and regions. In December 2021, the overall vacancy rate for the sector was estimated at 9.4%. The vacancy rate for registered nurses was particularly high at 17.4% while that for senior care workers was 6.8%. The vacancy rate for those employed in the local authority and independent sectors in London was 12.7% in December 2021 while that in the North West was estimated at 7.3%.

There is also considerable variation in social care staff turnover by job role. **Skills for Care data** show that the overall staff turnover rate for 2020/21 was 28.5% - this was much higher for care workers (34.4%) and registered nurses (38.2%) relative to senior care workers (17.4%) and personal assistants (18.2%). The data also point to some regional variation in staff turnover. The 2020/21 turnover rate for those employed in the local authority and independent sectors in the South East (32.1%) was considerably higher than in the North East (25%).

Links to relevant Health Foundation work:

- **Building the NHS nursing workforce in England: Workforce pressure points** (Dec 2020)
- **Closing the gap: Key areas for action on the health and care workforce** (Mar 2019)
- **Level or not? Comparing general practice in areas of high and low socioeconomic deprivation in England** (Sep 2020)
- Forthcoming briefing on addressing the inverse care law in general practice (Jan 2022)

***What should be in the next iteration of the NHS People Plan, and a people plan for the social care sector, to address the recruitment, training and retention of staff?***

A fully funded workforce strategy for the NHS and social care is long overdue. The *NHS Long Term Plan*, and the *Interim NHS People Plan*, both recognised the need to address workforce challenges. However, the subsequent *We are the NHS: People Plan 2020/21* did not set out how existing shortages would be addressed in the medium term. In the absence of government clarity regarding how much funding will be available to expand and support the NHS workforce in the coming years, further detail is unlikely to follow until later in 2022.

Our research highlights gaps in our understanding of the factors which drive recruitment and retention in the workforce as a whole. There is a strong need for well-researched workforce modelling which can facilitate analysis of policy impacts in the medium to long term. This is a primary focus for the Health Foundation's *REAL Centre*. Recent *REAL Centre research on nurses' earnings* in the UK underlines the relevance of pay as a powerful driver of recruitment and retention. *Closing the Gap* also made recommendations for better financial terms and contracts and emphasised the importance of non-financial factors such as work-life balance, organisational culture and leadership and career progression.

While the NHS does at least have a short-term workforce plan, there has been no corresponding plan for social care, which has suffered from decades of political neglect. The recent *People at the Heart of Care white paper* recognised the many workforce problems in social care, including persistently high vacancy rates and staff turnover, lack of career structure, and poor mental health and burnout among staff. But the white paper's 'workforce strategy' provided very little in the way of solutions to these problems.

As it continues work to reform the sector, government must address these problems in a people plan for adult social care. It is insufficient to rely on individual organisations to address the workforce problems in the sector. Co-ordinated action is needed from central government, recognising the interdependency between the health and social care workforce.

Improving pay and reward for social care workers must be a priority. This will require additional funding. Not accounting for the latest spending review or the health and social care levy, *the Health Foundation estimated* that additional funding for social care of around £14.4bn a year would be needed by 2030/31 to meet demands from an ageing population, improve access to care and allow local authorities to pay care providers more to improve the quality of care. This level of funding would enable providers to increase pay for staff. Funding must be accompanied by action to support better pay in social care. Under the current system it is left to individual local authorities to develop initiatives to incentivise higher pay (for example through contracting) or for individual care providers to pay higher rates. There is not currently a national pay scale for social care as exists for the NHS.

This winter continues to be incredibly challenging for people working in social care and the NHS. Increased staff stress and burnout levels are concerning. Measures to support the longer-term mental health and wellbeing of health and social care staff are essential.

***The Health and Care Bill 2021-2022***

Alongside immediate action and leadership to nurture and grow the workforce, now is the time to set systems in place to avoid major workforce shortages in the future. England needs to plan for the long term based on an objective, independent understanding of how many staff the health service needs. The Health and Care Bill offers an opportunity to put in place a system to support better workforce planning.

Along with over 80 health and care organisations, the Health Foundation is supporting **Baroness Cumberledge's amendment to the Bill** which would ensure that in future England has robust, independently verified projections of the health and social care staff the country will need, to help make shortages a thing of the past.

Our Director of Research and the REAL Centre, Anita Charlesworth, proposed this amendment to the Bill during an **evidence session** with the Committee as part of its workforce burnout inquiry. We are calling for the Bill to require the Secretary of State to, lay a report to parliament, at least once every two years, describing the system in place for assessing and meeting the workforce needs of the health, social care and public health services in England. Crucially, this report would include an independently verified assessment of future health, social care and public health workforce numbers based on the projected health and care needs of the population for the following 5, 10 and 20 years, consistent with the Office for Budget Responsibility (OBR) long-term fiscal projections.

The OBR predicts likely healthcare spending by projecting healthcare activity, taking into account demographic changes and other factors such as the changing cost of healthcare, impact of technology and rising prevalence of certain health conditions. This amendment asks for the published assessments of future health and care staff numbers to be consistent with those OBR projections and the assumptions tied up in them. It provides a mechanism to understand how many staff will be needed to deliver the healthcare activity that the OBR estimates we will carry out in future.

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