

## Royal College of Nursing briefing for the Opposition Day Debate on NHS pay

Wednesday 13<sup>th</sup> September

### SUMMARY

- Pay is a critical factor in retaining and recruiting nursing staff. Since 2011 there has been a real-terms drop in earnings of up to 14% for nursing staff working in the NHS<sup>1</sup>.
- The pay cap is forcing nursing staff out of the profession. Those who do stay are overstretched and undervalued – this is having a profound and detrimental effect on the standards of care provided<sup>2</sup>.
- Two thirds of our members in the UK who responded to an Employment Survey said that they undertake work, such as bank and agency shifts, to make ends meet<sup>3</sup>. We know that high agency costs are crippling for the NHS. Ensuring nursing staff are paid fairly for the work they do will go some way to limiting agency spend.
- In March 2017, the decision to continue the 1% pay cap for NHS staff in England, Wales, Scotland and Northern Ireland represented another real-terms cut to pay. It means the gap between nurses' pay and the cost of living is getting even bigger, against a backdrop of rising inflation<sup>4</sup>.
- At our Congress in May, members gave a strong and clear message that the UK Government's policy on pay is not acceptable. A poll of more than 52,000 members working in the NHS across the UK revealed that 91% of members would take industrial action short of strike, with 78% saying they were prepared to strike if the pay cap was not lifted.
- As a result, our members held protests during the summer in more than 40 towns and cities across the UK. This culminated in a rally on Parliament Square on the 6<sup>th</sup> September 2017 where over 3,000 of our members called on the UK Government to scrap the cap on nursing pay.
- It is a political decision not to properly fund the NHS. This includes ensuring that the wage bill is properly funded further to the financial envelope the NHS currently receives. Our members are calling on the UK Government to remove the pay cap so that the NHS can retain and attract staff, resolve the nursing workforce shortage and deliver safe and effective patient care.
- The UK Government must provide additional funding to increase nursing pay. If the decision is taken to scrap the cap, funding a pay increase must not be taken from the existing NHS budget.

## CONTEXT AND DETAIL

Pay awards for NHS staff have been constrained by the UK Government's policy on public sector pay since 2011. This has resulted in a real-terms drop in earnings for nursing staff of between 9% and 14%<sup>5</sup>. Currently a 1% pay cap applies until 2019<sup>6</sup>.

Policy decisions, such as the reduction in the number of nursing degree commissions in England, stemming from a drive to cut public sector spending, together with significant reductions in the workforce supply, and the impact of the pay cap on recruitment and retention, is creating a perfect storm for the NHS. This situation is not sustainable. Budget savings achieved through pay restraint have made up the bulk of the UK Government's own efficiency-saving target for the NHS<sup>7</sup>. This has resulted in nursing pay falling way behind the cost of living and many nursing staff are now struggling to survive on their current pay packet<sup>8</sup>.

Furthermore, different decisions in each of the four countries about whether or not to implement the NHS Pay Review Body's recommendations in recent years mean that pay rates for the same jobs now differ in each country, adding to the sense of unfairness and lack of value among the NHS workforce, particularly in Northern Ireland where pay rates are behind the rest of the UK.

The argument put forward by some politicians that because the NHS pay system provides increments, this compensates for the cap on the annual cost of living award, does not take into account that increments reward experience, developing skills and competence over time. Increments are not automatic and can be withheld.

### Patient safety and the increasing demands on the existing workforce

Nursing staff are delivering care to the best of their ability, but our members are very worried that care is becoming unsafe. A drive towards saving money must not come at the expense of providing high-quality care to patients. Central to this is making sure we have enough nurses to deliver the care patients need and deserve, now and in the future.

Our members are telling us that services are struggling to cope without the staff they need. In England there is a shortage of around 40,000 nurses alone<sup>9</sup> while in Scotland the vacancy rates is 5.2%<sup>10</sup>, the highest number of vacancies ever reported. In Northern Ireland there is a shortage of over 1,200 nurses<sup>11</sup>. The Welsh Government does not publish national figures on nursing, however our research highlighted a shortfall of nearly 3,000<sup>12</sup>. This is coupled with the fact that one in three nurses are due to retire in the next 10 years and that there is a worrying lack of UK educated nurses to fill the imminent gap<sup>13</sup>.

UK nurses make up 85% of the nursing register<sup>14</sup>. In 2016/17, 29,434 UK nurses and midwives left the register, up from 19,818 in 2012/13, and 45% more UK registrants left than joined last year. This means that 20% more people left the nursing register than joined in 2016/17 – a never before seen rate of reduction<sup>15</sup>. The average age of those leaving the register has fallen from 55 in 2013 to 51 and of those who left in 2016/17, 2,901 were in the 21-30 age group, almost double the 2012/13 number.

A Nursing and Midwifery Council (NMC) survey of more than 4,500 nurses and midwives who left the register over the previous 12 months found that about half had retired. Among those who

had not, the top three reasons cited for leaving were working conditions, including staffing levels (44%), a change in personal circumstance, such as ill health (28%), and disillusionment with the quality of patient care (27%). Other reasons included leaving the UK (18%) and poor pay and benefits (16%).

The scale of the challenge facing the NHS nursing workforce cannot be ignored. This pressure will be greatly worsened by the future implications of Brexit and the continuing uncertainty over the supply of the nursing workforce, exacerbated by changes in funding for nursing education in England.

### The reality of working conditions for nursing staff

The public sector pay cap is forcing nursing staff out of jobs they love. Those who stay are overstretched and under pressure to do ever more with less. The cap stands in the way of recruiting and retaining the best in health and care. This is having a profound and detrimental effect on standards of care at a time when the NHS is already short of staff across every discipline.

Nursing staff are facing mounting challenges which include:

- Unprecedented increase in demand and patients with increasingly complex needs
- Chronic staff shortages in the workplace and intensified workloads, resulting in staff working additional unpaid hours, often without a break<sup>16</sup> and sometimes forced to leave care undone<sup>17</sup>
- Working unpaid overtime to ensure that good patient care is delivered

Pay is a factor exacerbating low morale. Loss of earnings has severely impacted on nursing staff's quality of life. Our members repeatedly tell us that they are struggling to pay the rent or mortgage and bills, and there are examples of nurses using foodbanks<sup>18</sup>. In our Employment survey, we found that:

- 30% have struggled to pay gas and electricity bills<sup>19</sup>, 14% missed meals because of financial difficulties<sup>20</sup>, 53% had been compelled to work extra hours to increase earnings and 32% are working extra night/weekend shifts to help pay bills<sup>21</sup>.
- 80% of respondents work unsocial hours; of those respondents, a third state that they do so sometimes and two thirds state that they do so regularly<sup>22</sup>.
- Two-thirds of respondents rely on unsocial hours payments to make ends meet, with a further quarter relying on them to help manage caring responsibilities and 18% rely on unsocial hours to pay for childcare<sup>23</sup>.

We know that burnout is high, and morale is low. Nursing staff tell us that they will leave the NHS, and there is a real risk that nursing is becoming too unattractive a career. This is echoed by nursing leaders. In a survey of Directors of Nursing across the UK, nearly three in five (57%) of respondents said that staff wellbeing has become worse over the past two years while four in five (82%) said their organisation's are dependent on the goodwill of their staff to keep services running<sup>24</sup>.

## UK Government misleading use of data

### ***UK Pay data***

We are concerned that the UK Government is using data in a misleading way to justify its continued policy of pay restraint. For example, the UK Government states that average earnings for registered nurses working in the NHS in England stands at around £32,200<sup>25</sup>. However, we know that the majority of nurses do not earn anything like that.

The £32,200 figure cited by the UK government is an average figure for all nurses employed on Agenda for Change bands 5 to 9. This average includes the highest earners – for example a band 9 nurse earns up to £99,437. Yet the majority of nurses are employed in band 5, where average earnings are around £26,360 – which includes basic pay plus all other payments such as shift pay working unsocial hours, overtime and high cost area supplements<sup>26</sup>.

In addition, the UK Government cite that nursing staff working in the NHS have better conditions than private sector colleagues, for example, access to a favourable NHS pension. However, the big issue is the decline in good private sector pensions rather than NHS pensions being too generous. The NHS pension scheme has changed fundamentally over the last few years; members are paying in more - an average of 9.8%<sup>27</sup> (ranging from 5% to 14.5%), and final salary arrangements for many have ceased while pension age has increased.

While the UK Government cites these two aspects as positive benefits for nursing staff, the facts are that nursing staff in the NHS are being short changed.

### ***Workforce supply in England***

Since May 2010, there has been just a 1% increase in the number of nurses and health visitor posts in the NHS in England across all hospital and community services<sup>28</sup>. This equates to nearly 2,700 additional posts. This disguises a reduction in headcount meaning that the increased capacity is being provided primarily by the existing workforce working longer, less flexible hours.

The UK Government regularly states that there are 15,000 extra nurses in England since assuming office in in 2010. However, this refers specifically to a nursing workforce increase of slightly more than 7% in England **acute hospital settings only**, and not including acute mental health inpatient care<sup>29</sup>. A similar increase is not seen in wider health and care settings in the community in England:

- 5,809 fewer nurses in community services since May 2010 (-15.1%)<sup>30</sup>
- 5,168 fewer nurses in mental health settings (-12.7%)<sup>31</sup>
- 2,023 fewer nurses in learning disabilities settings (-37.7%)<sup>32</sup>

As a result of the UK Government withdrawing their target to increase health visitors, we have also seen a 15.6% decrease in health visitor numbers (1,606 FTE posts) between October 2015 and May 2017<sup>33</sup>.

## Royal College of Nursing, September 2017

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- <sup>1</sup> Royal College of Nursing, *NHS Pay Review Body for the 2017*, September 2016
  - <sup>2</sup> Royal College of Nursing, *Beyond breaking point? A survey report of RCN members on health, wellbeing and stress, 2013*
  - <sup>3</sup> Royal College of Nursing, *RCN Employment Survey*, September 2015
  - <sup>4</sup> Office for National Statistics, *Inflation and price indices*, June 2017
  - <sup>5</sup> Royal College of Nursing, *NHS Pay Review Body for the 2017*, September 2016
  - <sup>6</sup> HM Government, *Guidance note: public sector pay and terms, 2016*
  - <sup>7</sup> The Kings Fund, *The NHS productivity challenge: Experience from the front line, 2014*
  - <sup>8</sup> Staff Side Evidence to the NHS Pay Review Body 2017/18
  - <sup>9</sup> Royal College of Nursing, *Safe and Effective Staffing: the Real Picture*, May 2017
  - <sup>10</sup> IDS Scotland, *NHS Scotland Workforce Information*, September 2017. Available [here](#).
  - <sup>11</sup> Information from the Department of Health in Northern Ireland, June 2017
  - <sup>12</sup> Royal College of Nursing, *Safe and Effective Staffing: the Real Picture*, May 2017
  - <sup>13</sup> Royal College of Nursing, *Labour Market Review: Unheeded warnings: health care in crisis*, September 2016
  - <sup>14</sup> Nursing and Midwifery Council, *Report on EU nurses and midwives with data at May 2017*, July 2017
  - <sup>15</sup> The overall number of leavers was 34,941, compared with 23,087 in 2012/13.
  - <sup>16</sup> NHS England, *2015 Staff Survey*, February 2016
  - <sup>17</sup> A cross-sectional shift of 'care left undone' in hospitals, *Journal of Advanced Nursing*, Ball JE, Griffiths P, Rafferty AM, Lindqvist R, Murrells T, Tishelman C, September 2016
  - <sup>18</sup> Royal College of Nursing, *RCN Employment Survey*, September 2015
  - <sup>19</sup> Royal College of Nursing, *RCN Employment Survey*, September 2015
  - <sup>20</sup> Royal College of Nursing, *RCN Employment Survey*, September 2015
  - <sup>21</sup> Royal College of Nursing, *RCN Employment Survey*, September 2015
  - <sup>22</sup> Royal College of Nursing, *RCN Employment Survey*, September 2015
  - <sup>23</sup> Royal College of Nursing, *RCN Employment Survey*, September 2015
  - <sup>24</sup> ComRes interviewed 90 Directors and Deputy Directors of Nursing at NHS Trusts in the UK between 24 January and 13 March 2017.
  - <sup>25</sup> NHS Digital, *NHS Staff Earnings Estimates to June 2016 - Provisional statistics, 2016*
  - <sup>26</sup> NHS Digital, *Monthly earnings of nursing staff by AfC band March 2009 to 2016, supplementary information files*
  - <sup>27</sup> NHS Business Services Authority, *NHS Pension Scheme - 2014/15 Tiered Employee Contributions, 2013*. Available [here](#).
  - <sup>28</sup> NHS Digital, *NHS Workforce Statistics - May 2017, Provisional Statistics, August 2017*
  - <sup>29</sup> NHS Digital, *NHS Workforce Statistics - May 2017, Provisional Statistics, August 2017*
  - <sup>30</sup> NHS Digital, *NHS Workforce Statistics - May 2017, Provisional Statistics, August 2017*
  - <sup>31</sup> NHS Digital, *NHS Workforce Statistics - May 2017, Provisional Statistics, August 2017*
  - <sup>32</sup> NHS Digital, *NHS Workforce Statistics - May 2017, Provisional Statistics, August 2017*
  - <sup>33</sup> NHS Digital, *NHS Workforce Statistics - May 2017, Provisional Statistics, August 2017*