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 health and wellbeing for enabling people and communities to prosper. A healthy population translates to a healthy, productive workforce and is vital for a strong economy. The pandemic has shown all too clearly how inequalities, poor health and fragmented, under-resourced health and care services have reduced our resilience and capability to deal with shocks. The UK Government's 'Levelling Up' White Paper has acknowledged that regional health inequalities remain an entrenched problem.[i] The primacy of the nursing workforce in improving health and reducing inequalities necessitates significant and concerted action to strengthen and support our nursing workforce and to address numerous priority issues for our population's health and wellbeing.

1.2. The impact of the pandemic continues to affect delivery of health services. Over six million patients in England are waiting for elective treatment and the government have confirmed they expect this number to grow before it comes down.[ii] These delays in treatment, in part caused by an insufficient number of health professionals, are leading to a growing acuity and complexity of health conditions amongst the population, which are set to have lasting effects on demand for health and care services. The ONS have also published a report that up to 1.5million people are self-reporting 'long covid' symptoms and affected physical or mental health consequently[iii]. The scale and severity of additional long-term demand on the health service in relation to 'long covid' is still unknown.

1.3. The cost of living is rapidly rising, the latest measure for inflation using the Retail Price Index is 7.8%. This is compounded by the effects of the war in Ukraine, an increase in taxes, including a national insurance rate rise, increasing interest rates and a lift on energy price caps set to be introduced in April. Although the full impact of these rises is still unclear, they may have significant implications on health and care. Including by increasing the costs of service provision, real terms wage losses resulting in challenging nursing staff recruitment and retention and increasing demand for health and care services, as members of the public are forced to make difficult economic choices which may impact their health.

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 integration between health and social care. However, although introducing structural changes which will improve co-operation within health and care services, major challenges around accountability for long term planning and funding remain unaddressed. The UK Government has also made commitments to level up the UK and address inequalities. In England, the Government has a stated aim to promote collaboration, integration and focus on prevention, population health and reducing disparities through the Health and Care Bill.[iv]

1.5. The Government has progressed plans for nursing recruitment and retention, with the goal to reach 50,000 additional FTE nursing staff across the health service in England by 2024. However, the government's own legislative and fiscal approach across departments is creating barriers toward meeting this target. Including strict visa conditions for Nursing staff from overseas, a faltering approach to higher education funding and an austere attitude toward public sector pay. The government, in its own report on progress toward this target, has also published the scale of nurses projected to leave the health service by 2024 as 92,000, nearly one third of the total NHS nurse workforce. This demonstrates the very significant challenges that exist with nursing staff retention.

1.6. However, against this backdrop very little has changed in terms of investment for the nursing workforce since the 2021 Comprehensive Spending Review. Our members continue to call for urgent need for action by the Government on the following areas.

2. Four nation funding and the Barnett Formula

2.1. Countries across the UK have benefitted greatly from the European Union (EU) Structural Funds which funded allocations designed to support economic development and reduce disadvantage between regions and countries in Europe. Following the UK's departure from the EU, the UK Government proposed a UK Shared Prosperity Fund (SPF) which they pledged would 'at a minimum match to the size of the structural funds in each nation'.[v] The SPF has since been rebranded as the Community Renewal Fund (CRF) for a 2021-2022 pilot which will make £220m available UK-wide to pilot approaches to the longer-term SPF.[vi] The Fund will run on a competitive basis between local authorities across the UK.

2.2. In the 2020 Spending Review, the UK Government announced details of its UK-wide Levelling-up Fund and Community Ownership Fund, which will also use the financial assistance powers of the UK Internal Market Act. The Levelling-up Fund will also be based on competition between local authorities across the UK.

2.3. Finance Ministers from the devolved governments in Scotland, Wales and Northern Ireland have issued a joint statement to register their shared concerns about the UK Government's decision to bypass democratically agreed devolution settlements. Favouring instead to deliver the Levelling Up and Community Renewal Funds through direct communication with local authorities.

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 multi-year 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. The RCN recognises improved transparency from the Exchequer on consequential funding as a result of spending announcements. This applies in particular to ring-fenced funding intended for workforce, including for pay rises, in any NHS-funded services. Including GP-provided primary care and other independent providers.

2.8. The RCN calls for greater transparency from the UK Government over the method used for establishing funding for the devolved administrations. This must include the impact of UK Government funding announcements which impact the devolved nations. The RCN also calls for funding allocations that accurately reflect the level of investment required to deliver effective policy and funding for each nation.

3. Nursing workforce recruitment and retention UK

3.1. Nursing staff shortages across the UK were already severe, sustained and unresolved prior to the pandemic. The scale of the issue continues to be of serious concern, with nursing vacancies high – currently around 47,000 within the NHS across the UK.[vii] Therefore, the UK Government must take steps to invest in UK nursing supply, without over-reliance on international recruitment, which is unsustainable and potentially unethical.

3.2. The most recent data on the number of nurses leaving the UK nursing register shows that the number of leavers has increased compared to the same period in previous years, with an 11.3% increase in the number of nurses leaving the register between 2020-2021.[viii]

3.3. The 2021 RCN employment survey[ix] - completed by registered nurses, health care support workers, students and nursing associates working across all areas of health and social care – found almost six in ten respondents (56.8%) are considering or planning on leaving their current post. Intention to leave was strongest among nursing staff working in NHS hospital settings, and the main reasons given for thinking about leaving were feeling undervalued and experiencing too much pressure.

3.4. These factors suggest there will likely be a continued increase in the numbers of nurses leaving the UK register over the next few years.

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.[x] 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.[xii] 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.[xiii] 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.[xiv] 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.[xv] 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 Levy[xvi]. 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, which we set out below.

4.5. Inflation is now at the highest level seen since 2008 and the causes of higher prices are clear – higher demand for goods has met bottlenecks in supply chains, while the biggest contributor is higher fuel costs. Supply side constraints and energy shortages are therefore driving price increases, indicating 'cost-push' rather than 'demand-pull' inflation.

4.6. The 2021-22 pay award of 3% failed to compensate for a decade-long period of pay stagnation and has been outstripped by rising costs. The annual inflation rate (RPI) for 2021 reached 4.1% meaning, the 2021-22 pay award represents a real terms cut in wages for nursing and other NHS staff. By December 2021, the 2021-22 pay award had resulted in a real terms loss of £336 in annual salary[xvii] for an NHS worker employed at the top of Band 5, where the majority of registered nurses sit. Inflation is forecast to continue to grow over the next few months meaning the continued shrinking of nursing staff's pay packets. The 2022-23 award must consider current and projected inflation, higher energy costs, and higher pension and National Insurance contributions.

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[xviii], 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 and social care and through supply chains. Investment in our social infrastructure therefore produces system wide gains through a short-term economic boost, as well as contributing to longer-term goals.

4.8. In the short term, NHS staff, like the communities which they serve, are facing significant financial pressures with the most significant forecast rise in household costs in recent times. This includes increases in gas and electricity prices which Ofgem has confirmed will rise when the energy price cap is lifted by 54% from 1 April 2022[xix]. Changes to National Insurance contributions and proposed pension contributions will also hit pay packets in 2022. We have set out our opposition to both changes because, combined with rising inflation, these pose a triple threat to take home pay and the standard of living of our members.

4.9. Analysis by London Economics[xx] shows that against the background of wage stagnation across the UK economy in recent years, nursing has fared worse than a range of other professions as a result of successive below inflation pay awards. The London Economics' analysis of nurses' earning levels, using the UK Labour Force Survey, highlights two main effects that have led to the erosion of living standards.

4.10. Firstly, low pay increases have seen nurses' real terms pay decrease to a greater extent than many other occupations and therefore, between 2015 and 2019, slipped down the income distribution list from the 63rd to the 58th percentile. Over this time, as average earnings across the economy experienced low growth, nurses faced both an erosion in the value of earnings and a substantial erosion of their relative income against other workers. Secondly, this slippage in income distribution has meant that they have experienced a higher-than-average level of inflation compared to other workers, so staple purchases made by nurses are now relatively more expensive.

4.11. The cumulative impact of decade-long wage stagnation, combined with soaring cost of living pressures, points to the need for a significant above inflation pay uplift as the core of a package of measures to address the Nursing workforce crisis. Without urgent action more nursing staff will be lost, patient safety will be further compromised, and the NHS will be unable to recover.

4.12. Fuel prices have risen sharply with the measure for petrol and oil showing an annual increase of 23.9% for the last year. This is having a real and detrimental impact on thousands of nursing staff across the country. RCN members working in the community are reporting the cost of filling up their cars has risen by as much as £100 a month. Staff caring for patients in their own homes and other community settings predominately use a personal vehicle to travel to and from visits with some driving hundreds of miles a week. Patient care may be impacted if nursing staff are

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.[xxi]

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-negotiated in July 2014 but has not increased since. Those on NHS Agenda for Change (AfC) contracts, or with AfC mileage allowances in their contracts, can claim 56p per mile for the first 3,500 miles per year and 20p for each additional mile. The NHS Staff Council reviews mileage rates twice a year in April and November. The official trigger for a change in NHS mileage rates is a 20% increase or decrease in motoring or fuel costs over a 12-month average – however it could take months for the average to equalise with the recent spike in costs. The RCN is calling for an urgent review of fuel allowances due to the surge in prices and forecasts which suggest this may intensify further in 2022.

4.15. Petrol prices are up 25.0 per cent against a year ago while diesel prices are up 23.1 per cent over the same period, with pump prices last month standing at 145p per litre for petrol and 149p per litre for diesel[xxii].

4.16. Unless allowance rates are changed rapidly Nurses be forced to make impossible decisions about milage and whether it is feasible for them to stay within the service. With the cost of living rising generally, this acute issue is hitting Nursing staff who are already suffering a real terms pay cut. With many nursing staff already contemplating leaving the profession, this extra cost pressure will only harm retention of staff if left unresolve.

4.17. This issue must be addressed urgently, to lessen the impact on staff working in the community and the patients that they serve. The RCN is calling for an urgent and early review of NHS mileage rates and we are calling for NHS employers to provide immediate additional payments to support staff at this time.

5. Continuing professional development- in support of retention

5.1. Formal and ongoing higher education during a nursing career enables registered nurses to develop their careers and expertise, become specialists in both acute and long-term conditions such as cancer, respiratory, cardiac, and a variety of others, as well as design, lead and deliver innovative care models to meet changing population needs. Career development is critical to keeping professionals supported within the workforce, essential for ongoing safe and effective practice, and for career progression; all of which contribute to retention.

5.2. However, investment in nursing professional education has never been sufficient or aligned with the ambitions of the health and care service in England and is yet to

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. [xxiii] 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.[x] 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.[xxiv] 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%. [xxv] 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

saw an increase in the number of applicants and acceptances between 2019 and 2020 of 18% (5,800 more applicants) and 27% (5,215 more accepted applicants) respectively. [xxvi]

6.5. A recent report from Health Education England (HEE) and UCAS states that in 2021, as a result of the pandemic, the number of nursing applicants rose significantly to 48,110; 25,105 of whom were placed on nursing courses at English universities (a 1.2% increase compared to the number of placed students in 2020). [xxvii] We expect the number of applicants to decrease and the 26 January deadline UCAS applications data would seemingly confirm this. [xxviii] Between January 2021 and January 2022, the number of applicants to nursing courses at English universities decreased by 8.3%, from 36,410 to 33,410. We expect the 2022 whole cycle data to continue with this trend.

6.6. Consequently, using UCAS's data and considering the impact of the pandemic, our assessment is that the nursing application rates show that when students are offered more financial support, they are more likely to apply for nursing courses. This suggests that the reintroduction of the £5,000 maintenance grant (up to £8,000 in limited circumstances) may be a necessary and effective way to increase new recruits.

6.7. The annual living grant introduced in September 2020 has also demonstrated a clear link between financial support and retention. In response to our recent survey of RCN student members, 81% of respondents who received the living costs grant for all their course were less likely to have considered dropping out compared to 62% amongst those who only received the grant for some of their course, and 67% who were not eligible for the grant at all. [xxix]

6.8. The RCN therefore continues to call for the Government to implement the following in England:

- 6.8.1. Fund tuition fees for all nursing, midwifery, and allied health care students
- 6.8.2. Introduce universal, living maintenance grants that reflect actual student need
- 6.8.3. Reimburse tuition fees or forgive current debt for all nursing, midwifery and allied health care students impacted by the removal of the bursary

6.9. The RCN commissioned London Economics to model the illustrative costs of the first two of the above policy changes with two different costed models to demonstrate that there are a number of options for delivery, including those which promote retention, and to demonstrate the affordability of government funding of nursing tuition fees. These models are outlined in our 2020 policy report: Beyond the Bursary. [xxx]

7. International Workforce

7.1. Internationally educated nursing staff have always played a vital role sustaining the UK's health and care services, and in improving the health and wellbeing of the

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 year[1]. 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.[xxxiii] 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.

[1] NHS England (2022) Delivery plan for tackling the COVID-19 backlog of elective care

7.9. Preventing individuals from accessing public funds is unnecessary and can bring financial hardships, as well as significant risks to that person and their families' wellbeing. The COVID-19 pandemic has also brought about financial challenges for many and has brought into starker focus the necessity of access to public funds to support basic standards of 10 living when hardship occurs. There is a further risk that staff may feel that they have no choice but to stay in employment or domestic situations which might cause them physical or psychological harm.

7.10. Nursing staff already contribute to the welfare system through national insurance and taxes, and therefore must be granted equal and fair access to public funds. Accessing public funds is essential to alleviate financial hardship and is a human right that all should be able to access. The UK Government must end this policy and allow individuals without Indefinite Leave to Remain (ILR) to access public funds where necessary.

7.11. As an immediate resolve to this issue, the Government should consider implementing automatic Indefinite Leave to Remain (ILR) for all international health and care staff. Granting ILR would be a public, positive step to recognise the commitment of internationally educated colleagues and their value to the NHS and social care. It would also ensure that overseas staff who already pay their taxes and national insurance contributions are able to access public funds in time of hardship.

8. Social Care Funding and workforce planning in England

8.1. In England, social care services have experienced years of underfunding, despite increased population demand. This has led to widespread unmet needs, a high level of complexity of care being delivered by services, and recruitment and retention issues in the social care workforce.

8.2. Demand for social care services is increasing and will continue to do so in the coming decades. The population aged over 65 in England is projected to increase by 49 per cent (to 14.9 million) by 2040[xxxiv] and the fastest increase will be seen in the 85 years and over age group. In mid-2016, there were 1.6 million people aged 85 years and over (2% of the total population); by mid-2041 this is projected to double to 3.2 million (4% of the population).[xxxv]

8.3. The ageing population will have a profound impact on social care with the numbers of older people projected to need care and support services – whether publicly or privately funded – growing from 657,000 in 2015 to nearly 1.2 million by 2040.[xxxvi]

8.4. As funding pressures have increased, in the context of rising demand, many local authorities have had to raise the threshold for people accessing care. This means that often only those with the most severe and enduring care needs are able to receive support. For many people this leaves families and carers filling the gaps of care services. People may also be likely to turn to other frontline services such as general practice or A&E when they need support; placing additional pressure on already stretched health services. Some councils have reported that they are failing to meet their statutory adult social care duties due to high vacancy rates and staff turnover.

8.5. It is widely acknowledged that the COVID-19 pandemic has exacerbated problems within social care, highlighting the gaps within the care system but also the interdependencies between health and social care and the importance of coherence and collaboration across the system.

8.6. Nursing staff bring considerable insight and expertise to the social care sector, including knowledge of infection prevention and control procedures. Supporting people to manage their health and social care needs is key to a good quality of life and nursing staff help service users and their families to achieve the outcomes that matter to them.

8.7. An October 2021 Skills for Care report showed that the number of nurses working in social care in England has declined by 6% between 2019/20 and 2020/21, and 33% since 2012/13.[xxxvii] The workforce challenges faced by nursing in social care create challenges for service provision and means that individuals are more likely not to have their needs met.

8.8. District nurses also play an essential role in not only acute, complex and end-of-life care, but also in preventative care that supports older people to maintain independence and manage long-term conditions. If there are insufficient numbers of district and community nurses, then hospitals may not only need to delay discharging patients but will also see increases in admissions and readmissions. Understaffing increases the pressure on the district nursing workforce, which in turn causes more nurses to leave and thus increases the demand-capacity gap.[xxxviii]

8.9. The Government's 'Build Back Better' plan set out the ambitions for several new interventions and policies, the most significant of which is the 'health and care levy' national insurance tax and dividends tax increase.[xxxix] The RCN is concerned that nursing staff working in social care will be amongst the hardest hit by the upcoming increase in national insurance. In the context of rising costs of living, this may further exacerbate the nursing workforce retention crisis in social care.

8.10. The RCN is concerned that both the Build Back Better plan, and the Social Care White Paper[xl], published in December of 2021, lack sufficient detail about how the social care system will be reformed to address the underlying issues affecting the quality, access to and availability of social care, including how the Government will ensure that a sufficient workforce is in place to deliver safe and effective services that meet demand.

8.11. The White Paper does not go far enough to address the systemic workforce issues within the social care system, specifically a lack of commitment to a fully funded social care workforce strategy, nor is there a transparent rationale as to how the £500m figure committed has been calculated to address workforce requirements to meet the needs of the population for social care provision.

8.12. The RCN is clear that addressing workforce challenges will require a fully costed and fully funded workforce strategy covering all parts of the health and care workforce. As we have noted a number of times above, the workforce strategies

must include overall supply, as well as staffing levels, skill mix and professional education.

8.13. The announcement of new and additional funding for social care is welcome. However, it is vital that funding and provision is based on a robust and transparent assessment of population needs. Furthermore, it must be sufficient to provide fair pay, terms and conditions for all nursing staff. Investment levels must also fund staffing for safe and effective care in all social care settings. Funding should consider wider health promotion and prevention, which nursing staff are key to, and which can allow earlier identification and intervention for individuals.

8.14. There is a need for additional, sustainable and long-term investment in the social care sector, a recognition within service planning for people of all ages, and an opportunity to keep couples and families together. Specific attention should be given to learning disability services, mental health services and the needs of both older people, and children and young people within social care. The RCN is calling for a long-term funding settlement for social care in England, based on a robust assessment of population needs

9. Prevention and public health funding in England

9.1. Even before the unprecedented public health crisis of COVID-19, England was facing significant public health challenges. Improvements in life expectancy have stalled,[xli] and people are spending more of their lives in poor health.[xlii]

9.2. There are significant and growing inequalities in health: for people in the most deprived areas of England, life expectancy has declined and people in are living shorter lives with more time spent in poor health.[xliii] The COVID-19 pandemic – both the disease and the measures adopted in response to it - have had a disproportionate impact on different population groups, and the pandemic has exposed and exacerbated existing inequalities.[xliv]

9.3. The COVID-19 pandemic has underlined the importance of having a strong public health system to deliver an effective response to public health threats and shocks and to protect people's health. Public health services are vital for preventing ill health, improving people's health, reducing health inequalities, and protecting people from health threats.[xlv] Investing in public health is cost-effective, can reduce pressure on the wider health and care system, and contribute to wider sustainability, with economic, social and environmental benefits.[xlvixlvii]

9.4. The UK Government has stated its support for improving public health and reducing health inequalities in England.[xlviii] In the recently published 'Levelling Up the UK' White Paper,[xlix] the UK Government committed to the ambitious mission of narrowing the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest by 2030, and by 2035 HLE will rise by five years. It also committed to the mission of (by 2030) improving well-being in every area of the UK, with the gap between top performing and other areas closing. The UK is also committed to achieving the Sustainable Development Goals (SDGs) by 2030. The SDGs include a range of public health targets including reducing mortality from

Non-Communicable Diseases through prevention and treatment, ensuring universal access to sexual health services and strengthening prevention and treatment for alcohol and substance abuse.[l]

9.5. However, so far these commitments have not been matched by action or investment. Funding for local authorities to deliver public health services was cut by 24% (equivalent to £1bn) on a real term per capita basis since 2015/16.[li] The RCN, along with a significant number of organisations and experts, has consistently called on the Government to introduce a long term, increased and sustainable funding settlement for public health and at a minimum, for public health funding to be restored to 2015 levels.[lii] It is therefore disappointing that the Government only committed to 'maintain public health funding in real terms' in the 2021 Comprehensive Spending Review,[liii] and the recent confirmation of the public health grant for 2022/23 showed only a 2.81% increase on the previous year's grant.[liv]

9.6. The RCN has also highlighted concerns about the formula for public health funding allocations: while each local authority has the same requirement to commission and deliver public health services for its population, the formula for public health funding allocations does not take sufficient account of hidden areas of poverty and health inequalities and the costs of delivering services in, for example, rural areas.[lv] There are significant funding variations across England, and cuts to public health funding have been disproportionately higher in the most deprived areas, where health needs are greatest.[lvi] This contradicts the stated aims of the "levelling up" agenda and exacerbates health inequalities further.

9.7. Nursing has a critical role in protecting and improving the population's health and preventing avoidable disease. Across all settings, nursing staff play a vital role in health improvement, promotion, and protection, including in primary care and community teams. Many nurses work in specialist public health roles across a range of services including school nursing, health visiting, occupational health, sexual and reproductive health, weight management, smoking cessation and health protection. Most of these services are commissioned by local authorities, funded via the public health grant, and have been severely impacted by the cuts. Trends in the public health nursing workforce in England since 2015 give serious cause for concern – the number of school nurses has decreased by 27% and there has been a 36.5% reduction in the number of health visitors.[lvii]

9.8. Achieving the levelling up missions of improving health and wellbeing and reducing inequalities will require sufficient increased funding for public health and prevention. This must include a long term, increased, sustainable funding settlement for public health services commissioned and delivered by local authorities to enable them to plan and deliver safe and effective services that improve and protect the health of their population and reduce inequalities.

9.9. The mechanism for allocating funding for local public health should be transparent, fair, and equitable. It should be:

9.9.1. Based on a robust assessment of population health needs (current and future), health inequalities and the resources (including workforce)

required to effectively improve population health, reduce health inequalities, and respond to COVID-19 and future threats; and

9.9.2. Assessed for its impact on health inequalities.

9.10. The most deprived areas of England where health needs are greatest, which have been disproportionately affected by the pandemic, should receive additional public health investment to level up health across the country and support an equitable recovery from the pandemic

9.11. Increased investment in public health nursing is needed to:

9.11.1. Ensure that prescribed local public health functions are carried out by sufficient numbers of appropriately qualified nursing staff with the appropriate skills, knowledge and competence

9.11.2. Ensure that the public health system is funded sufficiently to provide pay, terms and conditions of employment which are attractive to retain staff and enable public health nurses to access training, professional development, and support

9.11.3. Grow the public health nursing workforce by supporting and enabling more nurses to undertake specialist public health training.

10. Overseas Development Assistance

10.1. In 2021, the UK Government announced a cut to the Oversea Development Assistance (ODA) budget from 0.7% of Gross National Income (GNI) to 0.5% - as such ODA is predicted to fall by 23%[lviii]. The UK has cut ODA spending at a time when investment when investment in strengthening and building resilience of health systems across the world is needed more than ever.

10.2. Instead of reengaging on its existing commitments, The UK should be playing a leading role in addressing the global health workforce crisis and using its ODA to strengthen nursing and midwifery – in line with the WHO Global Strategic Directions on Nursing and Midwifery and WHO Europe Regional Roadmap[lix]. The UK Government must reinstate the spending commitment of 0.7% of GNI on ODA.

11. RCN Priorities for the 2022 Spring Budget

UK Government must:

Shared prosperity: Respect the democratically agreed devolved settlements and ensure the devolved governments are respected and included in the development and distribution of the SPF, Levelling Up Fund and Community Ownership Fund.

Barnett Formula: Provide greater transparency on how consequential funding is calculated, and transparency is also required for spending. This applies, in particular, to ring-fenced funding intended for workforce, including for pay rises, in any NHS funded services, including GP provided primary care and other independent providers.

Fair pay for nursing in the UK: A substantial, restorative, pay rise above inflation to address the nursing workforce crisis and the long-term reduction in the value of nursing pay. Specifically, a restorative pay increase of 5% above RPI (Retail Price Index) in England, Wales and Northern Ireland.

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 Immigration Skills Charge and the exemption for staff from the Immigration Health Surcharge is automatic for all nursing staff – regardless of their visa category.

Overseas Development Assistance (ODA): The UK Government must reinstate the spending commitment of 0.7% of Gross National Income (GNI) on ODA and invest in health system strengthening globally.[lx]

Government in England must:

Fully funded workforce strategy: Publish a fully government funded workforce strategy – including a fair pay rise for nursing staff, as part of an integrated approach alongside service and finance planning, to ensure that the health and care workforce skills and numbers are sufficient for safe and effective staffing levels in health and care. The strategy must:

- Ensure appropriate Government workforce planning, including equality impact assessments, and application of lessons learned from formal reviews and commissions into incidents, to ensure that the workforce is properly protected in the workplace;
- Identify measures to promote retention, recruitment, remuneration and supply of the workforce;
- Take into account the wider health and care labour market; include regard for, and the promotion of workforce health and safety, including provision of safety equipment and clear mechanisms for staff to raise concerns without fear of retribution.

Nursing education supply: Increase the supply of registered nurses through nursing higher education by increasing financial support and abolishing student-funded tuition fees, for all nursing students in England.

Higher nursing education: Commit sufficient and dedicated funding for CPD for all nursing staff, in all health and care settings, alongside pay progression and career development opportunities. Funding must be based on modelling of future service and population-based need, as well as the skills mix required.

Health inequalities: Improving population health and reducing health inequalities must be cross cutting government priorities. The Government must commit to a fully funded cross-governmental health inequalities strategy to address the social determinants of health, led by the Prime Minister.

Public health to meet the needs of the population: Deliver a long term, increased, sustainable funding settlement for public health services commissioned and delivered by local authorities in England, to enable local authorities to plan and deliver safe and effective services that improve and protect the health of their population and reduce inequalities.

Sustainable social care: Deliver a long-term funding settlement for social care in England based on a robust assessment of population needs.

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