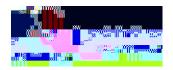


Royal College of Nursing expectations of HM Treasury Spring Statement 2022

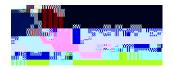
With a membership of almost half a million registered nurses, midwives, health visitors, nursing students, health care assistants and nurse cadets, the Royal College of Nursing (RCN) is the voice of nursing across the United Kingdom and the largest professional union of nursing staff in the world. RCN members work in a variety of hospital and community settings in the NHS and the independent sector. The RCN promotes priorities for nursing and patient safety, works closely with wider professional bodies and trade unions, and lobbies governments and other bodies across the UK to develop, influence and implement policy that improves the quality of patient care.

1. Introduction

1.1. The 2022 Spring Statement comes at a crucial time for Health and Care services in the United Kingdom(UK). The pandemic continues to underline the importance of good he-2()8(c)-2(ru)5(c)-2(i)8(a)-2(l)8Tf1 0 0 0.000008pimporta(leo)-3(t)14(he1*(o)-3(n6)8(lt)3(e)6

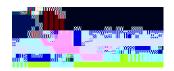


1.4. In England, the Health and Care Bill is nearing the end of its passage through the House of Commons. The Bill will enact significant reform of health services and

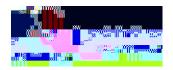


- 2.4. The UK Government must respect the democratically agreed devolved settlements and ensure the devolved governments are included in the development and distribution of the SPF, Levelling Up Fund and Community Ownership Fund.
- 2.5. Nations across the UK have different populations, differing degrees of rurality and affluence and therefore have different health and care needs. As UK funding is distributed via the Barnett Formula, all new public spending in devolved areas should necessitate a transfer of consequential funding.
- 2.6. The current cycle of one-year budgets hinders long term planning. Moving to multiyear budgeting would enable devolved governments to make progress on issues such as workforce planning and transformation. For example, this was set out in the New Decade, New Approach Agreement in Northern Ireland but this has not yet been implemented.

2.7.

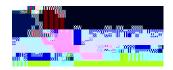


- 3.5. This is already evident in the NHS registered nurse vacancies in England. The most recent NHS Vacancies data shows that there are currently 39,652 (10.3% vacancy rate) vacancies in the registered nursing workforce in the NHS in England.* Over the course of the last two years the pandemic has further highlighted the fragility of our health and care systems across the UK. Including a significant lack of strategy and preparedness, particularly in terms of workforce resources.
- 3.6. Evidence demonstrates how registered nurse staffing levels directly impact the safety and quality of patient care, including decreased patient mortality and reduced hospital admission.xi
- 3.7. Analysis of data from around 3,000 registered nurses working in hospitals in England showed that for every additional patient per nurse (e.g. increased nurse workload) there was a 9% reduction of time for discussing patient care and a 3% increase in reported loss of care information during shift changes. A study on sepsis care revealed that each additional patient per nurse was associated with the patient being 12% more likely to die in hospital. These studies demonstrate the vital link between nurse staffing levels and safe and effective patient care.
- 3.8. The UK Government is pursuing the Conservative Party's 2019 General Election Manifesto pledge to recruit 50,000 more FTE nurses in England by 2024. **Despite this commitment, the forecasting or modelling underpinning this goal has not been made transparent. The recently published programme update does not provide assurance that the 50,000 target reflects actual workforce requirements, now or in the longer term.**Yet currently, in the context of widely reported and understood vacancies and an increase in the number of nurses leaving the register, there is no shared credible understanding of the workforce shortages and the increasing demand in population need for health care. There is no holistic health and care workforce plan in England, which severely limits the ability of the system to plan for and supply the necessary registered nurses needed to ensure safe and effective patient care, for now or in the future.
- 3.9. Many of the interventions needed to respond to drivers affecting workforce planning such as increasing acuity and complexity of healthcare needs in the population are far beyond the scope of local or regional structures. Therefore, health and social care systems require UK Government intervention and investment to respond to the needs of the population.
- 3.10. In recognition of the unprecedented pressures COVID-19 has added to the NHS, the government have announced several packages of additional funding for the NHS in England, including a £36billion investment to tackle the NHS backlog of elective care, funded by the new Health and Social Care Levyxvi. However, without a specific commitment of funding to address staffing shortages across the health and care workforce, recovery from COVID-19 will be impossible and the crisis facing our health and care system will remain. It is critical that the Spring Budget dedicates funding to workforce supply, recruitment, and retention through a fully funded workforce strategy.

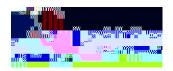


4. Fair Pay for Nursing in support of retention

- 4.1. Investment is needed to support short and long-term workforce planning and to improve recruitment and retention of staff. At the heart of this necessary investment must be a significant pay rise, which reflects the commitment and contribution of health and care professionals and addresses years of underfunding. This pay rise must be fully funded and must not force a trade-off between staff numbers and a meaningful pay uplift. There must be parity of pay, terms, and conditions for all nursing staff, regardless of employer.
- 4.2. The RCN is therefore calling for a substantial and restorative pay rise, above inflation, to address the nursing workforce crisis and the long-term suppression in the value of nursing pay. We have submitted evidence to the NHS Pay Review Body (PRB) urging them to recommend a restorative pay increase of 5% above RPI (Retail Price Index) in England, Wales, and Northern Ireland. A pay award at this level is an essential down-payment to restore lost earnings and will set an example for what nursing staff at independent health and care employers should receive too.
- 4.3. We have called on the PRB to recommend a substantial pay award that will:
 - 4.3.1. Ensure that nursing and other NHS staff can cope with rising and rapidly fluctuating costs, which may change significantly over the pay year.
 - 4.3.2. Begin restoration of 'lost ground' against inflation as part of an overall commitment to pay restoration, within a clear timetable, with 2022-2023 seeing a significant 'down-payment'.
 - 4.3.3. Eliminate the impact of increases to pension contributions.
 - 4.3.4. Eliminate the increase in National Insurance contributions.
 - 4.3.5. Benchmark the bottom of the structure against the Real Living Wage.
- 4.4. We also expect the PRB to emphasise the necessity of full and effective implementation and maximisation of the NHS Agenda for Change (AfC) terms and conditions, by employers, to retain existing staff. There are a number of reasons that fair pay for nursing staff is crucial now

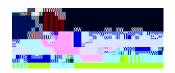


4.7. The RCN repeats its assertion made to the Pay Review Body in the last pay round, that a 'substantial pay rise for NHS staff will not only help to redress the chronic underinvestment in the workforce but will provide a virtuous circle effect within a wider economic stimulus programme, serving to boost the whole economy.' As shown in the modelling undertaken by London Economics**viii, a significant pay rise would result in an increase in income tax and National Insurance contributions, as well as multiplier effects from extra spending of disposable income to the wider economy. This creates both further indirect and induced employment gains in other sectors. NHS organisations are major employers in many towns and cities, and directly and indirectly support skilled jobs in health di.



unable to carry out these necessary home visits – with chronic conditions potentially worsening and complications being missed.

- 4.13. District and Community nursing is already an area of nursing facing severe staffing shortages. The latest data from NHS Digital shows that in November 2021 there were 3,900 district nurses working for the NHS in England, a 44.7% fall from the 7,055 in post in 2009.**
- 4.14. The reimbursement of car usage costs was included as an element of the NHS Agenda for Change arrangements in 2004. The current framework and rates of payment for work-related travel, including for those providing care in the community, was re-

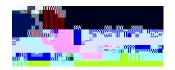


recover from the 2015 Spending Review which cut 60% of the Health Education England (HEE) budget for Continuing Professional Development for nurses (from £205 million in 2015/16 to £83.49 million in 2017/18). In contrast, the 'future workforce' postgraduate medical and dental budget was increased by 2.7% in 2017/18. **xiii* This is a significant and unfair disparity between the nursing and medical professions, which must be reconciled.

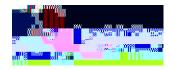
- 5.3. The Government announced an increase of £150 million in the CPD budget for NHS-employed nursing, midwifery and allied health staff in the 2019 spending round.* This represents only a £30million funding increase over the 2015/16 levels, despite years of staff growth, under-investment in professional development and inflation. This funding was not provided to all NHS-funded nursing staff, nor did it include staff in publicly funded social care and public health services. Furthermore, RCN intelligence indicates that this money has not consistently been invested in meaningful professional education opportunities. The Government must go further and develop a strategic approach to the levels of CPD required and fully fund it accordingly.
- 5.4. RCN members call for ring-fenced funding for CPD for all nursing staff, in all health and care settings and sectors, alongside pay progression and career development opportunities. Funding must be based on modelling of future service and population-based need, as well as the correctly identified skill mix and establishment required.

6. UK nursing supply- investment in nursing higher education

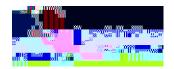
- 6.1. Every country across the UK will need to substantially increase their registered nurse workforce supply to put our health and care system and the nursing profession on a sustainable footing. The UK Government has a particular requirement to address nursing supply via higher education in England as policy has not generated the increase in supply intended, which is impacting not only on England but on the whole of the UK.
- 6.2. In the 2015 Spending Review, the Government reformed the way that nursing higher education was funded and planned in England. Formerly, the Government paid the fees directly to universities and gave modest bursaries to students to support their study. The 2015 reforms moved from a centrally commissioned model to a 'market led' model where students pay their own fees, primarily through student loans, and, until recently, received no living grant support from the Government.
- 6.3. The stated aim of these reforms was to increase the number of people studying nursing by 25%. ** However, from 2016 to 2020 there were three years of lower nursing admissions and acceptances. Our analysis of data from the Universities and Colleges Admissions Service (UCAS) specifically looking at nursing courses leading to registration (and not wider professional nursing courses) shows that the number of applicants to pre-registration nursing courses in England decreased by 18% (8,295 fewer applicants between 2016 and 2020).
- 6.4. In 2020, the government introduced a maintenance grant of £5,000. Using that same UCAS data we saw the number of accepted applicants rise in 2020. The 2020 intake



- population. As of September 2021, there were 131,640 international nurses registered on the Nursing and Midwifery Council register. xxxi
- 7.2. It is vital that any international recruitment is conducted ethically in line with the UK and Global Codes of Practice and is part of a transparent government strategy to grow and develop a sustainable healthcare workforce.
- 7.3. Currently, health and care employers are required to pay the Immigration Skills Charge (a fee of up to £5,000) when hiring an internationally educated individual. Medium or large sponsors are required to pay a fee of £1,000 for hiring an international health care worker for the first 12 months of their visa. This fee reduces to £500 every six months after that for the duration of their visa. Prior to January 2021, employers only had to pay the ISC for those from outside the European Economic Area (EEA). However, following the UK's exit from the European Union, the ISC now applies to those from within the EEA too^{xxxii}.
- 7.4. It is the RCN's view that these high fees are untenable for a system already facing significant financial pressure and are at odds with the UK Government's current drive to recruit internationally educated nurses. NHS England's Delivery plan for tackling the COVID-19 backlog of elective care includes a target to recruit more than 10,000 international nurses within this financial year¹. The health and care system must not be faced with these unjust fees for safely staffing their services.
- 7.5. The Immigration Health Surcharge (IHS) is an annual charge that most visa holders and their families must pay in order to access NHS services. In May 2020, it was announced that health workers (and their dependents) who are eligible for the Health and Care Worker visa would be exempt from paying the IHS. The Government announcement to add care workers to the Health and Care Worker visa is positive as it ensures that those arriving through this route will be granted automatic exemption.
- 7.6. Those under the Health and Care Worker visa must continue to be exempt from the IHS, to recognise their contribution and value to the UK. This was an unfair fee as health and care staff were already contributing to our health care services through their work and national insurance and tax contributions.
- 7.7. However, the RCN remains concerned that it is not automatically applied for nursing staff working outside of the Health and Care Visa. It is the RCN's view that all registered nurses whether they are in the UK on a sponsored-visa or alternative route should be treated in the same way and be automatically exempt from having to pay and then apply for reimbursement of the IHS.*** The RCN also remains concerned by reports from some members that they are not receiving the reimbursements they are entitled to.
- 7.8. The RCN is also concerned that unaccommodating migratory policies and policy development by the Home Office run the risk of forcing international staff to choose to leave the UK prematurely. The RCN is particularly concerned that the 'no recourse to public funds' condition applied to migrant workers is a key disincentive to retention and another example of failing to recognise the value and contribution of internationally educated nursing staff.

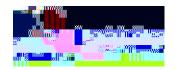


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Urgent Review of Fuel Mileage policies: An urgent and early review of NHS mileage rates and for NHS employers to provide immediate additional payments to support staff.

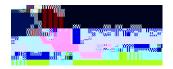
International workforce: Remove arbitrary financial barriers to international recruitment throughout the UK by ensuring that health and care employers are exempt from the



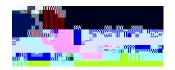
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